4.

SUSTAINABLE DEVELOPMENT

4.1 CONTEXT OF THE SUSTAINABLE DEVELOPMENT APPROACH

4.1.1 Introduction

Tikehau Capital is defined by its entrepreneurial mindset. Our mission is to direct global savings towards solutions that create sustainable value for all stakeholders and accelerate positive change for society.

Tikehau Capital is committed to managing the savings entrusted to it by financial institutions, private companies, public bodies and individuals all over the world in a sustainable, efficient and responsible manner. These savings are invested by Tikehau Capital through tailor-made and innovative business financing solutions for companies.

The aim of creating long-term value, the cornerstone of the Group's strategy, leads the Tikehau Capital teams to provide financing and investment solutions, using equity or debt, that are tailored to the sustainability needs of companies, the lifeblood of the economy. Companies are selected on the basis of financial and operational data, as well as environmental, social and governance criteria. The consideration of the impacts of portfolio companies on society is an integral part of Tikehau Capital's approach and that of its employees, across all of the Group's business lines.

Building on its multi-local platform, Tikehau Capital finances the real economy [1] and provides vital support for businesses. Tikehau Capital aims to promote the development and growth of companies by offering them tailored financing solutions (either directly or *via* the capital markets), by investing in their capital, and by releasing financial resources through the purchase or financing of real assets such as real estate.

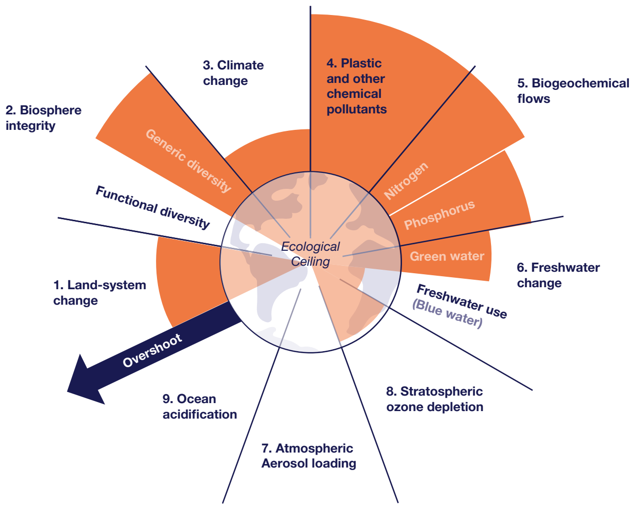
Through its Private Equity and Private Debt activities, Tikehau Capital contributes indirectly to maintaining and creating jobs. In 2022, more than 200 companies were financed by the Group through its Private Equity, Direct Lending and Corporate Lending activities.

The Group believes that a responsible investor is also a responsible employer and partner. It should be noted Tikehau Capital's social and environmental impact relates primarily to its investments and the responsible investing policy or environmental, social and governance ("ESG") investment policy underpins the Group's sustainability approach. Tikehau Capital calls its progress approach "Sustainability by Design" because it is fully integrated throughout the investment cycle.

The model of globalisation has favoured efficiency gains over resilience, global expansion over local engagement and economic growth over living beings. The crisis linked to the Covid-19 pandemic, the intensification of armed clashes, as well as the acceleration of global warming is a reality that forces us to leave our comfort zone and take into account potential shocks of a significant magnitude. To help solve these global issues more rapidly, Tikehau Capital launched an impact investing platform in 2020 informed by scientific reports.

Since 2009, the team of the Stockholm Resilience Centre (Sweden) has been working on the notion of planetary boundaries by modelling the nine main regulatory processes of the planet and the thresholds not to be exceeded to preserve the state of the planetary ecosystem. In April 2022, scientists published research demonstrating the breach of a sixth planetary limit, the change of fresh water ("green" water available in the soil for plants). This is in addition to the planetary limits already exceeded: (i) climate change, (ii) the integrity of the biosphere (loss of biodiversity), (iii) biogeochemical cycles (disruption of the nitrogen and phosphorous cycle), (iv) the change of the Earth system and (v) new entities (chemical and plastic pollution).

6th global limit exceeded out of nine



Source: Stockholm Resilience Centre

1) *The real economy refers to economic activities related to the production of goods and services or the construction and management of physical assets (real estate and infrastructure). Through its disintermediated investment strategies, Tikehau Capital finances companies and projects that seek to create long-term value.*

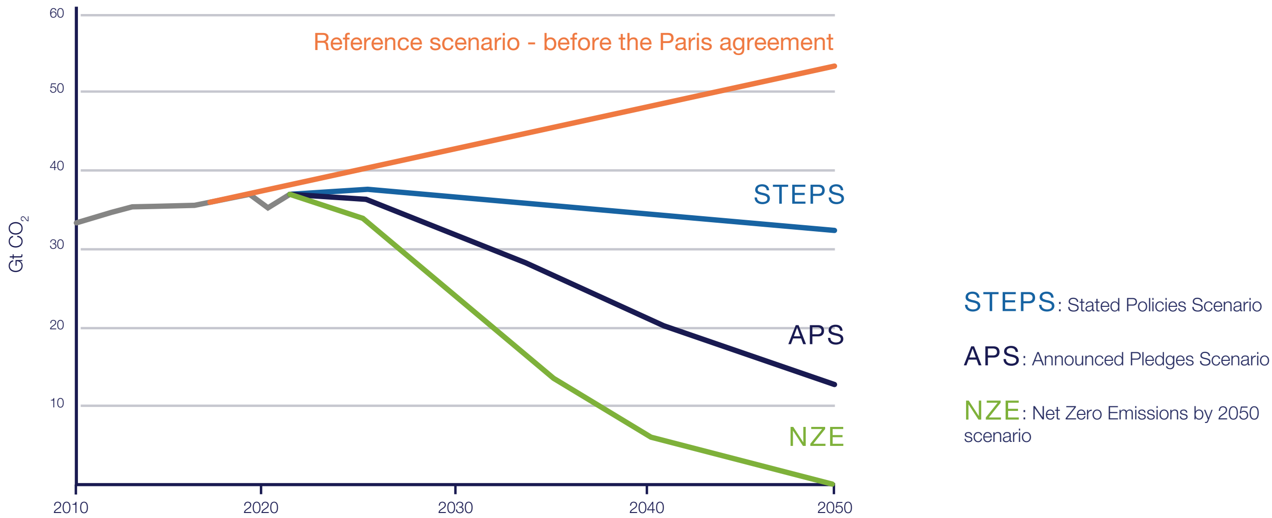
According to the Intergovernmental Panel on Climate Change ("IPCC"), global emissions of anthropogenic greenhouse gases reached 59 gigatonnes of CO_2 equivalent in 2019, around 12% above the 2010 level and 54% above the 1990 level.

Global greenhouse gas emissions, 2019 by sector

Source: adapted from IPCC, 2022

In August 2021, the sixth assessment report of the IPCC confirmed that the threshold of an average 1.1 °C global warming compared to the pre-industrial era had already been reached. Climate change affects all regions of the world and its impacts are intensifying. At the end of the 26th United Nations Climate Change Conference (COP26) held in Glasgow in November 2021, the United States and the European Union committed to achieving zero net emissions by 2050, China by 2060 and India by 2070. With 74 states committed (representing 80% of global greenhouse gas emissions), the majority of the world's population is linked to a net zero emission commitment. However, the World Energy Outlook (WEO) of the International Energy Agency ("IEA") estimates that, collectively, we are not acting quickly enough to slow the acceleration of climate change and limit the global average temperature rise to 1.5 °C.

Global CO_2 emissions over the 2010-2050 period by IEA scenario



Source : IEA

4.1.2 Non-financial reporting framework and applicable regulations

As a listed company, Tikehau Capital falls within the scope of Directive 2014/95/EU on the publication of non-financial information amending Directive 2013/34/EU (Non Financial Reporting Directive or "NFRD") and of the Taxonomy Regulation which governs the publication of information on the assessment of the sustainability of the economic activities of the companies falling in its scope of application.

The Company must therefore prepare a statement of non-financial performance in its management report (pursuant to the provision of Article L.22-10-36 of the French Commercial Code) and this Universal Registration Document includes considerations relating to both corporate social responsibility ("CSR") and the responsible investment approach. This statement must include: the business model, the main non-financial risks, the ESG policies implemented and the associated due diligence procedures, as well as the results of the policies and performance indicators. Tikehau Capital's business model is presented in the introduction to this Universal Registration Document.

Directive 2022/2464/EU (Corporate Sustainability Reporting Directive or "CSRD"), which is to replace the NFRD Directive from 1 January 2024, will strengthen the reporting requirements on information that makes it possible to understand the impacts companies have on sustainability issues (the "Principal Adverse Impacts") and the information that makes it possible to understand the influence of external impacts that may affect a company's business development, results and position. Applying a similar level of requirement to its own operations and investments, the Group voluntarily presents the principal adverse impacts of its operations (Group scope) in a cross-reference table (see Section 4.6 (Cross-reference table - PAI (Principal Adverse Impacts)) of this Universal Registration Document).

The Group's management companies fall within the scope of the SFDR Regulation. They are also subject to Article 29 of the Energy-Climate Law, codified in Article L.533-22-1 of the French Monetary and Financial Code, which complements and replaces the provisions of Article 173 of Law on the Energy Transition for Green Growth [1]. The Group proactively consolidates certain information for transparency purposes and strives to consider both the risks and opportunities related to sustainability factors and climate change ("Climate") in particular.

In addition, in line with the principles of the SFDR Regulation, the Group strives to improve transparency on the main negative externalities of its investments ("principle adverse impacts") and to consider different sustainable development objectives so as not to pursue an objective which risks causing harm ("do no significant harm").

The Group's non-financial performance statement also takes into account two other global sustainability reporting frameworks:

1. The Task Force on Climate-Related Financial Disclosures ("TCFD") standard, a working group on climate reporting led by the G20 Financial Stability Board. As of the date of this Universal Registration Document, information concerning the carbon footprint of investments was not yet available and will be published at a later date by the Group (see Section 4.9 (Cross-reference table - TCFD) of this Universal Registration Document).
2. The Sustainability Accounting Standards Board (SASB) standard, which provides companies with a grid of material sectoral indicators on ESG topics [2] (see Section 4.10 (Cross-reference table - SASB) of this Universal Registration Document).

A cross-reference table with the Global Reporting Initiative ("GRI") standard, a sustainable development reporting standard intended to be used by organisations to prepare reports on their impacts on the economy, the environment and/or society, will also be made available on the Tikehau Capital website.

1) *See the section (Publication of information on sustainability at the level of the Group's management companies, Statement on the main negative impacts of investment decisions on sustainability factors and Article 29 of the Energy Climate Law) presented on Tikehau Capital's website.*

2) *In August 2022, the consolidation of the Value Reporting Foundation and the Climate Disclosure Standards Board signed the delegation of the management and evolution of non-financial reporting methods to the International Sustainability Standard Board (ISSB). Under the aegis of the International Financial Reporting Standards (IFRS) Foundation, the ISSB aims to provide a foundation of sustainability reporting standards.*

4.1.3 Tikehau Capital's culture contributes to shaping the sustainable development policy

The Group was founded in 2004 by entrepreneurs from the financial sector and has since seen considerable growth in its activities. Today, it continues to develop while retaining its original *modus operandi*.

Entrepreneurship and the **alignment of interests** with its investor-clients, employees and the corporate partners in its portfolio form the basis of Tikehau Capital's development.

The Group has a **multi-local platform** and a **unique ecosystem of partners** and promotes an alternative vision.

These key areas help to structure the Group's sustainable development policy and the "Sustainability by Design" progress approach, integrated throughout the investment cycle.

What sets Tikehau Capital apart

ENTREPRENEURIAL MINDSET

- Entrepreneurial DNA
- Young and agile organization
- Culture of innovation

ALIGNMENT OF INTERESTS

- Interests strongly aligned with our clients-investors, shareholders and the management:
  - 79% of our own balance sheet invested alongside our clients-investors
  - The Group's management and employees hold 57% of the capital
- 20% of variable compensation linked to climate & human capital goals
- Share of carried interest linked to ESG targets for impact funds

MULTI-LOCAL PLATFORM

- Global and local presence in 14 countries in Europe, the Middle East, North America and Asia
- Diversity of profiles : 742 employees, 48 nationalities, 43% women*
- Large network of advisors in each of the asset classes we cover

ESTABLISHED NETWORK OF PARTNERS

- Partnerships with governments and large companies such as TotalEnergies (T2 Energy Transition) or Unilever fund and AXA Climate (regenerative agriculture strategy)
- International Advisory Board of World-Class Seasoned Experts

SUSTAINABILITY BY DESIGN

- Sustainability experts are assigned to our sales teams to ensure proximity, agility, refinement and integration of sustainability criteria at every stage
- Investments are examined on sustainability criteria as well as on economic criteria

As at 31 december 2022

4.1.4 History and recognition of Tikehau Capital's commitment

Since signing the United Nations-supported Principles for Responsible Investment ("PRI") in 2014, efforts have been deployed each year to improve the Group's approach to responsibility, both in terms of investments and in its relations with stakeholders. The last two years were marked by:

(i) the signature of the Net Zero Asset Manager ("NZAM") initiative in March 2021 and the announcement of a target of €5 billion in assets under management dedicated to climate and biodiversity by 2025,

(ii) the reinforcement of ESG and sustainable development governance with the arrival of Cécile Cabanis as Deputy Chief Executive Officer in charge of Group ESG/CSR, Human Capital and Communication and Brand Marketing,

(iii) the inclusion of ESG considerations in the Group's loans and bonds, and

(iv) the reinforcement of the Group's impact platform with new themes.

At the end of 2022, 65% of the Group's financing had an ESG component, which is an additional incentive to accelerate the "Sustainability by Design" and impact strategy [1]. In July 2021, the interest rate margin of the Company's syndicated loan agreement was indexed on three ESG criteria: (1) amount of assets under management dedicated to climate and biodiversity, (2) the feminisation of management, and (3) the alignment of interests.

The Group's approach is recognised by a variety of standards. Using annual reviews and comparison exercises with its peers, Tikehau Capital is able to identify potential areas for improvement and strengthen its approach. The Group as a whole is keen to apply a market-leading sustainability policy. In January 2023, Tikehau Capital was awarded two top-rated badges by the non-financial rating agency Sustainalytics for the second consecutive year.

1) *On 24 March 2021, the Group successfully completed the placement of an inaugural €500 million sustainable bond due 2029. This long-term bond is the first to be based on an allocation framework (Sustainable Bond Framework) which allows the Group to invest the proceeds of the issue directly in sustainable assets (social or environmental) or in sustainability-themed funds aligned with the Group's priority sustainable development objectives. A Sustainable Bond Allocation Committee has been set up and will meet annually before the anniversary of each issue.*
On 11 February 2022, Tikehau Capital announced that it had successfully set the terms of an inaugural private placement of $180 million on the US market (USPP). The proceeds of this financing are intended to be used in strict compliance with the allocation framework (Sustainable Bond Framework) implemented as part of the Group's first sustainable bond.

History of Tikehau Capital's commitment

2014-2015
- PRI signatory
- Responsible investing charter

2016-2017
- Proprietary ESG grid
- Dedicated ESG role
- 1st Sustainability report

2018-2019
- A+ PRI strategy & governance
- T2 Energy transition fund
- #1st impact report
- ESG committee
- 1st ESG label
- 1st Carbon footprint assessment

2020-2021
- A+ PRI
- Signatory of the Net Zero Asset Manager Initiative (NZAM)
- Launched impact platform
- Climate & Biodiversity target: €5bn by 2025
- 1st ESG ratchet in private debt (direct lending)
- BFI Excellence in ESG 2021 Winner
- Private Debt Investor Awards 2021
- ISS ESG
- 1st sustainable bond issue for €500m

2022
- Reinforce impact platform
- Climate & Biodiversity AUM*: €2.3bn
- 60% Of Group AUM in SFDR Articles 8 & 9 funds
- 20% Of variable compensation linked to climate & human capital goals
- ESG Industry Top Rated
- ESG Regional Top Rated
- Private Debt Investor Awards 2022
- Environmental Finance Sustainable Investment Awards 2022 Winner

Recognition of the Group's approach

PRODUCTS AND SERVICES LEVEL	
PRI Principles for Responsible Investment	➤ Signatory since 2014 ➤ Excellent ratings in the 2021 assessment report : 4/5 for "Investment and Stewardship" (replacing the Strategy & Governance module)
ESG LUXFLAG Label	➤ LuxFLAG (Luxembourg Finance Labelling Agency) ESG Label attributed to 10 main open-ended funds, 3 private debt funds and to Tikehau Special Opportunities
labelRelance	➤ "Relance" label of the French Ministry of the Economy, Finance and the Recovery attributed to 4 private equity funds: Ace Aero Partenaires, Brienne III, T2 Energy Transition and Tikehau Growth Equity II
Label ISR – Investissement socialement responsable	➤ SRI Real Estate Label of the French Ministry of the Economy, Finance and Recovery awarded to 4 real estate funds ➤ SRI Label awarded to Tikehau impact Credit and renewed for S.YTIC
GREENFIN LABEL France finance verte	➤ Greenfin label of the French Ministry of Ecological Transition & Territorial Cohesion awarded to Tikehau Green Assets

TIKEHAU CAPITAL GROUP LEVEL	
Bloomberg	➤ ESG Disclosure Score 2021 : 46.8/100, above the sector average
CDP	➤ CDP Score-Climate Change 2022 : B-
Gaïa Rating	➤ ESG Rating 2021 by Ethifinance : 70/100, above the sector average
ESG Industry Top Rated / ESG Regional Top Rated	➤ ESG rating 2021 : 11.6, representing a low risk In January 2023, Tikehau Capital was awarded the 'ESG Industry Top-Rated' and 'ESG Regional Top-Rated' badges by Sustainalytics, based on their industry-leading ESG Risk Ratings, which covered more than 15,000 companies across 42 industries

PRIZES & AWARDS	
Private Debt Investor Awards 2022	➤ Private Debt Investor magazine has awarded Tikehau Capital Responsible Investor of the Year, Europe 2022 for its ESG approach in Private Debt for the second year in a row
Environmental Finance Sustainable Investment Awards 2022 Winner	➤ The online journal Environmental Finance awarded T2 Energy Transition fund for the second year in a row

4.1.5 Identification and response to material non-financial challenges

Maintaining a close relationship with stakeholders is a key factor in Tikehau Capital's sustainability approach. Employees, investor-clients, shareholders and civil society are included in ESG considerations (*e.g.* through the Code of conduct or the Group's responsible purchasing charter available on its website). This close relationship helps to identify and optimise the management of non-financial risks and strengthen the entrepreneurial and innovative approach that is at the heart of the Group's strategy.

In 2019, the Group called on its internal and external stakeholders to carry out an initial mapping of its main non-financial risks and opportunities (materiality matrix). Since 2021, the ESG risk prioritisation exercise is integrated into the major risk mapping conducted by the internal audit team (see Section 2.3 (Risk management culture and compliance obligations) of this Universal Registration Document). Aware that ESG and CSR issues can represent both risks and opportunities, the Group is committed to working on all significant aspects.

Thus, the key sustainability issues reflect the risks identified through the mapping of major risks:

- Responsible investment (Communication, reputation and brand risk),
- Climate change, biodiversity and the environment,
- Talent management and diversity, and
- Cybersecurity and information security risks.

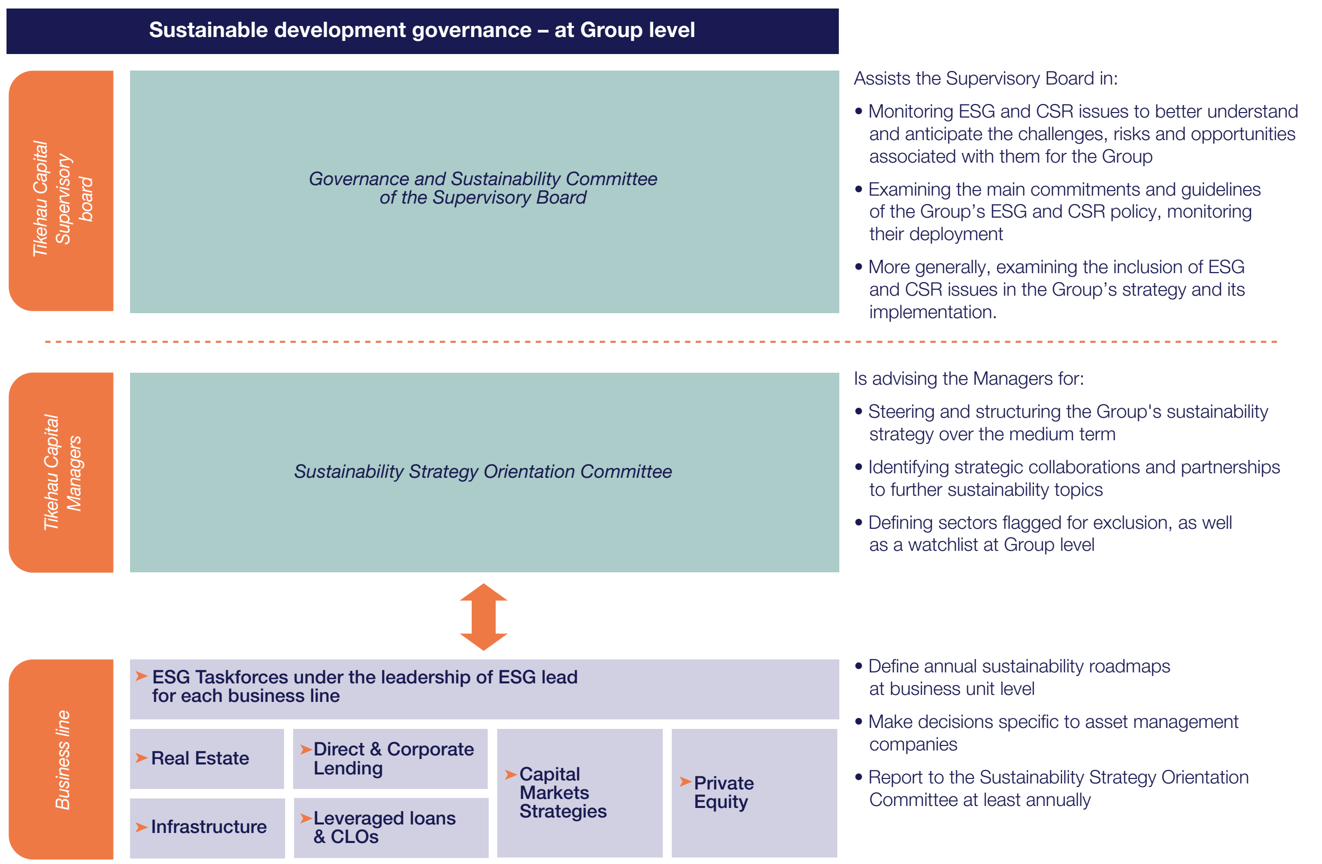
The Group is also working in depth on the alignment of interests and resilience, which also constitute key ESG issues.

Through its sustainability-themed and impact investment platform, the Group also focuses on four themes linked to key ESG issues. The sustainable development goals ("SDGs") offer a reference framework that enables communication with all stakeholders. Where appropriate, the Group ensures that the link is made between ESG and CSR issues and the relevant SDG(s). In addition, the Group carefully considers scientific studies on planetary boundaries and the work of the Organisation for Economic Co-operation and Development (OECD) on the combination of social and planetary boundaries.

4.

4.1.6 Group sustainable development governance

The Group firmly believes that defining a responsible investing strategy is key to creating sustainable value (*i.e.* long-term value linked to global societal and environmental challenges) for all of its stakeholders. This belief is demonstrated through the strong involvement across all levels of seniority - from investment and operations teams to the Managers and the Supervisory Board representatives - in the roll-out of the ESG and Climate policies.



* *Some entities (Sofidy, IREIT and Star America) have set up dedicated ESG Committees that also rely on the work of ESG working groups of their reference business line.*

The Supervisory Board of Tikehau Capital regularly reviews the progress of the ESG and CSR strategy. In 2022, internal training was organised for Board members covering both climate science and climate change risks and opportunities. The Supervisory Board relies particularly on its Governance and Sustainable Development Committee composed of three independent members (see Section 3.4.2 (Committees of the Supervisory Board) of this Universal Registration Document), in charge of reviewing the integration of matters related to ESG (including climate and biodiversity-related risks and opportunities) and CSR into the Group's strategy and its implementation. In addition, an initial analysis of the Group's climate risks was included in the global mapping exercise of major risks and was presented to the Audit and Risk Committee and then to the Supervisory Board in December 2022.

In March 2021, a Sustainable Bond Allocation Committee was set up.

At the beginning of 2022, the Group's governance of sustainability issues was updated to give it a medium-term strategic push and set up operational working groups by business line.

- Composed of experienced Group employees (including one of the co-founders, representing the Managers), the Sustainability Strategy Orientation Committee sets the guidelines of the ESG, climate and biodiversity policy. It meets at least once a year.
- In addition, operational ESG working groups for each of the Group's business lines have been set up to roll out the sustainability strategy with an annual roadmap. These working groups include business line managers and the ESG team and meet every quarter. Moreover, the members of these working groups regularly discuss ESG priority or trending topics. In 2022, 17 meetings were held.

Further, for impact funds, an Impact Committee is in charge of reviewing of the proposed investment, to assess its potential contribution to the fund's mission and the principle of do no significant harm to other objectives.

Key indicators:	As at 31 December 2022	As at 31 December 2021
Dedicated employees in the ESG team (1)	**10**	**7**
Active participation in working groups on ESG and impact (2)	4	5

(1) Excluding the Group Climate Director and Head of the Climate Action Centre, and the Deputy Chief Executive Officer in charge of the Group's ESG/CSR, Human Capital and Communication and Brand Marketing functions.

(2) Within France Invest, the Institut de la Finance Durable (formerly Finance For Tomorrow), One Planet Private Equity Funds (OPPEF) and UN PRI.

As of 31 December 2022, the ESG team comprised ten people. The ESG team oversees the integration of the ESG policy in all activities, and builds the capacities in ESG, impact, climate and biodiversity of the investment and management teams. The ESG team also participates in engagement measures with portfolio companies or progress plans for real assets.

A director who is an expert in sustainable development was appointed in each business line and is supported by ESG analysts and apprentices, who work alongside the investment teams to ensure the proximity, agility, development and integration of sustainability criteria throughout the life of the investments.

The responsibility for ESG integration and engagement falls to the investment teams. As such, all investment analysts, managers and directors are responsible for integrating the ESG criteria into the fundamental analysis of investment opportunities.

In December 2022, the Tikehau Sustainability University was launched with a dedicated mobile application to strengthen climate and regulatory knowledge as a priority, an including other topics for continuous training. These modules are mandatory for employees and adapted according to their role in the organisation.

In addition, ESG governance includes first and second level controls through reviews carried out by the risk, compliance and internal audit teams.

Finally, 20% of the variable compensation is linked to the achievement of collective ESG objectives.

4.2 RESPONSIBLE INVESTMENT APPROACH

4.2.1 Introduction

Key indicators:	As at 31 December 2022	As at 31 December 2021
Assets under management in SFDR Article 8 or Article 9 funds	**€22.7bn**	**€14.3bn**[(1)]
Share of assets under management in SFDR Article 8 or Article 9 funds in the Group's total assets under management	**60%**	**43%**
Share of assets under management in SFDR Article 8 or Article 9 funds in the Group's total assets under management subject to SFDR [(2)]	72%	53%

(1) Excluding holding companies or SPVs (special purpose vehicles) associated with funds classified SFDR Article 8 or Article 9.

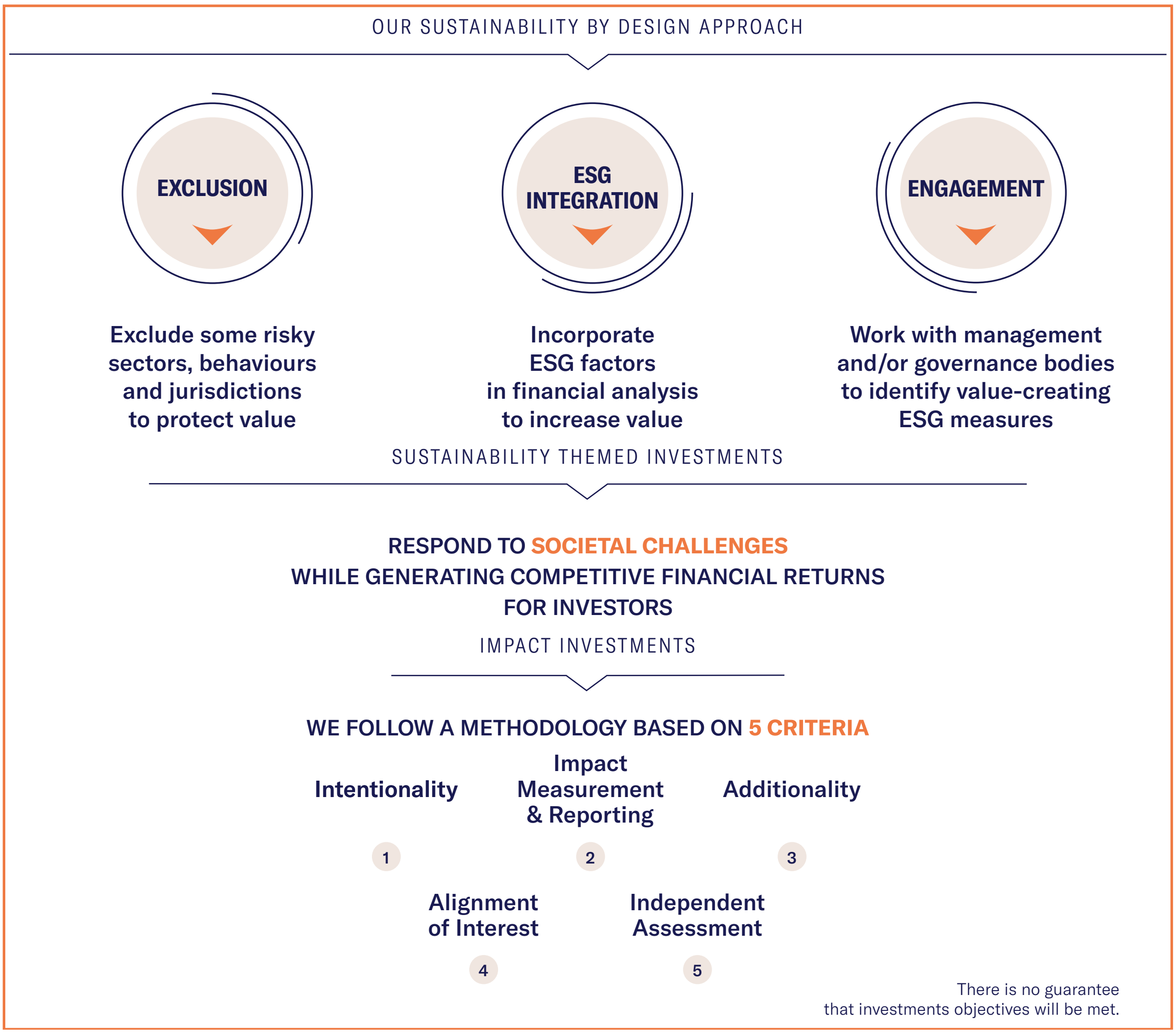
(2) Excluding (i) funds closed to subscription before 31 March 2021, date of the entry into force of the SFDR, (ii) holding companies or SPVs (special purpose vehicles) and vehicles not marketed in Europe and (iii) other products not subject to the SFDR or not marketed in Europe.

The Group's responsible investment policy covers the full spectrum of responsible investment, from exclusions to the development of impact products dedicated to ESG issues. ESG integration is the backbone of the Group's responsible investing strategy and engagement is held on an *ad hoc* basis with a view to helping the portfolio companies improve.

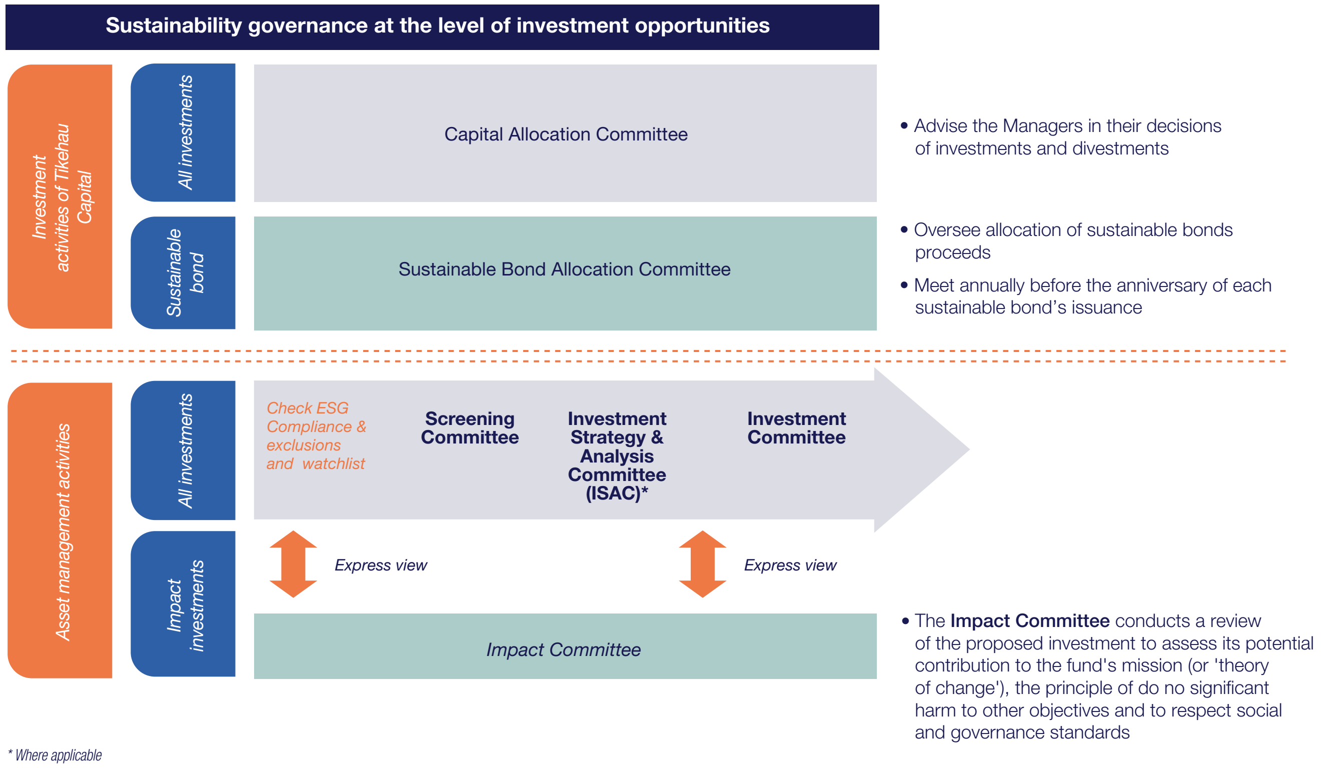
The Group's Sustainability Report is updated annually and provides an overview of ESG performance (and impact where relevant) by business line.

For certain funds, ESG and Impact reports are integrated into periodic reports or published separately where relevant.

Tikehau Capital's rigorous Sustainability by Design approach and impact framework



The Group's responsible investment policy covers all investments and, since the beginning of 2022, strengthened procedures have been put in place for the allocation of sustainable bond issues as well as for the opportunities considered for impact funds.



Raising teams' awareness of ESG topics

Placing ESG at the heart of the investment policy requires continuous training of the teams (by regularly raising awareness with the ESG employees working alongside the investment teams, sharing of cases or organising consultations with experts) and formalising the approach to non-financial criteria (*via* the application of an ESG analysis grid and a systematic summary in investment memos). With regards to the environment, financial analysts are not expected to carry out complex assessments themselves (for instance, energy audits), but rather are expected to consider and identify the main ESG risks and opportunities. This analysis is the natural corollary to a financial appraisal. Beyond awareness-raising sessions and training, the employees of the investment teams are involved in carbon footprint workshops in order to reinforce their approach to the environmental analysis of their assets.

In 2022, 140 Group employees took part in Climate Fresk (*Fresque du Climat*) workshop. In addition, in December 2022, the Tikehau Sustainability University programme was launched with a mobile app based on AXA Climate School's content.

Consideration of positive and negative outcomes (externalities) on sustainability factors

The Group has adopted a holistic approach to identifying the potential positive and negative impacts of the businesses and assets financed within their value chain (*i.e.* supply chain, operations and products and services). This approach provides a better understanding of the impact of investment portfolios on sustainability issues (*e.g.* carbon footprint of portfolios) and complements the traditional ESG approach which assesses ESG risks on the portfolio (*e.g.* the impact of natural disasters on portfolio assets). One of the main negative impacts (principal adverse impacts) identified by Tikehau Capital is related to climate change (see the mapping of non-financial risks and opportunities presented in Section 4.1.5. (Identification and response to significant non-financial challenges) of this Universal Registration Document. Other negative and positive impacts are considered on a case-by-case basis, using the various tools put in place by the Group (*e.g.* pre-investment ESG analysis grids, monitoring ESG questionnaires, etc.).

4.2.2 Exclusions

Tikehau Capital has defined an exclusion policy that covers sectors for which negative impacts on the environment or society have been demonstrated. It should be noted that the Group's exclusion policy has been developed on the basis of the most objective criteria possible. In addition to existing regulatory and international frameworks (*e.g.* national laws and regulations, the Universal Declaration of Human Rights, recommendations from international agencies, etc.), the Group consults its network of experts wherever relevant.

As of the date of publication of this Universal Registration Document, six activities are excluded from the Group's investment universe (1):

- controversial weapons (2);
- destruction of critical habitat (3);
- prostitution and pornography;
- fossil fuels (conventional and unconventional hydrocarbons) exceeding certain thresholds (4);
- tobacco; and
- recreational marijuana.

Furthermore, the Group defined a compliance and ESG watchlist that seeks to identify the industries and geographical areas that may have negative external impacts on the environment or society (*e.g.* non-cooperative countries, allegations of corruption, tax evasion or money laundering and other allegations of breaches of the United Nations Global Compact etc.). Consultation with the compliance, risk and ESG working group is required for sensitive cases and the Group's Impact Committee is solicited if a consensus has not been found, in order to pursue investigations.

Topics linked to climate change are also taken into account in the risk analysis. Finally, the Compliance & ESG exclusion list and watchlist are reviewed and updated periodically to refine the positions, anticipate unhedged non-financial risks, as new situations arise.

4.2.3 ESG integration

In accordance with the Sustainable Finance Disclosure Regulation, Tikehau Capital and the management companies of the Group integrate sustainability risks into their investment decision-making process and apply reasonable efforts regarding the principal adverse impacts.

Beyond regulatory requirements, the Group aims to integrate ESG criteria into the core of its investment process as it believes that these criteria have a material impact on the risk-adjusted financial performance of the asset under consideration.

An ESG analysis grid

Tikehau Capital formalises its ESG approach through a non-financial analysis grid adapted to each activity. As of the date of this Universal Registration Document, a review of existing external solutions was under way.

Within the **Capital Market Strategies, Private Equity and Private Debt** business lines, the research and investment teams take into account a common series of ESG themes that affect the operations, products and services of the companies concerned.

Example of ESG criteria analysed for companies:

- Products and services – Review of the breakdown of revenue and the main positive and negative externalities, taking into account standards such as the European Taxonomy or the Sustainable Development Goals;
- Governance – Analysis of the exposure to at-risk countries with regard to corruption and breaches of human rights, of the quality of management (ability to deliver the strategy, key person risk) and of the governance bodies (expertise and diversity of Board members), of the commitments made to support sustainable development (signing of the United Nationas Global Compact, CSR policy), as well as of the exposure to known or potential controversies (corruption, labour law, competition law, taxation, etc.);
- Social – Analysis of sectoral and/or business risks relating to human rights, health and safety within the supply chain but also exposure to controversies linked to products and services, human resources and/or other stakeholders across the value chain;
- Environment – Analysis of risks associated with the type of real assets, consideration of issues relating to climate change, resource conservation and the energy transition, and even the exposure to known or potential environmental controversies.

1) The exclusions apply to direct investments managed through the investment and asset management businesses. They apply on a best effort basis for investments in funds of funds.

2) With a zero tolerance standard for companies involved in cluster munitions, land mines, chemical and biological weapons.

3) Critical habitats includes areas of high biodiversity value that meet the criteria of the classification of the International Union for Conservation of Nature ("IUCN").

4) See the box on the exclusion of fossil fuels presented in Section 4.3.1 (Exclusions related to climate, nature and biodiversity) of this Universal Registration Document.

For **Real Estate activities**, the ESG rating grid depend on the stage of completion of the project with a focus on the intrinsic characteristics of the asset and the practices of stakeholders (notably, developer, property manager, tenant) in relation to environmental (energy performance, biodiversity footprint) and societal matters.

As part of a continuous improvement approach ("best in progress"), Sofidy adapted its ESG rating grid during the acquisition phase to take into account the criteria of the French SRI (Socially Responsible Investment) real estate label, as well as the criteria of Article 8 of the SFDR Regulation. This analysis takes into account, for example, the energy and carbon performance of buildings, the social impact of tenants' activities and the commitment of stakeholders.

Each fund with an SRI approach has set a minimum ESG rating (threshold) for its assets. This takes into account the fund's strategy, its objectives for each of the three areas (ESG), as well as the criteria used in the rating framework. The objective is to improve the performance of assets with a rating below the threshold set (at least 20% in three years) and to continue to improve the performance of assets with a good rating over time, wherever possible.

FOCUS ON FUNDS WITH THE SRI REAL ESTATE LABEL

Fund Overview	ESG theme	Launch date
Sofimmo is a professional collective real estate Investment body (French OPPCI reserved for professional customers) holding assets invested, directly or indirectly, in local retail premisses in France (see further details in Section 1.3.2.2 (Real Asset activity) of this Universal Registration Document).	With a strong commitment to local economic roots, Sofimmo works to develop responsible and sustainable city-centre retail, which contributes to the revitalisation of the regions, notably in the regions and in medium-sized cities experiencing dynamic development	Mar-2009
Sofidy Pierre Europe, is a collective real estate Investment body (French OPCI) for the general public that combines real estate and financial assets, by investing in physical real estate assets (office assets, retail and hotel properties, logistics assets or residential assets) and in financial assets mainly focused on the real estate sector (listed real estate) (see further details in Section 1.3.2.2 (b) (Real estate funds managed by Sofidy) of this Universal Registration Document).	Sofidy Pierre Europe invests in the long term and places the resilience of its real estate assets at the heart of its priorities. This takes into account the impact of buildings on their ecosystem and the impact of ecosystems on buildings. The fund strives to limit the environmental footprint of buildings (optimisation of energy consumption and greenhouse gas emissions). The tenant's comfort of use *via* the proximity of transport and services and the quality of the workspace are also taken into account. In addition, the fund is committed to improving the resilience and/or reversibility of its buildings over the long term.	Jan-2018
Sofidy Europe Invest is a real estate investment company (French SCPI) that targets the most buoyant real estate markets in the European Economic Area, the United Kingdom and Switzerland (see further details in Section 1.3.2.2 (b) (Real estate funds managed by Sofidy) of this Universal Registration Document).	Sofidy Europe Invest works to optimise the energy performance and reduce the greenhouse gas emissions of its assets. Depending on the specific characteristics of the assets, the funds will also develop systems for the protection, maintenance and development of biodiversity. Lastly, the fund aims to better integrate the expectations of users and stakeholders, by being very demanding notably with regard to the location of assets and that access to services within or in the immediate vicinity of them.	Apr-2021
SoLiving is a collective real estate Investment body (French OPCI) that targets investment in European assets embodying different types of housing throughout life (see further details in Section 1.3.2.2(b) (Real estate funds managed by Sofidy) of this Universal Registration Document).	SoLiving finances lifelong living arrangements, from students to seniors, including open-ended, intermediate and social housing, as well as co-living and hotels. With a strong commitment to local roots, SoLiving works to develop housing connected to public transport, and close to shops and services, by positioning itself in areas with high rental demand. SoLiving also takes into account environmental issues, by seeking to improve the energy performance of its assets.	Apr-2022

4.2.4 ESG engagement

Key indicators:	As at 31 December 2022	As at 31 December 2021
Share of private equity investments with a sustainability roadmap	**35%**	**25%**
Ratio of companies financed with an ESG ratchet (1) compared to the total number of companies financed with private debt (corporate lending and direct lending)	**50%**	**45%**

(1) An ESG ratchet is a trigger that lowers the interest rate margin of a loan by a predefined amount as a counterparty to achieving an ESG objective.

Tikehau Capital establishes an engagement approach with companies. Starting at the investment decision and throughout the holding period of the investment, Tikehau Capital promotes the adoption of practices that align financial performance with social and environmental impact. The investment teams and the ESG team maintain dialogue with the portfolio companies with a view to creating sustainable value.

Voting policy

The Group believes that active shareholding stimulates communication and contributes to the creation of value. In this context, the Group is committed to voting at shareholder meetings of all companies held in funds it manages (excluding funds of funds). Portfolio managers have access to ISS, a leading platform to vote.

With regard to investments in **listed companies** (equity funds of the Capital Markets Strategies activity and investments through the balance sheet), the Tikehau Capital analysts and fund managers analyse the resolutions of the general meetings. They may use proxy advisors to help assess problematic resolutions.

With regard to **Private Equity** investments, whether Tikehau Capital has a minority or majority stake in the share capital in a given company, the teams can systematically exercise their voting rights.

Resolutions added to the agenda by external shareholders are analysed on a case-by-case basis and approved if they contribute to the improvement of business practices or if they have the potential to create value for shareholders.

ESG monitoring

In Private Equity and Private Debt, the Group aims to work together with the management team of the companies in the portfolio, the equity sponsor and/or potential co-investors on ESG-related topics.

To raise the management's awareness in the early stages of the investment relationship, an ESG clause is included wherever possible in shareholders' agreements or credit documentation. This clause lists Tikehau Capital's commitments to responsible investment and binds executives to adopt a progressive approach based on their resources.

During the holding period, the portfolio companies are subject to an annual review of their ESG performance through a dedicated questionnaire. Thanks to companies' responses, Tikehau Capital is able to identify risks and/or opportunities relating to ESG factors. Where appropriate, the investment teams and ESG team may be encouraged to engage in dialogue with the companies to help identify the risk management strategies in place. For example, as a minimum, the Group encourages the establishment of formal Codes of Ethics to promote an exemplary approach within companies.

Depending on the level of proximity between the teams and the management, and when the investment teams have a seat on the corporate governance bodies of portfolio companies, the most material ESG topics are included at least annually on the agendas of such bodies.

ESG roadmap

When the teams benefit from a close relationship with the management of companies, through private equity and private debt activities, ESG roadmaps are developed in collaboration with the portfolio companies. The definition of these plans is based on a materiality analysis of ESG topics according to the activity, size and geographical exposure of the companies. Where possible, qualitative objectives and management indicators are monitored annually.

Private Debt – Tikehau Capital aims to act as a partner on ESG issues by introducing an interest rate adjustment mechanism based on the achievement of targeted ESG criteria, whenever relevant and possible.

Since 2018, Tikehau Capital has regularly included ESG clauses committing borrowers to considering ESG performance and reporting on their progress. Mindful of going even further and further integrating ESG into the investment process, the Private Debt activity team introduced, as of 2020, ESG ratchets in the transactions it structures, positioning the Group as a pioneer in this area for direct lending.

An ESG ratchet is a trigger that lowers the interest rate margin of a loan by a predefined amount when an ESG objective is met. The Group's Private Debt team generally negotiates between three and five relevant ESG objectives per year with the company and/or with the private equity sponsor. If these annual targets are met, borrowers will benefit from a downward adjustment of their interest rate of up to 10% of the initial margin. The proposed mechanism can also provide for a marginal upward adjustment in the event that targets are not met.

This ESG-based interest rate adjustment mechanism complements existing ratchets that focus on financial criteria such as the leverage ratio. According to the Private Debt team, ESG ratchets could become the norm in the market. It will therefore no longer be necessary to treat them separately from the financial criteria. Borrowers are generally open to negotiating ESG criteria and need a catalyst to set quantitative targets linked to sustainable objectives.

In 2022, Tikehau Capital co-led a working group of France Invest on Sustainability Linked Loans, aimed at accelerating the role that the private debt market can play in financing and supporting companies towards more sustainable models. The Sustainability Linked Loans guide is available on the France Invest website here: https://www.franceinvest.eu/en/best-practice-guide-sustainability-linked-loans/. Tikehau Capital is also working on the same topic at the PRI level.

FOCUS ON AN ESG RATCHET

Investment date: June 2022
Business line: Private Debt
Country: Italy

Incorporated in 2019 as an entrepreneurial initiative of the Riva family and Route Capital Partners, Neo Apotek is the second largest Italian retail pharmacy chain. The ESG roadmap implemented through the ESG ratchet addresses challenges at the heart of the business model and sector:

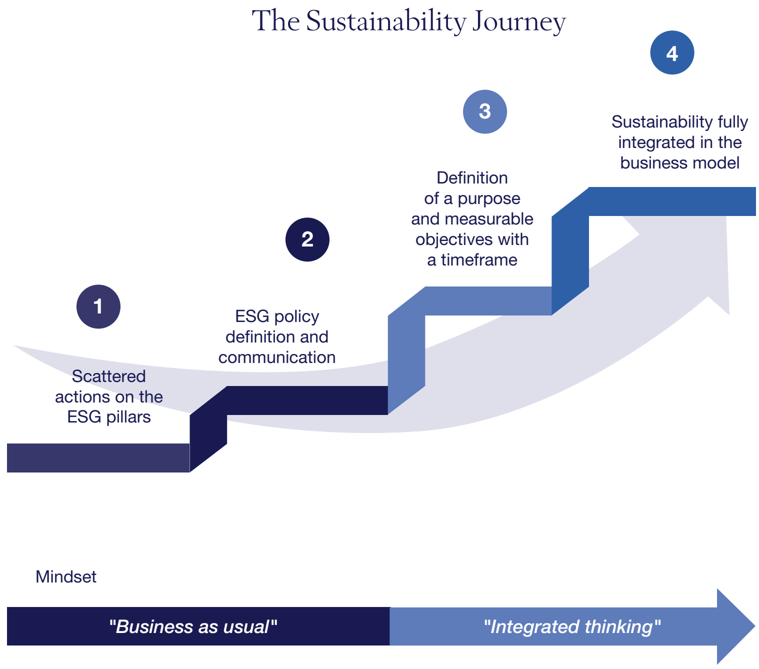
- Lack of medical care: Develop telemedicine and provide access to health in medical deserts
- Sustainable product mix: Increase the share of sustainable products sold with a green label in the open-access product mix to reduce environmental footprint (at Tikehau Capital request).

The roadmap also includes three additional indicators:

- Increase the number of pharmacies with a collection point for unused or expired drugs (at Tikehau Capital request), since improper disposal of pharmaceuticals into sinks, toilets and landfills are a significant source of pharmaceutical pollution in the environment.
- Training plan for pharmacists and employees on CSR topics, to enable Neo Apotek to achieve a better overall sustainable performance.
- Training plan on public health topics for caregivers, since a better trained staff on risk factors is a prime opportunity for pharmacists to communicate important health information to their patients, and to participate in the health risk factors prevention.

Private Equity – Tikehau Capital's teams work closely with portfolio companies to develop tailor-made sustainable development roadmaps. Targets are defined according to the activity, size and geographical location of each company. The Tikehau Capital teams assess the Company's position in relation to a sustainable transformation trajectory and in relation to the achievement of the five objectives defined for private equity.

Four key steps to achieve sustainable transformation and private equity objectives



Tikehau Sustainability Must-Haves *

At least one external board member**	100%
A Sustainability roadmap *(defined by the company or at the initiative of the investment team in the 12 months following the acquisition)*	100%
Discussing sustainability topics at board level at least annually	100%
Carbon footprint assessment *(in the 12 months following the acquisition)*	100%
Carbon reduction plan* *(aligned with Science-based targets where possible in the 24 months following the acquisition starting with 2022 investments)*	100%

** There is no guarantee that the sustainable objectives will be achieved, but Tikehau Capital makes its best efforts to encourage portfolio companies to achieve these objectives.*

*** To be considered as an external member of the Board of Directors, the person must not be an employee of the Tikehau Capital Group, nor of the Company, and must not own more than 5% of the Company's shares.*

Real Estate activities – During the real estate asset holding phase, the management teams aim to identify and implement relevant areas for improvement in order to enhance the non-financial performance of the real estate assets under management ("best in progress" approach).

Since 2020, IREIT Global has introduced an ESG clause in its standard leases, inspired by the French green leases, in order to gain transparency on the consumption of buildings (in terms of energy, water, waste) and to identify areas for improvement. These clauses are also used by Sofidy which has disseminated three additional documents since 2021 promoting stakeholder involvement:

• A guide on best environmental practices for tenants, to promote eco-responsible everyday actions and to achieve energy savings through the mobilisation of building occupants;

• A "responsible supplier" charter, appended to the main contracts (technical management and maintenance contracts, etc.) in order to encourage suppliers to improve how they take ESG issues into account; and

• A "responsible distributor" charter, appended to the main marketing and distribution contracts in order to encourage distributors and commercial partners to improve how they take ESG issues into account.

Moreover, the Group has set up a partnership with three players:

• Deepki, which provides expertise in the analysis and optimisation of building energy data to improve their energy performance and to visualise the decarbonisation trajectory of assets;

• CBRE/Green Soluce, a consulting arm specialising in real estate and sustainable cities, which is working on energy action plans by type of asset; and

• Gondwana, a biodiversity consulting agency since 2005, mandated to map the ecological and biodiversity issues of the Group's real estate portfolio and to define action plans by type of asset in 2023.

4.2.5 Sustainability-themed and impact investments

Sustainability-themed and impact investment was initiated in 2018 as part of the creation of the T2 Energy Transition fund (for more information see the focus in Section 1.3.2.4. (Private Equity activity) of this Universal Registration Document) and the Group is now well positioned to develop its impact strategy across its various business lines.

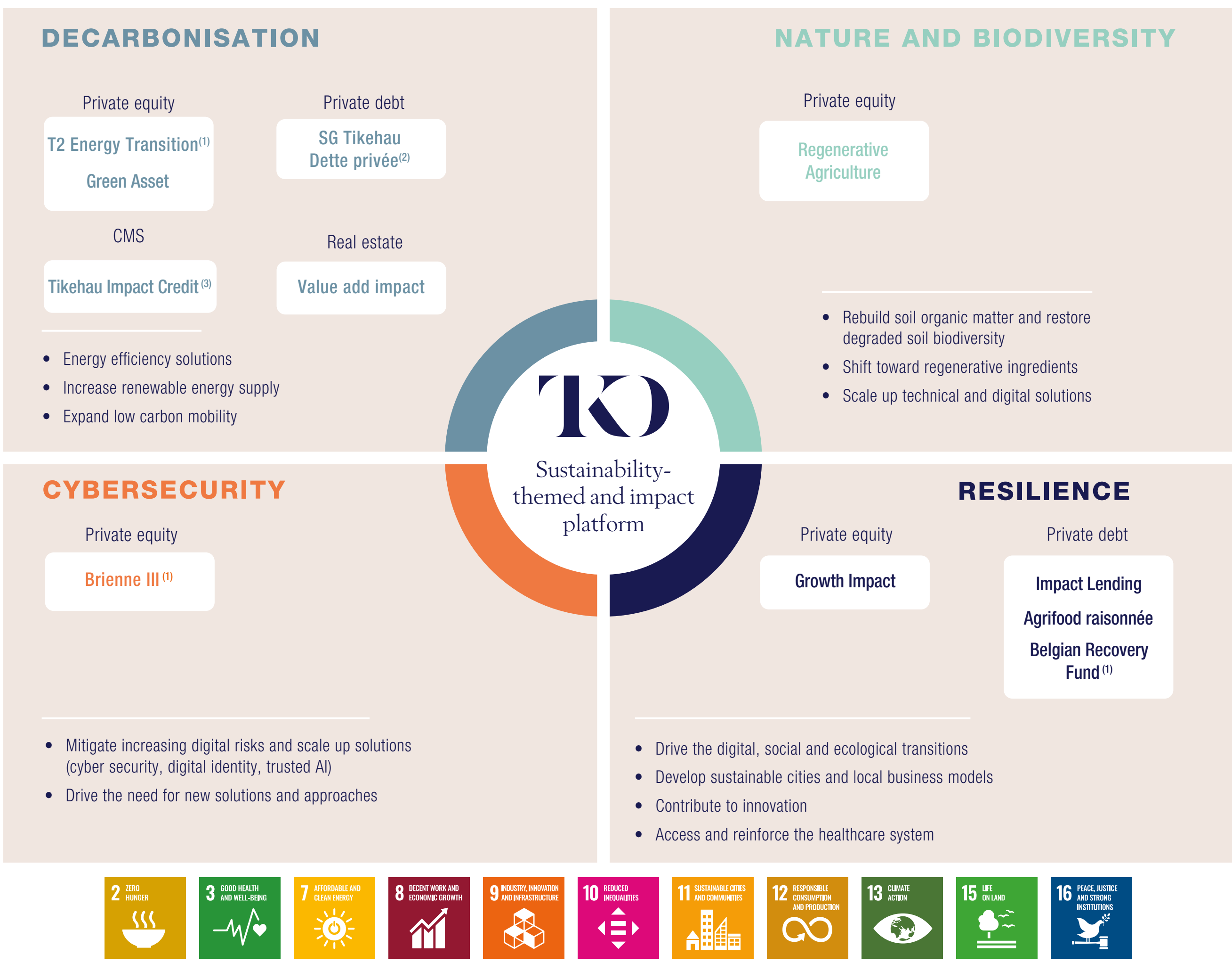
Key indicators:	As at 31 December 2022	As at 31 December 2021
AUM in the Sustainability-themed and impact platform (1)	**€3.0bn**	**€1.7bn**
of which **AUM in the Climate and Biodiversity platform** (2)	**€2.3bn**	**€1.2bn**

(1) Funds with an investment strategy comprising a sustainable theme or impact approach. In addition, during the last quarter of 2022, several Sofidy funds filed amendments for their regulations with the AMF (French Financial Markets Authority), mentioning a sustainable investment objective (with social or environmental characteristics). These funds will therefore be considered in the Group's sustainability themed & impact platform from 2023.

(2) SFDR Article 8 or 9 funds with at least one priority objective related to decarbonisation, nature, biodiversity or another environmental theme (excluding Sofidy funds). This definition was strengthened in 2022, which explains the change in the 2021 data.

With a strong belief in its vocation to accompany the development of the economy, the Group has set itself the objective of developing a platform dedicated to sustainable and impact investment around four themes: (i) decarbonisation, (ii) nature and biodiversity, (iii) cyber security and (iv) resilience.

Sustainability-themed and impact investment platform at the end of 2022



Note: Sofidy funds with a sustainable theme will be included from 2023.

(1) Fund reserved for professional investors and no longer open for subscriptions.

(2) Mutual investment funds ("fonds commun de placement à risque, FCPR") exclusively available through unit-linked product distributed by Societe Generale Private Banking France

(3) Open ended fund

OVERVIEW OF DECARBONISATION STRATEGIES

	ESG theme	Launch date
The **T2 Energy Transition Fund** is a private equity fund focused on companies operating in three sectors critical to achieving the long-term temperature target of the Paris Agreement: (1) energy efficiency, storage and digitization (2) clean energy production and (3) low-carbon mobility (see further details in Section 1.3.2.4. (b) (Energy transition fund) and Section 4.3.4 (Climate, nature and biodiversity: thematic and impact investments) of this Universal Registration Document).	Climate change (energy transition)	Dec-2018
Tikehau Impact Crédit is a high-yield bond fund that pursues both a financial objective and an objective of accelerating the transition to a circular and low-carbon economy by investing in issuers that explicitly intend to make a positive and measurable contribution through their products and services, their operations or through certain projects (green bonds). The fund not only finances solutions, but above all the transition of the current ecosystem, *i.e.* the decarbonisation of production plants, buildings and mobility (see further details in Section 1.3.2.3 (a) (Bond management) of this Universal Registration Document).	Climate change and circular economy	Jul-2021
The **green assets** strategy is dedicated to capital investment in real assets to reduce the carbon footprint of their end users: low carbon technologies (LED lighting, new refrigeration units, heat recovery systems, etc.), infrastructure (charging stations for electric vehicles, batteries, etc.) or more specific projects (vertical farms, recycling units, etc.). This strategy forges partnerships with players wishing to decarbonise or with companies providing a decarbonisation solution, in order to meet the financing needs of their asset portfolios with a tailor-made offer (see further details on Tikehau Green Assets in Section 1.3.2.4. (b) (Energy transition fund) of this Universal Registration Document).	Climate change	Apr-2021
The **value-add impact** real estate strategy aims for more sustainable buildings and neighbourhoods for life, work and enjoyment, while seeking value-added opportunities in a variety of asset classes (offices, retail outlets, residential, logistics, industry, storage, healthcare, hotels). The impact materialises through the development of multi-year action plans to improve the response of each real estate investment to at least one of the three impact objectives, namely (1) climate action, (2) the protection of biodiversity, and (3) inclusive neighbourhoods (see further details on Tikehau Real Estate Opportunity II in Section 1.3.2.2 (a) (Real estate assets managed by Tikehau IM) of this Universal Registration Document).	Climate change (energy efficiency) Sub-topics: Biodiversity and social inclusion	Jun-2022
SG Tikehau Private Debt is a unit-linked vehicle that enables individual investors to finance selected unlisted French and European companies while supporting the reduction of their greenhouse gas emissions. The companies financed must commit to a decarbonisation trajectory aligned with the Paris agreement based on the Science Based Targets methodology (see more details in Section 1.3.2.1(a) (Direct lending activity (direct financing)) of this Universal Registration Document).	Climate change	Dec-2022

OVERVIEW OF THE NATURE AND BIODIVERSITY STRATEGY

	ESG theme	Launch date
The **Regenerative Agriculture** strategy focuses on three main areas: (i) protecting soil health to strengthen biodiversity, preserve water resources and participate in the fight against climate change, (ii) contribute to future supply of regenerative ingredients to meet the needs of a growing global population, on the one hand, and consumer demand for increasingly sustainable products, on the other, and (iii) contribute to the progress of technological solutions that look to accelerate the transition to regenerative agriculture (see further details in Section 1.3.2.4 (d) (Regenerative Agriculture fund) of this Universal Registration Document).	Nature and Biodiversity (regenerative agriculture)	Dec-2022

OVERVIEW OF CYBERSECURITY STRATEGY

	ESG theme	Launch date
Brienne III is a private equity fund that finances disruptive players in critical sectors to support their growth ambitions. The fund seeks to contribute to the resilience of the increasingly digitised and interconnected economic system, through cybersecurity. (see further details in Section 1.3.2.4. (f) (Cybersecurity fund) of this Universal Registration Document).	Cybersecurity	June 2019

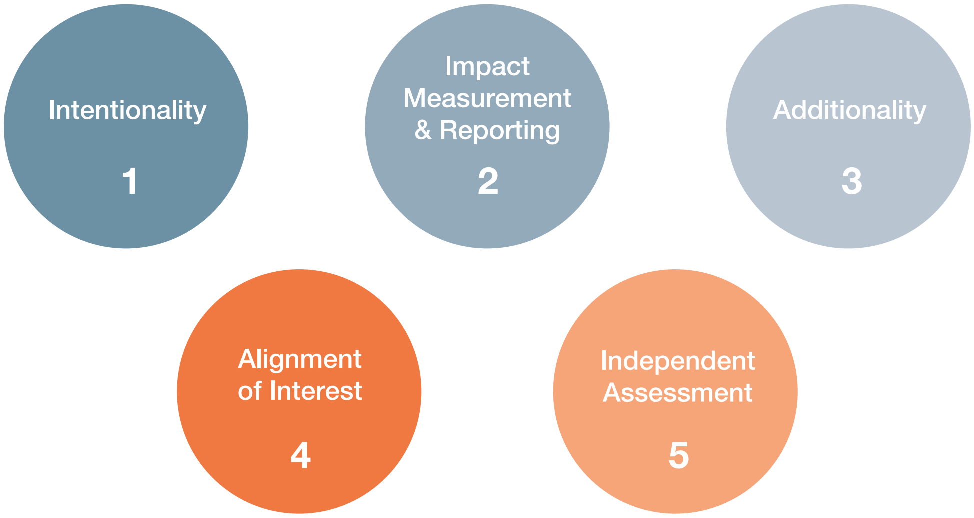
OVERVIEW OF RESILIENCE STRATEGIES

	ESG theme	Launch date
The **impact lending strategy** aims to contribute to a sustainable European economy while offering investors competitive returns by investing mainly in SMEs that contribute to the sustainable economic transition through their offering, their resource management or their processes. The impact lending strategy consists of offering more favourable financing conditions to companies that achieve their sustainability objectives (see further details on Tikehau Impact Lending in Section 1.3.2.1 (b) (Corporate Lending activity) of this Universal Registration Document).	Climate change Sustainable innovation Social Inclusion	Dec-2020
The Belgian Recovery Fund was launched under the auspices of the Belgian Minister of Finance and the Belgian Secretary of State for Recovery. The fund aims to contribute to the recovery and digitisation of the Belgian economy, as well as to the preservation of the economic fabric by strengthening, in a targeted manner, the balance sheets of healthy medium-sized companies. (see further details in Section 1.3.2.1 (a) (Direct Lending activity) of this Universal Registration Document).	Economic recovery	Sep-2021
The **sustainable agrifood strategy** is based on a partnership with Sofiprotéol, a subsidiary of the Avril group, which has in-depth knowledge of these sectors. This strategy targets the development of companies of all sizes in the agro-industrial and agrifood sector and which are committed to the sustainable transition (see further details in Section 1.3.2.1 (a) (Direct Lending activity) of this Universal Registration Document).	Sustainable agrifood: Climate change Sustainable innovation Social Inclusion	Feb-2022

On the other hand, the Obligations Relance investment fund was launched in November 2021, at the instigation of the French Ministry of Economy, Finance and Recovery. The fund amounts to 1.7 billion euros and aims to strengthen the financial situation of French SMEs and ETIs following the crisis linked to the Covid-19 pandemic. Tikehau IM was selected alongside six other management companies to manage an investment pocket of 300 million euros.

What does impact investing mean to Tikehau Capital?

WE FOLLOW A METHODOLOGY BASED 5 CRITERIA



Tikehau Capital distinguishes between 'sustainable investment' according to the SFDR Regulation and 'impact investment'. The impact approach of Group relies on international reference frameworks (Global Impact Investing Network or GIIN, IRIS+, SDGs, Impact Management Project, UN PRI, etc.):

- the first brick of an impact approach is **intentionality**. This involves combining strong financial performance with a response to global and societal challenges such as the climate emergency and biodiversity. Our investment and ESG teams work with experts in this sector (including Steward Redqueen) to define a “theory of change” or logical impact framework;
- the second brick of the impact approach is **impact measurement**. In addition to monitoring financial performance, impact measurement contributes to transparency for investors regarding the companies under consideration. Impact measurement therefore has several advantages: (i) in terms of investments, it provides a management tool to encourage companies to take action; (ii) in terms of the funds, it provides a clear and actionable view of the investment thesis; and (iii) in terms of communication, it contributes to improving transparency vis-à-vis interested stakeholders (*i.e.* underwriters, companies, the general public) on non-financial matters;
- the third brick of an impact approach is **additionality**. It is not enough to finance a company or an asset while waiting to be in a position to evaluate its non-financial results; one has to look to support it to progress on the impact. In addition to financial support, certain companies and assets financed through impact funds benefit from tailored support.

In addition to these three traditional impact blocks, Tikehau Capital is adding two additional bricks:

- the fourth brick of the impact approach is **alignment of interests**, which is at the heart of the Tikehau Capital model. The Group is committed to investing in all of its impact funds. At the beginning of 2022, to reinforce the approach, the Managers introduced a standard, according to which at least 50% of the carried interest allocated to the asset manager of new impact funds must be indexed to ESG and impact performance criteria;
- Lastly, Tikehau Capital carries out **independent assessments or external audits** of the roll-out of non-financial commitments for all impact funds.

Aware that launches of impact initiatives are multiplying and in order to avoid green laundering practices (greenwashing), the Group strengthened the governance of impact funds in 2022, by creating an Impact Committee, which may issue an unfavourable opinion upstream of the investment.

Given the increasing number of impact initiatives and in order to avoid “greenwashing” practices, participating in working groups appears as essential so as to harmonise the definitions of this emerging investment practice. Thus, members of the Group's teams actively participate in several working groups (France Invest, Institut de la Finance durable (formerly Finance for Tomorrow)) and contributed to the guide on “Impact investing - A demanding definition for listed and non-listed products” published by France Invest and the Forum for Responsible Investment (FIR) in March 2021 and available here: https://www.franceinvest.eu/wp-content/uploads/2021/12/Impact-Handbook-FIR-France-Invest-march-15-2021.pdf

Lastly, Tikehau Capital also invested in impact funds such as Alter Equity 3P (for People, Planet, Profit), Blue Like an Orange Sustainable Capital and Ring Mission through its balance sheet.

4.3 CLIMATE AND BIODIVERSITY APPROACH, AND CONSIDERATION OF THE EUROPEAN TAXONOMY

Key indicators:	As at 31 December 2022	As at 31 December 2021
Assets under management in impact funds with a climate and biodiversity focus (1)	**€2.3bn**	**€1.5bn**
Assets under management in real estate assets with excellent performance (energy performance diagnostic A, BREAM very good, LEED gold or HQE very good or above) (2)	**€0.9bn**	**€0.4bn**

(1) See focus on funds with a theme related to decarbonisation and nature & biodiversity presented (see Section 4.2.5 (Sustainability-themed and impact investments) of this Universal Registration Document), excluding Sofidy funds.

(2) Diagnostic obtained or in the process of being obtained.

In addition to raising awareness of the climate emergency, the Group is carefully considering the work on planetary boundaries (see Section 4.1.1 (Introduction) of this Universal Registration Document). It seems essential to understand the main levers to ensure an appropriate response aligned with the needs of the planet, people and the economy.

The Group launched a Climate Action Centre, with the aim of managing €5 billion in assets under management dedicated to climate and biodiversity by 2025.

In March 2021, Tikehau Capital joined the **Net Zero Asset Managers initiative** and, in this context, the Group has undertaken to define decarbonisation trajectories in line with the Paris agreement to limit global warming to 1.5 °C with intermediate targets (by 2030 or before) for its business lines.

The NZAM initiative recognises several approaches for the definition of intermediate decarbonisation targets:

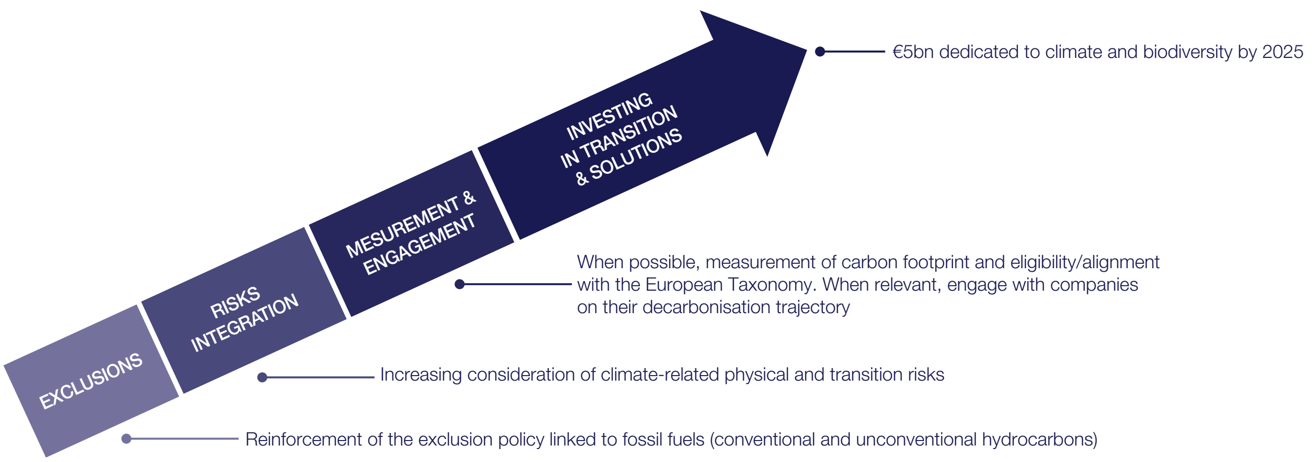
- **(i)** Net Zero Investment Framework (NZIF) of the Paris Aligned Investment Initiative (PAII),
- **(ii)** the Net Zero Asset Owner Alliance (NZAOA) Target Setting Protocol (TSP), and
- **(iii)** the Science Based Targets (SBT) initiative for financial institutions.

The Group considers the SBT initiative to be one of the most robust methodologies to enable companies non-financial institutions to set themselves decarbonization targets by line with the Paris agreement and the Group is committing both private equity and private debt firms to join this initiative. However, the SBT methodology presents obstacles for the capital markets strategies business line and within the framework partial application, the Group had to withdraw its own commitment to the SBT initiative.

On March 7, 2023, Tikehau Capital Sustainability Strategy Orientation Committee validated an initial target to manage around 40% of the Group's assets under management in line with the goal of achieving net zero emissions by 2050. With regard to real estate assets, the Group aims to improve energy and carbon intensity. With regard to private equity investments, this involves engaging with companies to encourage them to make decarbonisation commitments and then manage their trajectory.

To respond to the climate emergency, the Group has developed a climate strategy that consists of working on four dimensions: exclusions, risk management, measurement, and the commitment and launch of funds dedicated to solutions and the transition.

Four dimensions of the climate strategy



4.3.1 Exclusions related to climate, nature and biodiversity

In early 2023, Tikehau Capital implemented a revised fossil fuel exclusion policy that restricts new direct financing of fossil fuel projects and related infrastructure at a global level, as well as new direct investments in companies that have significant exposure to fossil fuels.

FOCUS ON THE EXCLUSION OF FOSSIL FUELS

Tikehau Capital is committed to limit its exposure to highly polluting assets and companies. At the beginning of 2023, Tikehau Capital revised its fossil fuel exclusion policy to limit the financing of new projects dedicated to fossil fuels and related infrastructure.

In addition, Tikehau Capital excludes new direct investments in companies with material exposure to fossil fuels as defined by the NGO Urgewald's Global Coal Exit List (GCEL) and Global Oil and Gas Exit List (GOGEL). The following criteria are applied:

(a) **Projects related to thermal coal** - Tikehau Capital excludes the direct financing of thermal coal projects (coal mines and power plants without CO_2 abatement), as well as the direct financing of coal infrastructure, notably ports, roads and railways.

(b) **Oil & Gas projects** - Tikehau Capital excludes direct financing of (i) upstream and midstream oil & gas projects, (ii) refineries and oil-fired power plants. Investments in dedicated oil and gas infrastructure are also excluded, including liquefied natural gas (LNG) terminals, ports and railways. Direct financing of gas-fired power plants is limited to projects with a low-carbon transition plan.

(c) **Companies with revenues from thermal coal** - Tikehau Capital excludes:

- companies planning new or expanding existing thermal coal mining, coal-fired power generation capacity and coal-related infrastructure according to the thresholds defined by Urgewald, or
- companies generating 20% or more of their consolidated annual revenues from thermal coal as well as utilities whose electricity production (utilities companies) is 20% or more from coal-fired power plants, or
- companies whose annual thermal coal production exceeds 10 million tonnes or whose installed thermal coal capacity exceeds 5 gigawatts.

(d) **Companies with revenues related to oil and gas** - Tikehau Capital excludes:

- companies planning new or expanding existing upstream or midstream oil and gas capacity. This applies to conventional and unconventional oil and gas production according to the thresholds defined by Urgewald, or
- companies whose annual unconventional oil and gas production exceeds at least 2 million barrels of oil equivalent ("Mboe"), or
- companies whose total hydrocarbon production is greater than 20 Mboe per year.

Exemptions from these exclusions may be granted if the company has a transition plan compatible with a 1.5 °C climate scenario. In addition, instruments issued by excluded companies that exclusively finance green activities aligned with the European taxonomy are not excluded (e.g. green bonds).

4.3.2 Integration of risks related to climate change and biodiversity loss in the responsible investment policy

In line with the recommendations of the TCFD, Tikehau Capital takes account of risks related to climate change:

(i) **Physical risks**, defined as the exposure of real assets to physical consequences directly caused by climate change (chronic events - such as global warming and rising sea levels - and extreme events - such as fires and cyclones). During the pre-investment stage, the ESG scoring grid comprises numerous questions relating to physical risks. A mapping of the physical risks by country is shared with the investment teams. As part of the monitoring of investments, analyses are conducted for certain assets (for Real Estate strategies) or certain funds with the help of specialised service providers.

(ii) **Transition risks**, especially regulatory, technological, market and reputational risks, are taken into account in the basic analysis carried out by the investment teams. The T2 fund teams, in particular, carry out in-depth assessments of the main issues relating to climate change (*e.g.* changes in energy prices or technological changes associated with lower carbon emissions).

PHYSICAL RISK ANALYSIS IN REAL ESTATE

Physical risks related to climate change concern the real estate assets held by the Group. Since the end of 2022, Sofidy, Tikehau IM and IREIT have been using the R4RE tool (Resilience for Real Estate or Bat-ADAPT of the Observatoire de l'immobilier durable, OID) to assess the exposure of its assets to heat waves, drought, heavy rainfall and flooding.

Sofidy, which holds more than 2,000 assets, mainly retail and office, analyses the exposure of its assets to physical risks related to climate change throughout the life of the investments, at the time of the investment and during the period it holds the assets.

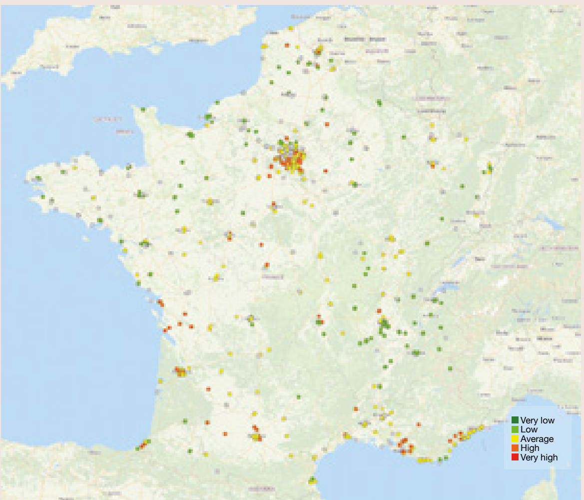
The analysis of the physical risks presented below is based on the RCP 8.5, which presumes the continuation of human activities with carbon emissions at current rates. The results enable teams to develop their competencies in identifying and taking into account the physical risks associated with climate change. For example, the risk of drought may be accompanied by the shrinkage-swelling phenomenon of clays, which weakens buildings. A reflection on the challenges of adaptation is under way.

Proportion of Sofidy assets exposed to climate hazards

Climate change	Indicator	Low risk <= 2	Medium risk = 3	High risk >= 4
Heavy rainfall and river flooding	Risk index	42%	1%	57%
Heat wave	# days	99%	1%	0%
Droughts	Probability	39%	46%	15%

Source: R4RE. Analysis of 2,183 real estate assets in January 2023.

Example of drought risk analysis, including the risk of shrinkage and swelling of clay soils - for the Sofidy portfolio (RCP 8.5 scenario by 2030)



Source: R4RE. Analysis of 2,183 real estate assets in January 2023.

At the end of 2022, the Group initiated the first work to assess the risks related to climate change within the Group's scope (*i.e.* at the level of the exposures of Tikehau Capital's consolidated portfolio), based on two scenarios according to their relevance for the risk studied:

(i) The physical risk analysis is based on the most pessimistic climate change scenario, Representative Concentration Pathway ("RCP") SSP5 - 8.5 of the IPCC, which assumes continued human activity with carbon emissions at current rates. This scenario is expected to result in warming that is 5 °C above pre-industrial levels in 2100,

(ii) The analysis of transition risks and opportunities (regulatory, technological, market and reputation risks) takes into account the Net Zero 2050 scenario of the network to green the financial system (Network for Greening the Financial System, "NGFS"). This network aims to strengthen the financial system in managing climate change risks.

On the basis of this preliminary analysis, the business sectors for which the transition risk is deemed severe notably include fossil energy (oil & gas), forestry and paper production, customer transport services and mining and metallurgy activities. The sectors for which the transition risk is considered significant notably concern construction, automotive, durable good consumption, distribution, agrifood and freight. The exposure of the Group's assets under management to sectors where the transition risk is considered severe remains insignificant and the exposure to sectors with significant risks remains below 20%. With regard to physical risks, the Company is not exposed to sectors whose impact is considered severe. It may be exposed, through its investments, to the banking, construction or equipment sectors, to the telecommunications or automotive sectors notably, which are identified as having a significant impact on physical risks.

This first consolidated study leads to the conclusion that current exposure to the consequences of climate change remains relatively limited across the Group and its impact on the financial statements is not material (see details presented in Section 2.1.5 (First assessment of the impacts of climate change and biodiversity risks across the Group) of this Universal Registration Document).

In addition, in December 2022, Tikehau Capital commissioned AXA Climate to develop a **sector-based screening tool to assess the physical and transition risks related to climate change** by 2030 and 2040. To the two scenarios described above, AXA Climate's analysis adds the consideration of the Nationally Determined Contributions ("NDC") scenario (including the achievement of national climate targets by 2030) of the NGFS network for greening the financial system for transition risk.

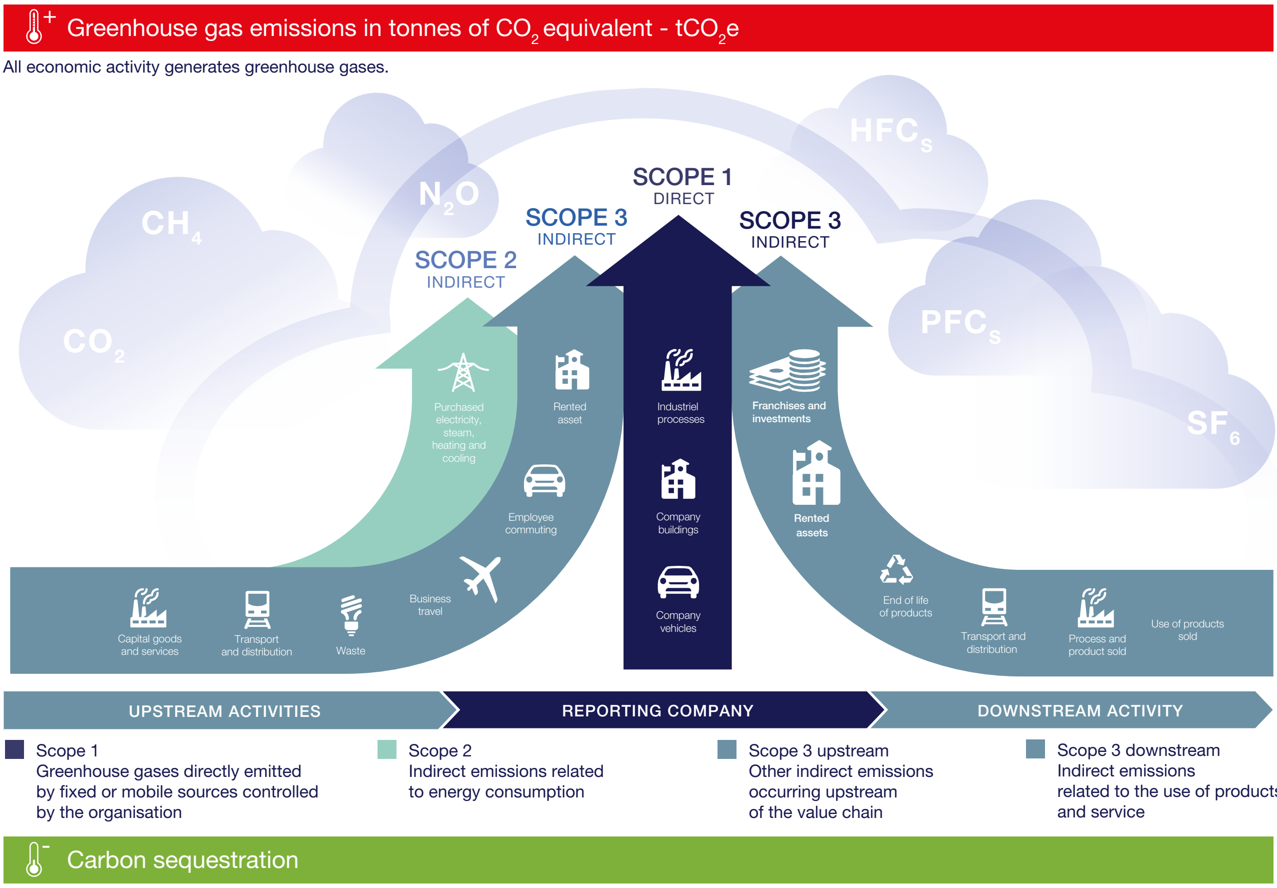
The level of risk of each sector is assessed taking into account the sector's exposure and vulnerability to these risks, with a focus on Europe given the concentration of assets managed by the Group in this region. More detailed assessments will be carried out on the sectors identified as being highly exposed to material risks. The selection tool also includes an assessment of risks for biodiversity at the sectoral level, which will make it possible to identify and prioritise these risks.

Once finalised, the results of these analyses will be presented to the relevant Supervisory Board Committees of Tikehau Capital.

4.3.3 Measuring the carbon footprint at portfolio level

The carbon footprint has become an essential indicator. Calculating the carbon footprint aims to estimate the quantity of greenhouse gases ("*GHG*") or carbon emissions, measured in tonnes of CO_2 equivalent - tCO_2e, allocated to a company or a fund through a range of emissions sources grouped within a scope.

Carbon emissions throughout a company's value chain



Source: GHG Protocol and World Resources Institute (WRI).

Tikehau Capital recognises that the bulk of its carbon impact comes through its investment (Scope 3 downstream). As of the date of this Universal Registration Document, the analyses are in progress and will be published at a later date. Tikehau Capital uses several service providers adapted to its business lines (ERM, ISS, S&P Trucost, CBRE/GreenSoluce) to carry out carbon assessments of the Group's investments including direct investments in companies as well as investments in real estate assets.

The Group also undertakes to measure and report on the carbon footprint of the Company on an annual basis (see Section 4.4.2 (Tikehau Capital's environmental footprint) of this Universal Registration Document).

Moreover, in addition to calculating the carbon footprint, an estimate of avoided emissions allows for a better assessment of a company's or a fund's contribution to the climate.

4.3.4 Climate, nature and biodiversity: thematic and impact investments

Tikehau Capital has identified the response to the climate emergency as a pressing call for action in terms of risk management, but also as the greatest investment opportunity of recent decades. Since 2014, Tikehau Capital has contributed equity to the developers of renewable energy Quadran, EREN, GreenYellow and Amarenco.

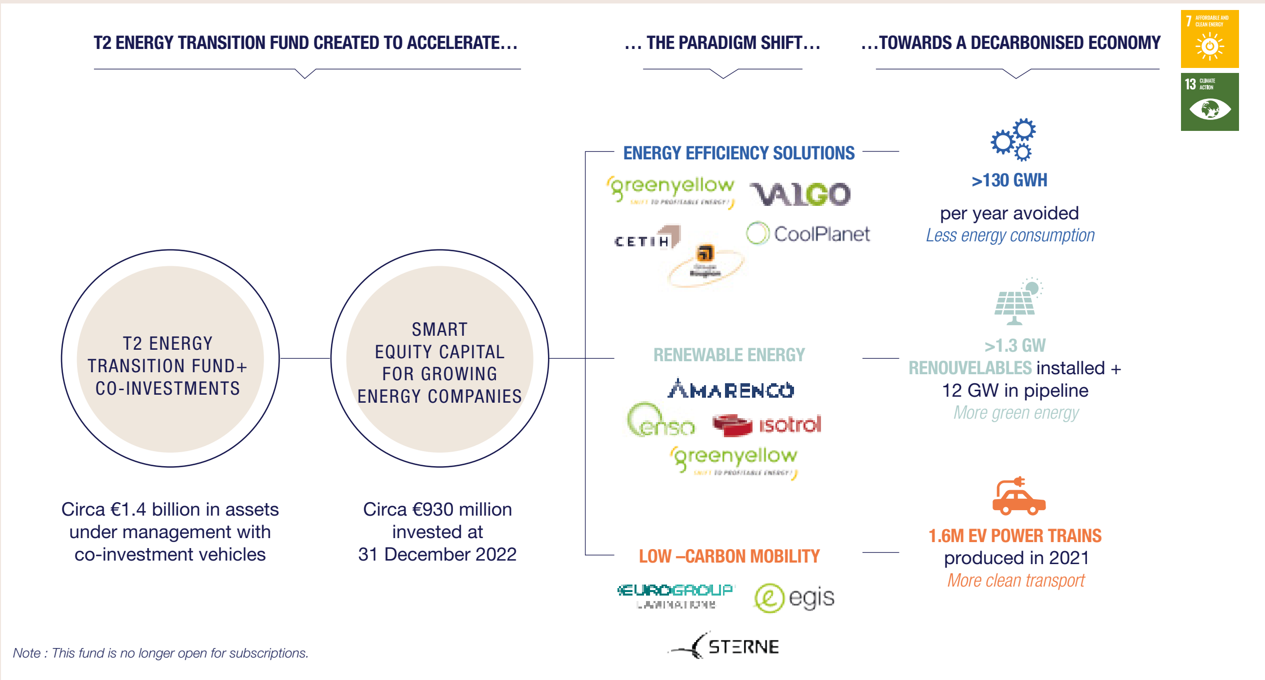
Backed by its track record, the Group has set itself the goal of developing a €5 billion platform by 2025 that will be dedicated to financing the energy and ecological transition as well as the protection of biodiversity through its various business lines.

FOCUS ON T2 ENERGY TRANSITION FUND

T2 Energy Transition Fund ("T2") is a private equity fund designed to support medium-sized businesses that are focused on the energy transition in the financing of their development, the transformation of their business models and their growth, especially international expansion. In March 2021, T2 finalised its fundraising at over one billion euros.

Based on a targeted and customised approach which aims to promote energy transition, the fund's investments will focus on companies working on three determining fronts for achieving the long-term temperature goal of the Paris Agreement: (1) energy efficiency, storage and digitisation; (2) the production of clean energy; and (3) low-carbon mobility.

As of 31 December 2022, T2 had made ten investments. The 2022 carbon analyses are under way. Over the 2021 financial year, according to the analysis of the environmental expert ERM, the nine companies in which T2 is invested have made it possible to save more than 130 GWh of energy, install 1.3 GW of clean energy and equip 1.6 million vehicles with electric powertrains.



In addition to financial support, the T2 investment team is positioning itself as a partner to support executives in the integration of ESG and Climate issues. As a result, impact roadmaps aimed at supporting the sustainable development of companies are being produced.

A focus on other funds dedicated to decarbonisation, nature and biodiversity is presented in Section 4.2.5 (Sustainability-themed and impact investments) of this Universal Registration Document.

In terms of real estate assets, Sofidy, Tikehau IM and IREIT are also working to continuously improve their portfolio. In 2022, IREIT launched an environmental certification process for its buildings. At the end of 2022, seven buildings were already LEED or BREEAM In-Use certified and 17 were in the process of being certified. The objective is to have 36 buildings certified in the first half of 2023, *i.e.* 100% of IREIT's portfolio excluding the Berlin asset, which will undergo major restructuring work.

REHABILITATION OF AN OFFICE TOWER

The renovation of an emblematic concrete office tower in Villeneuve d'Ascq is a good illustration of Sofidy's strategy to promote sustainable real estate. The project preserves the structure of the existing building, thus limiting the use of new construction materials and the greenhouse gas emissions associated with the site. For the use phase, the building aims to reduce energy consumption by 50% and greenhouse gas emissions by 25%, as well as achieving BREEAM-in-Use "Very Good" environmental certification.

With a green roof, modular floors according to the needs of tenants, convivial spaces and services, and the promotion of soft mobility, the future building will also meet the new expectations of companies and their employees to promote well-being at work.

4.3.5 Taking into account the European taxonomy

Measurement of eligibility and alignment with the European Taxonomy at the level of the Group's funds and management companies

According to the information available at the date of this Universal Registration Document, over 70 SFDR Article 8 and 9 funds managed by Tikehau IM and Sofidy will be required to study eligibility for the Taxonomy from June 2023.

For Capital Markets Strategies funds, the Group has selected the EU Taxonomy Alignment module of the non-financial agency ISS for its analysis of equity and bond funds. For certain closed funds, Tikehau Capital works with environmental experts such as ERM.

As of 31 December 2022, assets under management in impact funds with a major climate and biodiversity focus described above do not represent an accounting base for assets eligible for the European Taxonomy.

Measurement of eligibility and alignment with the European Taxonomy at Company level

As a listed company, the Company falls within the scope of the Taxonomy Regulation, which governs the publication of information on the sustainability of the economic activities of the companies subject to it. This regulation distinguishes between financial companies and non-financial companies (these two categories of companies are subject to different requirements). The Company is not:

(i) an asset manager (or an asset manager within the meaning of the AIFM Directive, or a management company or a self-managed investment company within the meaning of the UCITS Directive),

(ii) or a credit institution,

(iii) or an authorised investment firm within the meaning of the UCITS Directive,

(iv) or an insurance company,

(v) or a reinsurance company,

the Company does not meet the definition of a financial enterprise and must therefore be classified as a non-financial enterprise. Thus, **the activities to be taken into account for the Taxonomy reporting are those carried out by the Company which are carried out by the companies within its scope of consolidation in the accounting sense. The Company Taxonomy reporting doesn't consider its asset management and investments activities.**

Only the first two objectives of the Environmental Taxonomy came into force in 2021 - adaptation and mitigation of climate change - covering around 90 economic activities described in Annex I of European Regulation 2021/2139 (the so-called “climate delegated act”). At 31 December 2022, only two entities included in the Group’s accounting scope of consolidation, Sofidy and Alma Property, carried out activities concerned by these first two objectives, namely the activities of (i) acquisition and ownership of buildings and (ii) renovation of existing buildings. Thus, as of 31 December 2022, only a very small portion of the Company’s revenue and capital and operating expenses were eligible for the Taxonomy.

As of 31 December 2022, the buildings owned by Sofidy and Alma Property did not meet the energy performance thresholds set by the Taxonomy. The renovations carried out during the year did not make it possible to reduce energy consumption by 30%. Thus, as of 31 December 2022, the share of the Company’s revenue and capital and operating expenses aligned with the Taxonomy was zero (see details in Section 4.5 (Taxonomy reporting) of this Universal Registration Document).

4.4 CSR APPROACH

In addition to a proactive responsible investment policy, the Group has adopted a CSR strategy, (*i.e.* a sustainability approach for its operations) whose main areas of focus were revised in 2019 following the work conducted on the Group's materiality matrix:

- **area 1 - Governance and the alignment of interests** are at the heart of the Group's CSR approach. Priority is given to business ethics and compliance;
- **area 2 -** Tikehau Capital monitors the **environmental footprint** of its operations and makes efforts to reduce its direct impacts;
- **area 3 - Diversity and talent retention** are at the heart of the Group's strategy and considered as growth drivers;
- **area 4 -** Tikehau Capital is attentive to **relations with its stakeholders**, in particular through its responsible purchasing policy and its community involvement.

4.4.1 Governance and business ethics

Compliance with fundamental standards

The Group develops respecting human rights and the environment wherever it operates. Tikehau Capital aims to act in accordance with:

- the International Bill of Human Rights,
- the United Nations Global Compact, and
- the Principles and Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

Tikehau Capital is committed to working to achieve standards in terms of Corporate Social Responsibility (CSR) and to adopting an ethical behaviour. The Company joined the United Nations Principles for Responsible Investment (PRI) in July 2014 and the United Nations Global Compact in February 2023 and cooperates with these international initiatives on relevant topics.

Given the nature of the services that the Group offers, the risk of involvement in human rights violations at the level of direct operations and direct suppliers is low. The measures taken to limit the negative impact on human rights at the Group are described in the Code of Conduct available on the Tikehau Capital website.

Tikehau Capital also adheres to the principles laid down in the fundamental conventions of the International Labour Organization ("ILO") concerning (i) respect for the freedom of association and right to collective bargaining, (ii) the elimination of discrimination in respect of employment and occupation, (iii) the elimination of forced and compulsory labour, and (iv) the effective abolition of child labour. The Group endeavours to ensure that human resources play an integral part of its own strategy and of that of the companies in which it invests. Depending on the nature of the businesses and their industries, qualitative or quantitative criteria used in regard to social aspects may vary: human resources policy, social risk, employee safety and work-related accident rates. As a responsible shareholder or lender, Tikehau Capital promotes, wherever relevant, diversity and gender balance within the governance bodies of its portfolio companies.

The Group's approach rests on the belief that high-quality management of human resources is required for a company to be productive, reduce social risks of any kind and therefore prove to be a promising investment.

Alignment of interests

The alignment of interests is a distinctive feature of Tikehau Capital's business model:

- employees and certain investor-clients are also Group shareholders;
- Tikehau Capital's balance sheet actively supports the development of its management platform by investing in its own strategies; and
- the companies in the portfolio are both beneficiaries of the Group's Capital and drivers of its growth.

Lastly, through its new impact funds, the Group aligns the interests of its asset management companies with the ESG objectives of portfolio companies.

Key indicators:	As at 31 December 2022 (1)	As at 31 December 2021
Percentage of the Company controlled by its founders and management (directly or indirectly)	**57%**	**57%**
Percentage of employee shareholders in the Company	**60%**	**62%**
Share of the Group's investment portfolio invested in its investment strategies	**79%**	**75%**

(1) In 2022, the denominator corresponds to the average workforce excluding the EIL & GSA subsidiaries, which are not eligible for the allocation of free shares.

Investor-clients satisfaction

The Group's investor-clients are made up of institutional and private investors who may also be shareholders in Tikehau Capital. In both cases, customer satisfaction is a key factor both in terms of performance for the Group and for its Asset Management business. The Group's subsidiaries monitor investor incidents.

The Group pays particular attention to transparency and communicates regularly with its investor-clients. For all of its funds, both open-ended and closed, the Group ensures that it provides regular updates on financial performance. The Group has also set itself the objective of sharing communications on non-financial performance at least once a year for the main open-ended and closed funds.

Finally, the Group has articulated a responsible marketing approach that is incorporated into its compliance manuals. The Group works hard to communicate accurate, clear information that does not mislead investor-clients. The Compliance Department checks all presentations that are prepared with the purpose of promoting the Group, the Company or its funds. The financial and non-financial reports undergo an internal revision process and, in some cases, are subject to independent third-party verification.

The Group's subsidiaries are regularly rewarded.

Sofidy received the company of the year award at the 2022 Supplier Awards organised by Gestion de Fortune magazine. In addition to strong financial performance by the funds, this award recognised the quality of Sofidy's customer service and its sales teams.

Tikehau IM also received the "Best Flexible Allocation Company" award from Quantalys Inside 2021.

Transparency and interest representation

The Company intends to meet a high level of transparency concerning its own activities to the fullest extent compatible with its role as an asset manager and investor, so that its stakeholders can assess the developments of the Group's situation and its outlook (for an overview of employee relations, see Section 4.4.3 (Human Capital: diversity, attracting and retaining talent) of this Universal Registration Document).

As it develops and in order to increase the visibility of strategies, the Group has initiated actions to lobbying, which is defined as any initiative that is carried out by a representative interests of the Group aimed at influencing a public decision.

The Group also strengthened its contribution to industry associations and think tank in 2022, particularly in connection with the activities of the New York office.

Tikehau Capital refrains from making political contributions, even if they are lawful in a large number of countries within a strictly-regulated framework.

In addition, the Group supports and is an active member of professional associations that represent its interests and those of its sector, notably: French Association of Private Enterprises (AFEP), French Asset Management Association (AFG), Alternative Investment Management Association (AIMA), French Association of non-listed real estate investment funds (ASPIM), European Leveraged Finance Alliance (ELFA), France Invest (leading association of French private investors), l'*Institut pour la Finance Durable* (ex. Finance For Tomorrow), Invest Europe, Loan Market Association (LMA) and the UN PRI.

	As at 31 December 2022	As at 31 December 2021
Transparency and interest representation	€261,000	€249,000
Candidates, organisations or political campaigns at local, regional or national level	0	0
Market associations and think tanks	€155,000	€14,000

Note: Rounded up to the nearest thousand

Business Practices

Compliance with ethical principles is a fundamental pillar of the Group's Asset Management and Investment activities and a key element for its reputation. In all of its actions, Tikehau Capital is committed to complying with rules of conduct with respect to all its stakeholders and in the way it conducts its business. These rules of conduct are laid down in the Group's Code of ethics. One of the essential principles is combating behaviours or practices that run counter to business ethics, such as corruption or influence peddling (see Section 2.3 (Risk management culture and compliance obligations) of this Universal Registration Document).

Tikehau Capital is fully committed to conducting its business development in compliance with the highest international anti-corruption standards such as the French law on transparency, the fight against corruption and the modernisation of economic life (known as the "Sapin II" Act), the "Foreign Corrupt Practices Act" (FCPA) in the US, and the "UK Bribery Act". A Code of Conduct on the prevention of corruption and influence peddling was introduced in 2020 and updated in 2022 (Anti-Bribery, Corruption and Influence Peddling code or "ABC Code"). This code sets out the definition of illicit behaviour (corruption, influence peddling, abuse of corporate assets, etc.), the associated risks for the development of the Group's activities, the guidelines to be adopted and a procedure to ensure the implementation of the system (including roles and responsibilities, whistleblowing procedure and associated sanctions). In addition, the Group has an anti-money laundering policy.

The Group encourages the use of fair practices by both its teams and service providers. A similar level of requirement is expected within the companies in which the Group invests. Furthermore, Tikehau Capital is committed to adhering to demanding corporate social and environmental responsibility standards.

The Group prohibits deals or conduct which could be considered anticompetitive. Conversely, Tikehau Capital requires its suppliers, service providers, consultancy firms and other third parties to comply with applicable regulations. The Company also requires its trading partners to introduce responsible environmental and social practices (see Section 4.4.4 (Relations with external stakeholders) of this Universal Registration Document).

The teams of each of the Group's entities are particularly trained on the risks of non-compliance of any kind and training and measures have been implemented to prevent some of the economic violations and breaches that might occur in the course of conducting its activities (insider misconduct, fraud, corruption, tax evasion, money laundering, financing of terrorism, the protection of personal data, etc.).

In order to consolidate in a single document the main commitments, policies and procedures and expectations of the Group in terms of behaviour for both employees and key stakeholders of the Group, a Code of Conduct was written and published on the website of Tikehau Capital in 2021 and updated in 2023.

This Code is not exhaustive and should be considered as a complementary tool to other existing policies. It covers the following seven topics:

1. relations with customers, suppliers and external stakeholders (for example as part of marketing and responsible communication);
2. rules of conduct on protection and reputation (for example, in terms of cybersecurity and data protection);
3. anti-corruption conduct rules (including lobbying);
4. rules of conduct for governance;
5. social conduct rules (*e.g.* in terms of respect for human rights, freedom of association, or the policy on diversity and the fight against harassment);
6. environmental approach (commitments and eco-friendly actions);
7. application of the code of conduct (whistleblowing system and penalties policy).

Preventative action

In the context of the listing of Tikehau Capital's shares on the Euronext Paris regulated market, a Stock Market Professional Code has been set up. This complements all of the specific strategy arrangements and training linked to Asset Management regulations, the provision of investment services and regulations on the prevention of money laundering and finance for terrorism.

Training sessions (*e.g.* prevention of money laundering or finance for terrorism) take place regularly in line with the regulatory obligations of the Group's asset management companies for all teams. Moreover, a whistleblowing system has been implemented and the data gathered in 2022 did not reveal any material problems.

The Group's requirements in terms of professional ethics also involve balanced governance, prevention of conflicts of interest and stringent internal control (see Section 2.3 (Risk management culture and compliance obligations) of this Universal Registration Document).

Cybersecurity and personal data protection

Cybersecurity is perceived as a major issue and the Group is constantly strengthening its architecture and IT systems. External intrusion tests are regularly implemented to check the robustness of the Group's information systems (see Section 2.2.4 (Risks of fraud or IT security) of this Universal Registration Document). The cybersecurity risk prevention system includes due diligence with regard to external IT service providers (cloud applications, data processing, etc.), phishing campaigns and training for all employees.

	As at 31 December 2022	As at 31 December 2021
Percentage of employees who completed cybersecurity training [(1)]	86%	72%

(1) Population targeted by the IT department (permanent and non-permanent Group employees as well as permanent service providers) included in the campaign for the second quarter and part of the headcount as of 31 December of the year in question. It should be noted that cybersecurity awareness-raising campaigns remain open after 31 December.

In addition, the Group also strives to guarantee the security of personal data and complies with the European General Data Protection regulation (GDPR). The Group undertakes to process personal data in accordance with the existing regulatory framework and to respect the rights and fundamental freedoms of natural persons and, in particular, their right to privacy, with regard to the automated processing of their personal data.

The Group periodically commissions external consultants to review the measures in place.

4.4.2 Tikehau Capital's environmental footprint

The environmental impact of Tikehau Capital is mainly due to its investments. Nevertheless, the Group is keen to apply best practice to its operations to reduce its footprint.

The difference between 2021 and 2022 figures are attributed to a decrease in electricity consumption in the New York and Madrid offices, and a decrease in district heating consumption at the Paris and Evry offices. These reductions are partially offset by an increase in electricity consumption in the London office, as well as a change in the boundary of the carbon footprint (the addition of four offices Tel Aviv, Zurich, GSA Immobilier and EIL, and the removal of Credit.fr).

	As at 31 December 2022	As at 31 December 2021 (1)
Total energy consumption (in MWh)	2,466	2,640
Total energy consumption/office space (MWh/m²)	0.161	0.188
Total energy consumption/number of employees (in MWh/employee)	2.95	3.45

(1) Energy consumption metrics in 2021 has been restated to reflect a correction.

Sustainable use of resources and circular economy

Initiatives aimed at reducing the impacts of the Group's activities are in place. All Group employees are encouraged to limit their consumption:

- of paper, avoiding printing, default printing on both sides and restricting printing to identified authorised employees. Employees are also encouraged to look at their own printing impact using the PaperCut solution;
- of plastic bottles, by equipping offices with bottles and water fountains when the number of employees so allows.

Group employees are also encouraged to sort and recycle waste. The Paris and Évry offices sort, collect and recycle paper/cardboard, plastics, metals, glass, coffee capsules, etc. with the adapted company (Entreprise Adaptée - EA) Cèdre. In 2022, this recycling saved 110 trees or 3,500 kg of CO_2. The Brussels, London, Madrid, Milan and Singapore offices also introduced recycling programmes.

Special attention is placed on the most polluting waste (electronic and IT waste, ink cartridges, batteries and light bulbs). The average lifetime of a computer is four years.

Moreover, the Group also aims to reduce its environmental impact by involving its stakeholders.

Sofidy thus offers the partners of its funds the option of digitising the notices of General Meetings and regulatory and periodic documents. Sofidy has undertaken to donate €1 to any partner who has opted for digitisation.

Carbon footprint at the level of the Group's operations

ERM was mandated to carry out a carbon assessment of the Group in line with the Greenhouse Gas Protocol ("GHG Protocol") for the 2022 financial year. The scope chosen for the analysis is the same as the one for the Group's operations: it includes Scope 1, covering direct emissions from fixed or mobile sources controlled by the organisation; Scope 2 covering indirect emissions linked to energy consumption; and Scope 3, upstream, covering indirect emissions linked to the upstream value chain.

In 2022, environmental data was collected for eight offices (Evry, London, Madrid, Milan, New York, two offices in Paris and Singapore) representing more than 85% of the Group's permanent and non-permanent employees and more than 85% of the surface of offices. For the other offices, estimates were made on the basis of an extrapolation using physical data available for the offices covered and/or data collected during the previous year.

Scope 3 emissions were calculated taking into account the following upstream categories: purchased goods and services, capital goods, activities consuming fuel / other energy sources, waste generated, business travel and employee commuting.

Key indicators:	2022	2021 (1)
tCO_2e emissions, Scope 1	222	144
tCO_2e emissions, Scope 2, location-based approach (2)	274	360
tCO_2e emissions, Scope 2, market-based approach (3)	330	NA
tCO_2e emissions, Scope 3, upstream	10,316	8,464

(1) Scope 1 and 2 emissions in 2021 have been restated due to (i) alignment of the 2021 figures with the methodology adopted in 2022 regarding refrigerant leaks and (ii) the identification of an error in energy consumption metrics in the previous assessment.

(2) In the location-based approach, the electricity emission factors correspond to the average of the network in the area where the company is located.

(3) In accordance with the GHG Protocol scope 2 guidance, the market-based approach used electricity emission factors corresponding to the grid residual electricity mix where available; in the absence of these factors, the location-based electricity emission factors were used.

The main differences between 2022 and 2021 are as follows:

- Increase in the number of permanent and non-permanent employees,
- A change in the boundary of the carbon footprint (the addition of four offices Tel Aviv, Zurich, GSA Immobilier and EIL, and the removal of Credit.fr),
- The inclusion of company cars in the scope 1 carbon footprint (which results in an increase in Scope 1),
- Reduction of electricity consumption in the New York office and reduction of heat consumption of the urban network in the Paris and Evry offices (which results in a decrease in scope 2),
- Re-evaluation of the nature of the accounting lines of expenditure to include all purchases of goods and services in the corresponding emission category (which results in an increase in scope 3),
- Business travel was calculated using physical activity indicators and supplier specific emission factors instead of monetary factors, and
- Employee commuting was calculated on the basis of a survey instead of assumptions based on the number of employees.

At the date of publication of this Universal Registration Document, the Scope 1-2 GHG emissions related to the common areas of the buildings in the real assets portfolio were not available. The downstream Scope 3 GHG related to portfolio companies and real assets (tenant consumption) is also being calculated and will be published at a later date.

Details of the Group's 2022 carbon footprint, location-based approach

Scope 3 upstream

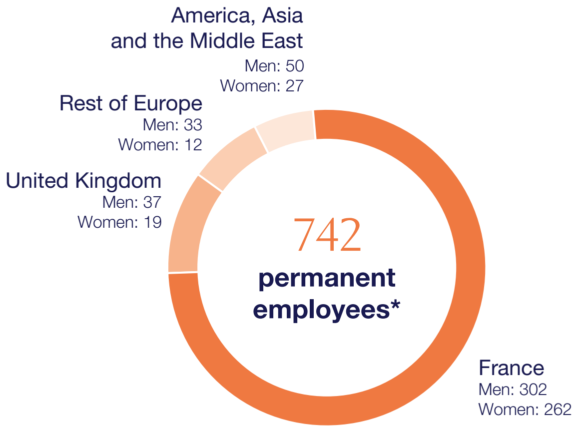
			Travel			
	Purchased goods and services	Capital goods	Business travel	Employee commuting	Others	Subtotal Scope 3 upstream
Emissions (in tCO_2e)	7,759	702	1,435	318	103	10,316

4.4.3 Human capital: diversity, attracting and retaining talent

The employees

At 31 December 2022, the Group's employees were divided among:

- the Company which combines the Group's central functions since the reorganisation carried out in July 2021;
- Tikehau Ace Capital [1];
- Tikehau Capital Europe;
- Tikehau Capital North America;
- Tikehau IM and its subsidiaries and branches;
- Homunity and its subsidiaries;
- Sofidy and its subsidiaries;
- Star America Infrastructure Partners;
- IREIT Global Group; and
- FPE Investment Advisors.



** Including representatives of the Managers.*

1) *Tikehau Ace Capital was merged into Tikehau IM on 1 January 2023.*

To support the growing assets under management, headcount has been expanded significantly in recent years. Although most of the growth has been organic, the Group makes occasional acquisitions (such as the majority interest in FPE Investment Advisors in April 2021).

In 2021, the Group was already present in Amsterdam, Brussels, Frankfurt, London, Luxembourg, Madrid, Milan, New York, Singapore, Seoul and Tokyo. In 2022, the year was marked by the opening of an office in Tel Aviv in February and in Zurich in August.

As at 31 December 2022, the Group's permanent workforce was 742 permanent employees (including the two representatives of the Managers), against 683 as at 31 December 2021 and the Group's total workforce (permanent and non-permanent) was 830 employees.

Permanent staff includes employees holding permanent contracts (*contrats à durée indéterminée*) for full-time or part-time work. At the date of this Universal Registration Document, no corporate officer of the Company or the representatives of the Managers was bound by a contract of employment. However, the representatives of the Managers are included in the permanent workforce.

Non-permanent staff includes employees holding full-time or part-time temporary contracts, including special temporary contracts such as work-study contracts (professionalisation), replacement contracts, seasonal work contracts, internships and apprenticeship contracts. Non-permanent staff does not include substitute workers, workers seconded by an outside company and who work at the Company's premises, or temporary workers. The Group's employees work in complex technical environments. As a result, Tikehau Capital employees are highly qualified and most of them have executive status. As at 31 December 2022, the average of managers and management-level employees was 89%.

The table below presents the Group's permanent employees and any changes between 31 December 2021 and 31 December 2022.

Key indicators:	**As at 31 December 2022**	**As at 31 December 2021**
Number of permanent employees (1)	742	683
Percentage of permanent employees in total headcount	89%	92%
Proportion of women in permanent staff	**43%**	**43%**
Percentage of executives in permanent staff	89%	89%

(1) Including the two representatives of the Managers.

The table below presents hires and departures within the Group in 2021 and 2022. In 2022, 61 net new jobs were created (compared to 77 new jobs created in 2021), reflecting the Group's organic and continuous growth.

	From 1 January to 31 December 2022	**From 1 January to 31 December 2021**
Total hires (permanent contracts)	**161**	**178**
Retirements and early retirements	1	2
Departures on the initiative of the employee	55	48
Departures on the initiative of the employer	24	18
Other departures (1)	20	33
TOTAL DEPARTURES	**100**	**101**

(1) Other departures include ending of contracts by mutual agreement.

Key indicators:	**2022**	**2021**
Turnover rate on average headcount	**13.8%**	**14.3%**
Net new jobs created	**61**	**77**

Health and Safety

Health, safety, hygiene and well-being at work are among the Group's priorities and are considered key challenges. In several countries, there are legal obligations in terms of health and safety at work to reinforce prevention and encourage dialogue with employees. In France, four meetings with the elected members of the Social and Economic Committee are devoted, among other things, to health and safety each year. In addition to regular informal discussions, constructive discussions lead to the establishment of an action plan in this area. Most of the measures taken for France are rolled out to the rest of the Group where relevant.

	From 1 January to 31 December 2022	From 1 January to 31 December 2021
Workplace accident frequency rate (1)	0.78	2.6
Absenteeism rate (2)	1.4%	1.7%
Number of days lost due to injury, accident, death or illness	2,304	NA

(1) Number of accidents with lost time greater than one day per million hours of work.

(2) Including hours of absence for ordinary, work-related illness.

In this context, several initiatives have been put in place. In France and abroad, the Group's managers are trained in relational intelligence and psychosocial risks by an occupational psychologist. The purpose of these training sessions is to prevent and detect situations that could generate risks for Tikehau Capital employees.

Likewise, a tailor-made managerial pathway was initiated in 2022 enabling Group managers and future managers across all countries to acquire homogeneous tools and methods to support their teams in the best way, by developing a common managerial culture.

Particular attention is paid to the ergonomics of workspaces. Employees who wish to do so can benefit from adapted equipment (ergonomic ball, specific mouse, footrest). The Department works on this subject in partnership with the occupational health service in France and the elected members of the Social and Economic Committee. Each employee has an ergonomic chair and two screens.

Several new initiatives were put in place in 2022 to support employees in terms of health, notably with the implementation of regular webinars and workshops. Workshops led by healthcare professionals were rolled out on nutrition, stress management, sleep, relaxation and lifestyle. Some employees also receive individual support on request and in complete confidentiality.

In order to cultivate well-being at work, seated massage sessions as well as osteopathy consultations are offered each month to employees of the Paris office. Given the success of these services, the plan is to roll out similar initiatives at international offices in 2023.

In June 2022, the Group organised for the first time the Quality of Life at Work week at the Paris offices. The aim was to raise employee awareness of good posture at work and of mental and physical health. Several workshops and webinars were offered to employees throughout the year. Employees in London were also trained to become health and safety focal points. The objective was to roll out a more committed policy, notably to better identify practical ways to manage, support and promote positive mental health in the workplace.

Tikehau Capital welcomes requests for part-time work or specific adaptation following maternity leave or an exceptional family situation.

The “outsourced” Quality of Life at Work platform aims to provide employees with solutions, support and content on topics such as work-life balance, diversity and inclusion and personal development. Thanks to their personalised space, employees of the Paris office can access experts, training paths and help in their daily work - both professional and personal. The internationalisation of the platform is planned for the first quarter of 2023.

In addition, the Management encourages employees to practise sport. In line with the actions undertaken in 2020 and 2021, the Group offered remote sports sessions in 2022 and, whenever possible, took part in sporting events (marathons, solidarity races, ascent of Mont Ventoux by bicycle). New collective sports sessions have been organized with coaches for employees in Paris, who also have access to a gym in the building. Company bicycles are still offered to employees in France and the United Kingdom as a tax benefit.

Lastly, employees are periodically trained in fire safety and volunteers are regularly trained in first aid.

Diversity and inclusion

Promoting a culture of diversity is central to the Group's success and recruitment strategy. At the end of 2022, the teams comprise 48 nationalities around the world.

The Human Capital Department is mobilised to diversify its sources of recruitment, encourage diversity within the Group, and fight all forms of discrimination. The recruitment firms used by Tikehau Capital are continuously made aware of the issue.

The Human Capital Department has formalised a diversity and inclusion policy at Group level that involves all management.

The Group trains Human Capital Department employees and raises awareness among all managers and employees involved in recruitment processes to prevent any unlawful discrimination in hiring on the grounds of colour, religion or belief, gender, national or ethnic origin, disability, age, nationality, family status, pregnancy or orientation. Specific training on unbiased recruitment is offered to all employees involved in the Group’s recruitment processes.

Breakdown by nationality (in the permanent workforce)	**As at 31 December 2022**
France	72%
United States	4%
United Kingdom	4%
Italy	4%
Singapore	3%
Others	13%

Breakdown by age (in the permanent workforce)	**As at 31 December 2022**
29 and under	22%
Between 30 and 39	39%
Between 40 and 49	24%
Over 50	15%
Average age of the workforce	*38.6 years*

Tikehau Capital is committed to ensuring an environment that respects the dignity and professional contributions of each individual and is free from any form of discrimination. Harassment (moral, sexual or discriminatory) constitutes misconduct and is strictly sanctioned.

Diversity of professional backgrounds and profiles

The Group places great importance on the human qualities and professional behaviour of the profiles recruited as well as on the diverse range of professional backgrounds.

The Group strives to attract a variety of profiles, with prestigious backgrounds as well as atypical ones. When it comes to recruiting young people, the Talent Acquisition team is in continuous contact with schools and various associations to set up dedicated and personalised events. Thus, numerous initiatives are organised at the Group to meet new talent and promote the employer brand.

In addition, partnerships have been set up with associations to promote exchanges and recruitments of interns with atypical or minority backgrounds.

In France, the Human Capital Department has established a partnership with the Institut de l’Engagement to meet and support young people who have proven themselves through civic or associative commitment (see Section 4.4.4 (Relations with external stakeholders - Partnership and philanthropy initiatives) of this Universal Registration Document). In 2022, the partnership continued to lead to new actions that will be rolled out in 2023 with, notably, an intervention by the Institut de l'Engagement among the community of interns and work-study students. The Talent Acquisition team remains in regular contact with the Institut de l'Engagement to collaborate on the recruitment of interns or young profiles.

In order to promote the integration of interns at the Group, the Human Capital Department has set up a community dedicated to interns and work-study students in France and abroad called “TKO Future Capital”. Each month, its members are invited to meetings to learn about the Group’s business lines and enable them to create a network useful for their future careers by interacting with senior employees of Tikehau Capital.

Finally, the use of work-study programmes is strongly encouraged by teams, and several work-study students have become permanent employees. In 2022, the teams had 22 work-study students and two of them were integrated into permanent contracts at the end of their apprenticeship.

Ethnic diversity

Legal constraints in France do not allow for factors likely to represent ethnic diversity to be taken into account. Thus, Tikehau Capital is working on this issue as a priority in countries where monitoring is possible.

In the United Kingdom, the partnership with the “1,000 Black Interns” association was renewed in 2022 to foster diversity and the recruitment of interns. This collaboration made it possible to recruit two interns who will join the investment and investment support teams in 2023.

As an employer subscribing to the principle of equal access to employment, Tikehau Capital also encourages diversity in the recruitment in the United States.

Gender balance

The industry in which the Group operates is marked by an over-representation of men. In this context, the Human Capital Department has implemented a proactive policy to further strengthen diversity and gender equality. Recruitment and promotion targets for women have been set, and all the Group’s teams have been made aware of this.

Key indicators:	As at 31 December 2022	As at 31 December 2021
Proportion of women in permanent staff	**43%**	**43%**
Proportion of women in investment teams (1)	26%	27%
Professional equality index, Tikehau Capital Economic and Social Unit (2)	86/100	82/100
Professional equality index, Sofidy	85/100	88/100

(1) Women are better represented in other Group functions (human capital, legal, compliance, ESG, etc.).

(2) Tikehau Capital Economic and Social Unit (UES) was formed in 2021 and includes the Company, Tikehau IM and Tikehau Ace Capital (merged in Tikehau IM as at 1 January 2023).

Whenever possible, the Group's recruitment policy aims to promote female applications for job openings, and particularly for investment business lines, in order to promote a gender balance. Recruitment initiatives are carried out both for internship populations (who may eventually become permanent employees) and for permanent employees. Career development actions are also carried out and special attention is paid to women returning from maternity leave in terms of promotion and salary development.

In the context of the mandatory introduction of a workplace gender equality index in France, the Human Resources team has been monitoring five indicators:

1. gender pay gap,
2. differences in the distribution of individual increases,
3. difference in the distribution of promotions,
4. number of employees with a raise upon returning from maternity leave, and
5. parity among the ten highest paid employees.

These indicators are monitored in the French entities and internationally, and are intended to be improved.

The Managers have set targets in terms of gender balance for the Group's governing bodies as well as the time horizon for achieving them, and has determined the terms and conditions for their implementation. The Managers do not rely solely on the Executive Committee whose mission is to regularly assist it with all management decisions, but on several *ad hoc* Committees that bring together representatives of the senior management of the Group and are involved in their own fields. The objectives in terms of diversity of the Group's governing bodies have therefore been defined for a population corresponding to the Group's senior management, *i.e.* employees with the rank of Managing Directors and Executive Directors. These two grades are the highest within the Group and include employees who are at the head of business lines or support functions, who have real autonomy and/or who are part of the succession plan for managers of business lines or support functions.

Noting that diversity is part of Tikehau Capital's DNA and is one of its major assets and a decisive factor in its performance and growth, the Managers have set the objective of increasing the proportion of women who are Managing Directors and Executive Directors from 26% at the end of 2023 to 28% at the end of 2025 and 30% at the end of 2027. These percentages include promotions that have already been announced but will not be effective until 1 January of the following year.

At 1 January 2023, 23% of Managing Directors and Executive Directors were women.

To achieve these objectives, the following actions were notably implemented in 2022:

- Formalising a diversity and inclusion policy at Group level involving all management;
- Promoting women candidates for job openings, particularly in the investment business lines, aiming to achieve gender balance;
- Training employees of the Human Capital Department on the prohibition of any illegal hiring discrimination on the grounds of skin colour, religion or beliefs, gender, national or ethnic origin, disability, age, nationality, family situation, pregnancy or sexual orientation so that they can in turn raise the awareness of all managers and employees participating in the recruitment process on these subjects;
- Raising managers' awareness of sexist biases, notably in the context of recruitment, evaluations and promotions, and participation in "Recruit without discrimination" training for managers and recruiting employees;
- Creating a network of women through the "Women@Tikehaucapital" Group;
- Creating a training course on female leadership aimed at supporting 22 women in France and internationally;
- Participating in the Grandes Ecoles au Féminin survey on the impact of gender in risk management;
- Renewing and reinforcing links with associations that promote gender diversity in the financial sector and academia. Thus, each year, Tikehau Capital organises an event with the EDHEC's "Women In Finance" (Wifin) association;
- Developing the "Ma Bonne Fée" platform, dedicated to well-being and parenthood, with the possibility of consulting targeted articles and participating in webinars related to these topics and the possibility of obtaining the help of a coach for future young mothers to support them when they depart from and return to work;
- Measuring and analysing pay gaps between men and women during each salary level review, establishing remuneration grids for employees in investment activities aimed notably at erasing salary differences between men and women;

- Identifying high-potential employees, as part of the "Talents 2022" plan, and implementing *ad hoc* development plans to prepare them for mobility to positions of high responsibility, in the form of mentoring programmes and training plans aimed at developing technical and interpersonal skills; and
- Establishing senior management succession plans involving women in the short-, medium- and long-term.

These actions will be pursued in 2023, as the Group wishes to continue its efforts to increase the proportion of women among the Managing Directors and Executive Directors.

The following table presents statistics on gender diversity by grade within the permanent workforce before and after promotions in 2022.

	Before 2022 promotions			After 2022 promotions		
	Breakdown of permanent workforce	**Number of women**	**Share of women**	**Breakdown of permanent workforce**	**Number of female promotions in 2022**	**Share of women**
Managing Director (highest rank)	66	14	21%	66	N/A	21%
Executive Director	88	20	23%	106	6	25%
Director	128	35	27%	134	7	27%
Vice-President	172	104	60%	177	17	63%
Associate	175	95	54%	163	6	53%
Analyst (lowest rank)	111	52	47%	94	N/A	49%
Founders	2		0%	2		0%

In October 2021, the pay scale by rank was reviewed for men and women with continuous experience. The Human Capital Department is also working on harmonising data between Group entities in order to better identify gender pay gaps.

Gender pay gaps are prepared based on gender categories of permanent employees defined by function, grade, geographic zone and activity for an independent management company with specific compensation practices. These population categories are then reviewed individually to exclude employees who have spent less than 6 months of year N in the Group and groups with fewer than two employees of the same gender. Out of 48 categories comprising 637 permanent employees, 22 categories comprising 538 employees were selected. Thus, more than 84% of the population studied is represented (see more details in Section 4.11 (Methodological note) of this Universal Registration Document). The calculation considers fixed, variable cash and deferred variable compensation. The pay gap between men and women is then calculated by category. The average of the differences observed is weighted by the number of employees per category and is presented below.

Key indicator:	2022
Unadjusted gender pay gap [(1)]	**8.9%**

Given (i) the size of the Group, (ii) the diversity of its activities and geographical locations and (iii) the rapid development of its teams in recent years, the size of the analysis categories remains limited and thus, could be significantly affected, negatively or positively, to any marginal evolution of each category. The calculation carried out gives an image, stopped at 31 December 2022, which could evolve rapidly over future years.

Furthermore, the Group wishes to raise the awareness of all employees about gender bias issues. At the end of 2020, the Human Capital Department set up partnerships with networks of women present in business schools and universities. It also explored gender bias awareness among various stakeholders, and a webinar was offered to all Group employees in the first quarter of 2021. Actions continued in 2022 to offer targeted training to managers and all employees on the subject of sexist bias and, more generally, on diversity and inclusion. These will be continued in 2023.

Employment of people with disabilities

In France, the Group's contribution to the employment and integration of disabled people is reflected in its choice of suppliers who employ people with disabilities. The Paris and Evry offices use the adapted company (EA) Cèdres for recycling and the "establishment and service of assistance through work" (Établissement et Service d'Aide par le Travail - "ESAT") API for office supplies services.

In November 2022, Tikehau Capital took part, for the second time, in the European week for the employment of people with disabilities. Several initiatives were offered such as a webinar on disability to raise employee awareness, and an introduction to sign language to better understand the challenges and power of this language. A recreational introductory workshop to wheelchair fencing was also offered in the Paris offices to enable employees to understand and experience the difficulties of an athlete with a disability. Lastly, an escape game on disability in the workplace was offered to employees. At the end of 2022, Tikehau Capital had three employees recognised as workers with disabilities.

In 2022, Tikehau Capital renewed its partnership with TH PARTNERH to promote the recruitment and inclusion of people with disabilities. A communication brochure was created and disseminated among all employees in early 2022. Lastly, Tikehau Capital signed a partnership with Handisport as part of Handisport Open Paris 2022.

Talent recruitment, management and skills development

The recruitment and talent development policy is a key challenge for the Group, at the heart of the concerns of the management team and the Human Capital Department.

The Group seeks to attract diverse profiles and provides the means to do so (see Section 4.4.3 (Human Capital: diversity, attraction and retention of talent - Diversity of professional backgrounds and profiles) of this Universal Registration Document).

The talent management and retention policy involves a range of complementary initiatives: ongoing dialogue concerning career development, training, mobility opportunities, as well as attractive compensation packages and benefits enabling employees to plan for the future.

The Group has an internal grid for classifying positions by level of responsibility and defining objective and explicit criteria. The Group thus has a clear and objective procedure for the management of talent and promotions. As part of this procedure, the management team ensures that each appointment is documented, relevant and conducive to ensuring consistency and fairness within the Group.

The promotions procedure is broken down into the following steps:

- forms are sent to managers at the beginning of October (the forms are adapted according to the grade);
- the managers return the completed forms to the human capital team;
- the human capital team verifies that the applications are consistent and then submits them to the Promotions Committee in liaison with General Management;
- the Promotions Committee assesses each application and makes a decision;
- the manager announces the news to the promoted employee;
- the final results are published on the Tikehau Capital intranet at the end of the process in December.

All promotions are effective from 1 January of the following year.

Particular attention is paid to the promotion of women within the Group (see Section 4.4.3 (Human Capital: diversity, attracting and retaining talent - Gender balance) of this Universal Registration Document).

Permanent dialogue and feedback

All employees have periodic individual evaluation interviews. Employees may also benefit from a mentoring programme wherein they receive advice from more experienced employees and can discuss a range of topics such as their career development or the business culture.

To respond to the expectations of numerous employees to receive a qualitative feedback from their managers, the Group has introduced a digital tool that promotes and facilitates ongoing feedback and:

- a culture of ongoing dialogue, throughout the year, between managers and their teams;
- qualitative exchanges (regular performance interviews, project monitoring interviews) as part of a joint development approach to ensure personalised and flexible monitoring; and
- teamwork on multi-disciplinary projects, improving overall cohesion.

The Human Capital Department manages the permanent feedback tool using some indicators such as the frequency of exchanges among managers and employees and by remaining in close contact with managers.

Training

The training provided within the Group aims to ensure that employees adapt to their jobs and to enable them to develop their skills. As part of its skills development plan, the human capital team monitors and ensures that all employees have access to diversified and high quality offers. In 2022, the Group invested in a training management tool to facilitate exchanges among employees, managers and the human capital team. In addition, several training catalogues are available *via* the platform. This tool will now be used every year to organise career and skills development discussions as part of career development discussions.

Tailor-made strategic training projects were created and rolled out in 2022:

- The 'Tikehau management training programme': individual and collective training course dedicated to all Group managers. Initiated in 2022, the programme gradually integrates new managers in order to support them in their new role.
- The 'Women's leadership programme': a course provided in collaboration with the SKEMA Business School, initiated in 2022, to support certain women at the Group in their career development. Two new generations will be opened in 2023.
- Risk capital awareness-raising: training day led by an expert from the France Invest organisation, dedicated to employees of the support functions in order to acculturate them to the investment business.
- The 'Tikehau Sustainability University': Group platform dedicated to training programmes covering environment, social and governance (ESG) topics. The course consists of e-learning modules focused on climate and biodiversity, presented by AXA Climate. At the same time, employees are invited to participate in a series of workshops at the Tikehau Capital offices ("Climate fresco", "Inventing our low carbon life").

These collective courses are available in the Group training catalogue and are intended to be renewed each year.

Over the 2022 financial year, 46,489 hours (or 1,937 days) of external training were provided to all Group entities. The number of hours increased considerably this year due to the promotion of e-learning training *via* an internal platform (mandatory training on compliance, data protection, GDPR regulations).

Training (permanent and non-permanent staff)	From 1 January to 31 December 2022	From 1 January to 31 December 2021
Total number of training hours (excluding e-learning platform)	**8,376**	**6,863**
Proportion of employees having followed at least one external training course during the year*	**71%**	**56%**
Annual training expenditure, excluding salaries paid (in thousands of €)	590	387

** Average headcount in 2022.*

Internally, presentations and training are also delivered by Group employees and cover awareness on compliance, cybersecurity, explanation of the various business lines and Group products, talent management (management, annual and career interviews, best recruitment and mentoring practice, welcome meetings for new recruits and business culture, etc.).

Externally, the 2022 skills development plan made it possible to finance:

- certifications, enabling the upgrading and/or development of the skills required for the positions, including mandatory certifications for the performance of certain functions (AMF certificate, CFA level I to III, CFA ESG).
- collective and/or individual technical skills development initiatives (regulatory news and standards, business training, financial modelling, investment capital funds, real estate valuation).
- actions to develop cross-functional skills (office automation, language training) or professional development (interpersonal skills, know-how).
- Individual coaching is offered to certain employees in view of their development within the Group (undertaking a position, managerial development) and their needs.

The Tikehau Graduate Programme, launched in 2021, is a recruitment programme for promising young international graduates on permanent contracts. Each graduate recruited benefits from cycles in different teams - investment, investment or corporate support - in France and internationally over a period of 18 months. At the end of this immersion, each employee will join one of the Group's teams. At the same time, these young recruits benefit from privileged access varied training during the course. The campaign was launched in 2021 and was a great success, leading to the recruitment of 12 young analysts. The final integration of each individual into a team will take place in 2023.

Lastly, the Group has introduced a series of presentations called 'Tikehau 360°' calling on high-level external stakeholders from all walks of life to broaden the perspectives of their employees and enrich their general culture. These conferences are an opportunity to discuss various topics such as finance, news, sport, culture, security, but also societal topics such as the environment or well-being at work. Other conferences are also presented by Group employees who discuss their activities, strategies and challenges and promote a better overall understanding of the Group's various activities in France and abroad and thus enable intra-business line cross-fertilisation. For example, in 2022, Margery Kraus, founder of the consulting firm APCO Worldwide, shared her experience as a parent and woman leader in 'Roots and Wings'. These internal events are also an opportunity to bring together employees from all Tikehau Capital teams and thus promote knowledge of the Group's activities and the development of an internal network and cross-fertilisation.

Mobility

Tikehau Capital is an organisation which promotes internal mobility:

- horizontal mobility (also called transversal mobility or functional mobility) is characterised by a change in job or business line but maintaining the same rank (six intragroup movements during 2022);
- vertical mobility refers to the situation of an employee who changes position in order to benefit from increased responsibilities; and
- geographic/international mobility refers to employees who change geographical location.

At a time when organisations and professions are constantly evolving, internal mobility is a key issue whether it is initiated by the employee or proposed by the employer. It fosters employee loyalty and talent retention and is a way to keep up the Group's competitiveness and level of performance. Mobility is not only a motivational factor for employees, increasing their investment in the workplace, but also an excellent way to develop new skills and learn. It is also an indicator of health and well-being within the Group.

The degree of involvement and the level of skill of the employee who applies for a job internally are already known or recognised and most importantly, the internal candidate has already absorbed the culture of the Company during their previous position, allowing a faster adaptation to the new position. It allows for example the Group to convey its corporate culture to new structures opened abroad and offers diversified career paths valued by employees.

In 2022, more than thirty geographical transfers across the Group (Europe, Asia and the United States) were organised.

The Tikehau Graduate Programme, made up of twelve junior members, also promoted functional and geographical rotations.

Lastly, a young member was able to benefit from an International Corporate Volunteering contract in the United States, at the New York office.

Remuneration and Benefits

The remuneration policy has several goals:

- ensure coherent remuneration within business lines and countries,
- be competitive as regards local market practices, to attract talent and retain loyalty while maintaining the Group's economic competitiveness,
- encourage and recognise collective and individual contributions, and

- promote fair remuneration and build trust.

Tikehau Capital must reconcile the demands of a highly competitive market with the expectations of investors, clients, shareholders and Group employees by ensuring the consistency of the remuneration policy with the Group's strategy and compliance with applicable regulations.

Human capital plays a key role in the Group's activities and the remuneration policy has a strong impact on competitiveness, allowing to both recruit and retain high-quality professionals. The remuneration policy defines effective and responsible remuneration practices in order to avoid conflicts of interest, protect the interests of the Group's investor-clients and ensure that there is no incentive to take excessive risk. It also looks to contribute to the creation of long-term value for the Group.

Tikehau Capital pays particular attention to the alignment of long-term interests at all levels. All employees are eligible for individual incentives and bonuses. All positions starting with the Associate level are also eligible for free and performance shares. In addition, since 2021, non-financial criteria (ESG) are taken into account in the variable remuneration of all employees. In 2021, the bonuses took into account the Group's diversity performance. In 2022, 20% of variable remuneration was indexed to collective targets in terms of human resources and assets under management dedicated to climate and biodiversity. The variable remuneration of identified persons is thus directly impacted by the attention they have paid to managing risks within their businesses and strict respect for internal procedures and compliance regulations. The vesting of deferred portions of variable remuneration is subject to the absence of fraudulent behaviour or serious error in relation to the regulations in force as well as the applicable internal policies and procedures in terms of compliance, risk management and ESG.

Since March 2021, in accordance with the SFDR, the remuneration policies of Tikehau IM, Sofidy and Tikehau Ace Capital [1] take into account the participation of employees in the relevant management company's ESG criteria policy which integrates sustainability issues see Section 1.4.3.4 (Other regulations - Regulation applicable to remuneration policies) of this Universal Registration Document).

Tikehau Capital also set up a 2022-2025 long-term incentive plan for certain senior managers of the Group, which will be liquidated in 2026 in view of the achievement of quantitative and qualitative criteria reflecting the Group's main financial and non-financial objectives. These include (i) achieving the target of having more than €5 billion in assets under management dedicated to climate and biodiversity by 2025, (ii) developing the skills of the Group's teams in the implementation of the Group's ESG policy through the continuous training and support of ESG experts and (iii) disseminating and obtaining external recognition of the Group's ESG policy, notably among its affiliates and its investments so that they integrate the ESG policy in their activities and, more generally, among stakeholders.

The motivation and commitment of employees are ensured by a policy of collaboration, shareholding and strong incentives that allow each one to benefit from Tikehau Capital's creation of shareholder value. Since the listing of its securities on the regulated market of Euronext Paris, the Company has set up free share plans and performance share plans which are described in Section 8.3.2.2 (free share and performance share plans) of this Universal Registration Document. The Group's employees based in France also benefit from a profit-sharing and incentive agreement.

Remuneration and benefits in thousands of euros (permanent and non-permanent workforce)	**From 1 January to 31 December 2022**	**From 1 January to 31 December 2021**
Total payroll	163,100	133,700
Percentage of employees benefiting from a profit-sharing arrangement [(1)]	100%	86%
Percentage of employee shareholders in the Company [(2)]	**60%**	**62%**

(1) France scope. Percentage of employees benefiting from a profit-sharing agreement.

(2) Group scope. Employees who hold shares directly or indirectly, including and without limitation by way of an ad hoc vehicle or company who have been allocated shares of the Company, even if they have not yet vested, in each case in accordance with any free share or performance plan implemented by the Company.

It should be noted that around 130 senior corporate members have joined together to invest in a structure which owns an equity interest in Tikehau Capital Advisors and which receives 20% of the carried interest available from the funds managed by the Group. The remaining 80% is split equally between the Company, Tikehau IM (or the Group's relevant asset management company) and Tikehau Capital Advisors. These carried interests exclusively concern some closed funds (performance fees for open funds are received in full by Tikehau IM or the Group's relevant asset management company) and enable receipt of a portion of the investor yields over and above an internal profitability level set out in the fund documentation.

This structure incentivises these employees to achieve performance for the Group and its funds and creates solidarity across all business lines, avoiding any silo effect and allowing employees to participate in the control of the Group *via* its stake in Tikehau Capital Advisors.

1) Tikehau Ace Capital was merged into Tikehau IM on 1 January 2023.

Employee relations

Within the Group, discussion is facilitated *via* hands-on management which is accessible and attentive.

The Group respects the freedom of association and, in compliance with legal requirements, promotes the establishment of bodies tasked with encouraging employer-employee relations.

In 2019, professional elections led to the establishment of Social and Economic Committees (*Comité social et économique* - CSE) at Tikehau IM, Tikehau Capital Advisors and Sofidy.

In 2021, following the recognition of a Tikehau Capital Economic and Social Unit (*Unité Economique et Sociale* - UES), and as part of the Reorganisation, a new UES SEC was set up. It thus represents the Company, Tikehau IM and Tikehau Ace Capital (1) uniting the employee representative bodies of the three companies.

Approximately 40% of Group employees are covered by collective agreements, especially in France, Italy and Spain.

Lastly, the Human Capital Department encourages dialogue with employees and involves some of them in impactful projects.

4.4.4 Relations with external stakeholders

Responsible purchasing policy

Given its activity in the service industry, the Group has very little exposure to issues related to the infringement of social rights or environmental risks at the level of its first rank suppliers. Nevertheless, for Investment and Asset Management activities, a responsible purchasing policy is a key ESG issue. Such a policy makes it possible to mitigate a large number of non-compliance risks, reputational risks and supply chain disruption risks in business sectors such as the manufacturing industry, agro-food, the textile industry or the healthcare and pharmaceutical industry.

Applying a similar level of requirements to its investments and those of its funds under management, the Group wishes to continue its efforts to meet high standards and requirements by strengthening its responsible purchasing policy, in order to integrate even more into its criteria selection, vigilance and assessment of the systems put in place by suppliers and their subcontractors in terms of (i) anti-corruption measures, (ii) respect for human rights, labour law and the development of human potential, (iii) business ethics, (iv) confidentiality and intellectual property, (v) the environment, and (vi) the supply chain.

In this approach, the Group has defined and made available to its teams standard clauses expected for the drafting and negotiation of contracts with its suppliers. This policy is also formalised in a document that is regularly updated and available on the Company's website.

Partnership and philanthropy initiatives

Through its policy of partnership and philanthropy, the Group proactively supports initiatives and projects that reflect its values or pressing issues.

In 2022, in a context of emergency and humanitarian crisis in Ukraine, Tikehau Capital decided to support the International Red Cross and Red Crescent Movement, which works 24 hours a day to provide essential care and support to people affected by this crisis. A fundraising campaign was organised among the Group's employees. In return, Tikehau Capital undertook to match each donation received from its employees.

Health, youth, climate and biodiversity are the priority themes of engagement, with a desire to forge partnerships, some of which are multi-year, between Tikehau Capital and associations working on these themes.

	From 1 January to 31 December 2022
Associations supported (1)	22
Total amount of donations (2)	€680,000

(1) Excluding seven associations supported through Tikehau IM funds.

(2) Including around €150,000 related to Tikehau IM fund management fee repayments.

In the field of health

After contributing to Covid-19 research in March 2020 by making a significant donation to the Assistance Publique-Hôpitaux de Paris (AP-HP), Tikehau Capital became a "Grand Mécène" (Major Patron) of **Fondation AP-HP** in 2021 to support innovation in health, the teams of the 39 AP-HP hospitals and accessibility to health care for all. A partnership that continued in 2022.

In 2022, the Group also confirmed its support for the **Institut Curie's Research Centre** in the United States to help advance cancer research, as well as the **Helebor** association, which contributes to the development of palliative care and the improvement of the quality of life of seriously ill people in France.

Tikehau Capital also decided to support an academic hospital system, the **Chaire de Philosophie à l'hôpital**, over the 2022-2024 period. It is a teaching and research programme designed to combine theory and practice by working with caregivers, patients, students, stakeholders in the healthcare system, as well as the general public.

1) Tikehau Ace Capital was merged into Tikehau IM on 1 January 2023.

In the field of youth

Since 2019, Tikehau Capital supports the **Institut de l'Engagement**, which enables thousands of young people who are involved in volunteering to promote their civic engagement and structure a project for the future through individual support. As part of this partnership, Tikehau Capital's teams participate in the selection of future laureates, in the initial phase of examining applications and in the oral interview phase. Moreover, the Group values participation in the Institut de l'Engagement when recruiting interns.

Tikehau Capital also supports two associations in Spain: **Fundación Exit**, which fights against young people dropping out of school, and **Junior Achievement**, which provides local learning centres that support young people and help them succeed and find their way.

Since 2021, Tikehau Capital has supported the development of **Espérance banlieues** by contributing to the construction of the new Cours Charlemagne premises in Argenteuil (France). The Espérance banlieues network is developing an innovative school model specialising in the educational challenges in the French suburbs by preventing school drop-outs and promoting the social and cultural integration of young people. It is based on individualised monitoring of students (made possible by working with small groups), learning focused on fundamentals (reading, writing, counting) and a strong involvement of parents in education.

In 2021, Tikehau Capital also decided to support the **Rugby French Flair** association, notably as part of its commitment to contribute to the development of the Zazakely Orphanage, which works to improve the living conditions of underprivileged children. Rugby French Flair allocates the donations it receives to local organisations that care for young people. The goal is to offer these children, often orphans, values and activities to help them face the violence of their living environment (trafficking, prostitution, recruitment into armed groups), in a context of extreme poverty (Madagascar, Senegal, Colombia, Cuba, Panama, etc.).

In 2022, Tikehau Capital also supported the **Life Project for Youth** association, which develops solutions for the professional and social inclusion of young people aged 17 to 24 living in extreme poverty and who are victims of exclusion in 13 countries in Asia, the Middle East, Europe and America.

Lastly, in April 2022, Tikehau Capital supported the social enterprise **Café Joyeux** by contributing to the launch of their first coffee shop in the United States and the United Kingdom. Café Joyeux is a fast food company that employs people with disabilities, mainly affected by Down syndrome or autism. Their goal is to make disability visible and to promote meetings, by offering work in an ordinary environment to people who are far from employment.

In the field of climate and biodiversity

At the beginning of 2021, Tikehau Capital made a commitment for a period of five years to the **Océan Polaire** association, founded by the doctor and explorer Jean-Louis Étienne as part of its Polar Pod project. Océan Polaire organises educational and scientific expeditions and missions in the polar regions. Polar Pod is an extraordinary maritime exploration, as well as a technological challenge for the study of the Southern Ocean that surrounds the Antarctic. The Southern Ocean is a major player in the climate system because its cold waters are one of the main carbon sinks. The Southern Ocean also has a rich biodiversity. Non-motorised, the Polar Pod will be silent and allow an unprecedented underwater life census. The purpose of this expedition, which is to be launched in 2023, is to enable the acquisition of long-term data and observations that will be sent to partner researchers, oceanographers, climatologists and biologists. 43 scientific institutions from 12 countries are already involved in the project.

Tikehau Capital also sponsored the initiative of Romain Pilliard, skipper of the **trimaran 'Use It Again'**, who embarked on an attempt to sail around the world in reverse, against the prevailing winds and currents, in December 2021. The trimaran was refurbished over 15 years after it first sailed, with careful attention being paid to the choice of materials used and the transformation or recycling of obsolete equipment. In early February 2022, the trimaran ran aground in gusts in southern Chile, but one month after the accident in Cook's Bay, the trimaran, which aims to raise awareness of the circular economy, was repaired and relaunched in Ushuaia. Despite significant damage to the boat, Romain and the Use It Again! team made every effort to carry out a project in difficult conditions halfway around the world. Romain arrived on 9 August 2022, at the end of the day, in La Trinité-sur-Mer after a 216-day adventure as part of this Round the World in Reverse expedition. The objective of this expedition was also to carry out the first global mapping of oceanic sounds in order to support the work of a scientist specialising in the sound emissions of cetaceans and the noise pollution of the oceans.

Supporting the independence of the most vulnerable with CARAC

Since June 2011, Tikehau IM and Mutuelle d'Epargne, de Retraite et de Prévoyance CARAC ("CARAC") have joined forces to create an associative savings product *via* the Tikehau Entraid'Épargne Carac fund (TEEC).

4.5 TAXONOMY REPORTING

As a listed company, the Company falls within the scope of the Taxonomy Regulation, which governs the publication of information on the sustainability of the economic activities of the companies subject to it. This Regulation distinguishes between financial companies and non-financial companies (these two categories of companies are subject to different requirements). The Company is not:

(i) an asset manager (or an asset manager within the meaning of the AIFM Directive, or a management company or a self-managed investment company within the meaning of the UCITS Directive),

(ii) or a credit institution,

(iii) or an authorised investment firm within the meaning of the UCITS Directive,

(iv) or an insurance company,

(v) or a reinsurance company,

the Company does not meet the definition of a financial enterprise and must therefore be classified as a non-financial enterprise. Thus, the activities to be taken into account for the Taxonomy reporting are those carried out by the Company which are carried out by the companies within its scope of consolidation in the accounting sense. The Taxonomy reporting therefore doesn't consider the asset management and investments activities.

The Company is subject to the obligation to disclose information on how and to what extent the Company's activities are associated with economic activities that may be considered environmentally sustainable under Articles 3 and 9 of the Taxonomy Regulation. In particular, the Company must disclose: a) the share of its revenue from products or services associated with economic activities that may be considered environmentally sustainable under Articles 3 and 9; and (b) the portion of their capital expenditure and the portion of their operating expenditure related to assets or processes associated with economic activities that can be considered environmentally sustainable under Articles 3 and 9.

In 2021, only the first two objectives of the Environmental Taxonomy came into force - adaptation and mitigation of climate change - covering around 90 economic activities described in Annex I of European Regulation 2021/2139 (the so-called "climate delegated act"). At 31 December 2022, only two entities included in the Group's accounting consolidation scope, Sofidy and Alma Property, carried out the activities concerned:

- Acquisition and ownership of buildings (Economic Activity 7.7 of Appendix I), and
- Renovation of existing buildings (Economic Activity 7.2 of Annex I).

TURNOVER

Economic activities	Codes	Absolute turnover	Proportion of turnover	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		€k	%	%	%	%	%	%	%
A. Taxonomy eligible activities									
A.1. Taxonomy aligned									
Turnover of taxonomy aligned activities (A.1.)		0	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
A.2. Taxonomy eligible but not taxonomy aligned activities									
Acquisition and ownership of buildings	7.7	72	0.01%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Turnover of taxonomy eligible but not taxonomy aligned activities (A.2.)		72	0.01%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL A (A.1. + A.2.)		**72**	**0.01%**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
B. Taxonomy non-eligible activities									
Turnover of taxonomy non eligible activities (B)		602,309	99.99%						
TOTAL A + B		**602,380**	**100.00%**						

DNSH criteria										
Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover year N	Taxonomy-aligned proportion of turnover year N-1	Category (enabling)	Category (transitional)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*%*	*E/T*	
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
N.A.	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**

4.

CAPEX

Economic activities	Codes	Absolute Capex	Proportion of Capex	Substantial contribution criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems
		€k	%	%	%	%	%	%	%
A. Taxonomy eligible activities									
A.1. Taxonomy aligned									
Capex of taxonomy aligned activities (A.1.)		0	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
A.2. Taxonomy eligible but not taxonomy aligned activities									
Renovation of existing buildings	7.2	329	4.5%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Capex of taxonomy eligible but not taxonomy aligned activities (A.2.)		329	4.5%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL A (A.1. + A.2.)		**329**	**4.5%**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
B. Taxonomy non-eligible activities									
Capex of taxonomy non eligible activities (B)		6,982	95.5%						
TOTAL A + B		**7,311**	**100.0%**						

DNSH criteria										
Climate change miti-gation	Climate change adap-tation	Water and marine re-sources	Circular eco-nomy	Pollu-tion	Bio-diversity and eco-systems	Mini-mum safe-guards	Taxo-nomy-aligned pro-portion of Capex year N	Taxo-nomy-aligned pro-portion of Capex year N-1	Category (enabling)	Category (transi-tional)
Y/N	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*%*	*E/T*	
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
N.A.	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**

4.

OPEX

				Substantial contribution criteria					
Economic activities	**Codes**	**Absolute Opex**	**Proportion of Opex**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Circular economy**	**Pollution**	**Biodiversity and ecosystems**
		€k	%	%	%	%	%	%	%
A. Taxonomy eligible activities									
A.1. Taxonomy aligned									
Opex of taxonomy aligned activities (A.1.)		0	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
A.2. Taxonomy eligible but not taxonomy aligned activities									
Renovation of existing buildings	7.2	10.3	0.004%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Opex of taxonomy eligible but not taxonomy aligned activities (A.2.)		10.3	0.004%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TOTAL A (A.1. + A.2.)		**10.3**	**0.004%**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
B. Taxonomy non-eligible activities									
Opex of taxonomy non eligible activities (B)		230,777	99.996%						
TOTAL A + B		**230,787**	**100.000%**						

DNSH criteria: Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of Opex year N	Taxonomy-aligned proportion of Opex year N-1	Category (enabling)	Category (transitional)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E/T	
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

4.

4.6 CROSS-REFERENCE TABLE - PAI (PRINCIPAL ADVERSE IMPACTS)

In line with the principles of the SFDR Regulation, the Group strives to improve transparency on the main negative externalities of its investments ("principle adverse impacts") and to consider different sustainability objectives so as not to pursue an objective which risks causing harm ("do no significant harm").

Applying a similar level of requirements to its own operations and investments, the Group voluntarily presents the principal adverse impacts of its direct operations, carried out by the Company and its consolidated subsidiaries. It should be noted that two of its consolidated subsidiaries, Tikehau IM and Sofidy, are management companies subject to the provisions of the SFDR Regulation which will publish an initial statement relating to the principal adverse impacts of their investment decisions taking into account quantitative information in June 2023.

Mandatory PAI (Principal Adverse Impacts)

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Greenhouse gas (GHG) emissions	GHG Scope 1: 222 tCO_2e GHG Scope 2 (location based): 274 tCO_2e GHG Scope 3: not available	In 2022, Scope 3 GHG emissions covering the upstream emission sources amounted to 10,316 tCO_2e. At the date of publication of this Universal Registration Document, the Scope 1-2 GHG emissions related to the common areas of the buildings in the real assets portfolio were not available. The downstream Scope 3 GHG related to portfolio companies and real assets (tenant energy consumption) is also being calculated and will be published at a later date.	Section 4.4.2
Exposure to companies active in the fossil fuel sector	Non-applicable	Non-applicable - Does not directly concern Tikehau Capital (Tikehau Capital does not derive any direct revenue from prospecting, mining, extraction, production, processing, storage, refining distribution, including transportation, warehousing and trading of fossil fuels), but is applicable to certain portfolio companies.	-
Share of non-renewable energy consumption	100%	At the date of publication of this Universal Registration Document, none of the Group's offices had a renewable energy contract.	-
Energy consumption intensity per high impact climate sector	Non-applicable	Non-applicable - Does not directly concern Tikehau Capital, but is applicable to certain portfolio companies.	-
Activities negatively affecting biodiversity-sensitive areas	0	Tikehau Capital confirms that the sites where the Group operates do not present any risk to sensitive areas thanks to the assessment conducted using the Integrated Biodiversity Assessment Tool ("IBAT").	-
Emissions to water	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to direct emissions of priority substances within the meaning of Article 2, point 30, of European Directive 2000/60/EC, nor to direct emissions of nitrates, phosphates and pesticides), but is applicable to certain portfolio companies.	-
Hazardous waste and radioactive waste ratio	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0	During the 2022 financial year, Tikehau Capital was not subject to any complaint, formal notice or conviction in respect of any of the principles of the United Nations Global Compact or one of the OECD guidelines.	-

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD guidelines for Multinational Enterprises	No	A Code of Conduct on the prevention of corruption and influence peddling was introduced in 2020 and updated in 2022 (Anti-Bribery, Corruption and Influence Peddling code or "ABC Code"). In addition, the Group has an anti-money laundering policy. In early 2023, Tikehau Capital joined the United Nations Global Compact and works to strengthen the formalisation of its human rights, labour rights and environmental rights framework.	Section 4.4.1
Unadjusted gender pay gap	8.9%	The human capital team defines homogeneous categories of permanent employees taking into account: (i) their function, (ii) their grade and (iii) their geographical zone. The pay gap between men and women is then calculated by category. The average of the differences observed is weighted by the number of employees per category (see Section 4.11 (Note on methodology) of this Universal Registration Document).	Section 4.4.3
Board gender diversity	40%	40% of women on the Company's Supervisory Board.	Section 3.1.2
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Non-applicable	Does not directly concern Tikehau Capital and constitutes an exclusion for portfolio companies (direct investments).	-

Additional environmental PAI (Principal Adverse Impacts)

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Emissions of inorganic pollutants	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to inorganic chemicals), but could be applicable to certain portfolio companies.	-
Emissions of air pollutants	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to direct emissions of sulphur dioxide, nitrogen oxides, non-methane volatile organic compounds and fine particles), but could be applicable to certain portfolio companies.	-
Emissions of ozone-depleting substances	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to substances listed in the Montreal Protocol on substances that deplete the ozone layer), but could be applicable to certain portfolio companies.	-
Lack of initiatives to reduce carbon emissions	No	In March 2021, Tikehau Capital joined the **Net Zero Asset Managers** initiative and, in this context, the Group has undertaken to define decarbonisation trajectories in line with the Paris agreement to limit global warming to 1.5 °C with intermediate targets (by 2030 or before) for its business lines. **On 7 March 2023, Tikehau Capital Sustainability Strategy Orientation Committee validated an initial target to manage around 40% of the Group's assets under management in line with the goal of achieving net zero emissions by 2050.** With regard to real estate assets, the Group aims to improve energy and carbon intensity. With regard to private equity investments, this involves engaging with companies to encourage them to make decarbonisation commitments and then manage their trajectory.	Section 4.3
Breakdown of energy consumption by type of non-renewable sources of energy	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to oil, gas or coal), but is applicable to certain portfolio companies.	-
Water usage and recycling	Not available		-
Lack of water management policy	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Exposure to areas of high water stress	Limited	According to the Aqueduct database, developed by World Resources Institute (WRI), offices in New York, Tel Aviv, Brussels, Bordeaux, London and Madrid are at risk of stress high water. In these cities, the ratio between water withdrawals water totals (domestic, industrial, irrigation, etc.) and the available renewable supplies of fresh water surface and groundwater is unfavourable.	-
Chemicals production	Non-applicable	Does not directly concern Tikehau Capital (no Group activity falls within the scope of Annex I, Division 20.2, of Regulation (EC) No. 1893/2006), but is applicable to certain portfolio companies.	-
Land degradation, desertification, soil sealing	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-
Lack of sustainable land/ agricultural practices	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-
Lack of sustainable oceans/ seas practices	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-
Non-recycled waste ratio	Not available	Tikehau Capital sorts the streams of recyclable waste in its main offices.	-
Natural species and protected areas	Non-applicable	Does not directly concern Tikehau Capital (no Group site is exposed to endangered species or sites owned, leased or managed in or near a protected area or a biodiversity high-value zone outside protected areas), but is applicable to certain portfolio companies.	-
Deforestation	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	-

Additional social PAI (Principal Adverse Impacts)

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Lack of workplace accident prevention policy	Non-applicable	Does not directly concern Tikehau Capital , but is applicable to certain portfolio companies.	Section 4.4.3
Rate of accidents	0.78		Section 4.4.3
Number of days lost to injuries, accidents, fatalities or illness	2,304		Section 4.4.3
Lack of a supplier code of conduct	No	Tikehau Capital has a Responsible Purchasing Charter available here: www.tikehaucapital.com/en/our-group/sustainability/publications	Section 4.4.4
Lack of grievance/complaints handling mechanism related to employee matters	No	Tikehau Capital set up a whistleblowing system accessible to all Group employees, temporary workers, interns and service providers, enabling them to report professional misconduct through a dedicated mailbox. These alerts are handled by dedicated focal points within the compliance teams. Tikehau Capital is also working on setting up an independent platform, which will also allow the reception and processing of alerts by dedicated contacts of the Human Capital team, when these alerts concern personnel issues.	-

Negative impact	Indicator from 1 January to 31 December 2022	Description	Relevant Section
Insufficient whistleblower protection	No	A whistleblowing system, with confidential treatment of information, was set up and made accessible to all Group employees, temporary workers, interns and service providers. Alert reports are treated confidentially by dedicated focal points within the compliance team, who apply a policy of no retaliation or intimidation.	-
Incidents of discrimination	1	A case of discrimination was reported to the Human Capital Department of Tikehau Capital in 2022. Remedial actions have been implemented.	-
Excessive CEO pay ratio	Not available		-
Lack of a human rights policy	No	The Code of Conduct available on the Group's website includes a section on respect for human rights: https://www.tikehaucapital.com/en/our-group/sustainability/publications	Section 4.4.1
Lack of due diligence	-	Tikehau Capital joined the United Nations Global Compact in February 2023 and will strengthen its due diligence procedures to identify, prevent, mitigate and address negative impacts on human rights.	-
Lack of processes and measures for preventing trafficking in human beings	-	Tikehau Capital has a Responsible Purchasing Charter available here: https://www.tikehaucapital.com/en/our-group/sustainability/publications	-
Operations and suppliers at significant risk of incidents of child labour	Non-applicable	Given the nature of the services that the Group offers, the risk of involvement in human rights violations at the level of direct operations and direct suppliers is low. The measures taken to limit the negative impact on human rights at the Group are described in the Code of Conduct available on the Tikehau Capital website.	-
Operations and suppliers at significant risk of incidents of forced or compulsory labour	Non-applicable	Given the nature of the services that the Group offers, the risk of involvement in human rights violations at the level of direct operations and direct suppliers is low. The measures taken to limit the negative impact on human rights at the Group are described in the Code of Conduct available on the Tikehau Capital website.	-
Number of cases of severe human rights issues and incidents	0	During the 2022 financial year, Tikehau Capital was not subject to any complaint, formal notice or conviction in respect of any of the principles of the United Nations Global Compact, including human rights. However, some portfolio companies may have been exposed to human rights incidents during the 2022 financial year.	-
Lack of anti-corruption and anti-bribery policies	No	A Code of Conduct on the prevention of corruption and influence peddling was introduced in 2020 and updated in 2022 (Anti-Bribery, Corruption and Influence Peddling code or "ABC Code"). In addition, the Group has an anti-money laundering policy. In early 2023, Tikehau Capital joined the United Nations Global Compact to strengthen the formalisation of its human rights, labour rights and environmental rights framework.	Section 4.4.1
Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	No	A Code of Conduct on the prevention of corruption and influence peddling was introduced in 2020 and updated in 2022 (Anti-Bribery, Corruption and Influence Peddling code or "ABC Code"). In addition, the Group has an anti-money laundering policy.	Section 4.4.1
Number of convictions and amount of fines for violation of anti-corruption and anti-bribery laws	0	During the 2022 financial year, Tikehau Capital was not subject to any complaint, formal notice or conviction in respect of any of the principles of the United Nations Global Compact, including the fight against corruption. However, some portfolio companies may have been exposed to incidents of corruption during the 2022 financial year.	Section 4.4.1

4.7 CROSS-REFERENCE TABLE - ARTICLES L.225-102-1 AND L.22-10-36 OF THE FRENCH COMMERCIAL CODE

The following table presents a cross-referencing of the information published in this Universal Registration Document with the provisions of Articles L.225-102-1 and L.22-10-36 of the French Commercial Code.

Headings in the regulation	Relevant Section
Description of the main non-financial risks	Section 4.1.5
Description of the impact of non-financial risks on categories mentioned in paragraph III of Article L.225-102-1 and in paragraph II of Article L.22-10-36 of the French Commercial Code	See details below

Theme	Description of the strategy put in place	Relevant Section
The way in which the Company takes into account the social and environmental consequences of its activity	The Group's responsible investment strategy details the consideration of social/societal and environmental factors.	Section 4.2
The effects of its activity on respect for human rights	In its Investment activity, the Group carries out reasonable due diligence regarding the compliance with the provisions of the International Labour Organization's fundamental conventions. Where relevant, the Group supports the portfolio companies in formally establishing a Code of ethics. In addition, the Group is also vigilant in the selection of its suppliers and has a Responsible Purchasing Charter.	Section 4.4.1
The effects of its activity on the fight against corruption	Tikehau Capital has incorporated the principles included in the "UK Bribery Act" in its various compliance manuals. The UK Bribery Act seeks at fighting against corruption and has an extra-territorial scope. A Code of Conduct on the prevention of corruption and influence peddling was introduced in 2020 and updated in 2022 (Anti-Bribery, Corruption and Influence Peddling code or "ABC Code"). This code sets out the definition of illicit behaviour (corruption, influence peddling, abuse of corporate assets, etc.), the associated risks for the development of the Group's activities, the guidelines to be adopted and a procedure to ensure the implementation of the system (including roles and responsibilities, whistleblowing procedure and associated sanctions). The teams of each of the Group's entities are especially aware of the risks of non-compliance of all kinds and of corruption.	Section 4.4.1
The effects of its activity with respect to tax evasion	In terms of the fight against tax evasion, Tikehau Capital has set control measures to ensure that its operations comply with tax laws and regulations. Tikehau Capital is bound to comply with the new requirements regarding tax declaration obligations, and will work to implement the new obligations that are part of anti-tax evasion rules implemented globally. The teams of each of the Group's entities are especially aware of the risks of non-compliance, including risks relating to tax evasion. For its investment activities, the Group has defined a compliance and ESG watchlist. Any company exposed to tax havens is scrutinised by the compliance team.	Section 4.4.1
Information related to the consequences on climate change of the Company's activity and the use of the goods and services it produces	Tikehau Capital periodically revises its Sustainable Investing Charter (ESG, biodiversity and climate policy) and actively works on strengthening its approach to climate-related risks (physical and transition).	Sections 4.3.1, 4.3.2, 4.3.3 and 4.3.4
Its societal commitments in favour of sustainable development	Tikehau Capital's mission is to direct global savings towards innovative and adapted financing solutions that create sustainable value for all stakeholders and accelerate positive change for society. Tikehau Capital launched an impact investment platform in 2020 that focuses on four themes: (i) decarbonisation, (ii) nature and biodiversity, (iii) cybersecurity and (iv) resilience.	Sections 4.1.1 and 4.2.5
The circular economy	All Group employees are encouraged to limit their consumption and to sort recyclable waste materials and packaging. The circular economy impacts the activities and assets of the Group's four business lines in a wide variety of ways.	Section 4.4.2

Theme	Description of the strategy put in place	Relevant Section
Combating food waste	Given its activity and the nature of its investments, the Group is not heavily exposed to food waste-related issues.	Non-applicable
Combating food insecurity	Given its activity and the nature of its investments, the Group is not heavily exposed to food precarity-related issues.	Non-applicable
Respect for animal well-being	The Group's compliance and ESG watchlist mentions animal welfare offences and invites investment teams to consult the Compliance-Risk-ESG working group in case of doubt (for example: activity related to exotic leathers). However, because of its activity and the nature of its investments, the Group is not heavily involved in animal welfare issues.	Non-applicable
Responsible, fair-trade and sustainable food	Through its regenerative agriculture strategy in private debt and its sustainable agrifood strategy in private debt, the Group promotes a more responsible and sustainable food value chain. In its operations, the Group is careful in the selection of its suppliers. For example, Le Cercle was chosen as the caterer to supply the meal trays for the Paris office. Le Cercle offers local, seasonal products, and it has developed a partnership with the Bec Hellouin permaculture farm.	Section 4.2.5
Collective agreements within the Company and their impacts on the Company's economic performance	The Group pays special attention to employee dialogue and, in accordance with the regulations, has established Social and Economic Committees within the relevant French entities. In particular, the Group has established a profit-sharing agreement for employees based in France. More information on the list of collective agreements is available on request.	Section 4.4.3
Employee working conditions	Employee well-being is at the heart of the Group's CSR strategy. Health and safety indicators are monitored.	Section 4.4.3
Action against discrimination and to promote diversity	The Group believes in a critical and original way of thinking. Thus promoting a culture of diversity is at the heart of its success and recruitment strategy. The Group trains Human Capital Department employees and raises awareness among all managers and employees involved in recruitment processes to prevent unlawful discrimination in hiring on grounds of colour, religion or belief, gender, national or ethnic origin, disability, age, nationality, family status, pregnancy or orientation. The Group also encourages the promotion of diversity within the companies it finances, where proximity to the Company allows, and the Group promotes the appointment of women to governance bodies.	Section 4.4.3
Measures taken in favour of people with disabilities	In France, the Group's contribution to the employment and integration of disabled people is reflected in its choice of suppliers who employ people with disabilities. The Paris and Evry offices use the adapted company (EA) Cèdres for recycling and the "establishment and service of assistance through work" (Établissement et Service d'Aide par le Travail - "ESAT") API for office supplies services.	Section 4.4.3
Actions to promote physical and sports activities	The Group offers remote sports sessions and, whenever possible, participates in sports events (marathons, solidarity races, ascent of Mont Ventoux by bicycle). In Paris, employees also have access to a gym in the building. Company bikes are still offered to employees in France and the UK as a tax benefit.	Section 4.4.3

4.8 CROSS-REFERENCE TABLE - REGULATION (EU) 2019/2088

The following table cross-references the information published in this Universal Registration Document with the provisions of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability disclosure in the financial services sector.

Theme	Description of the strategy put in place	Relevant Section
Transparency of sustainability risk policies at entity level (Article 3)	The integration of ESG risks is at the heart of the responsible investment strategy of Tikehau Capital and its subsidiaries. "Sustainability risk" is the risk that an environmental, social or governance event or condition will have a material adverse effect, real or potential, on the value of investments made by the Group and its investment subsidiaries. The Company and its subsidiaries integrate sustainability risks into their investment decision-making process and perform reasonable due diligence on key adverse impacts. Beyond regulatory requirements, the Group aims to integrate ESG criteria into the core of its investment process as it believes that these criteria have a material impact on the risk-adjusted financial performance of the asset under consideration. These risks are identified, monitored and controlled by the management companies of the Group using a qualitative process (*i.e.* exclusion policy, negative and positive screening, review of controversies, etc.) in the best interest of investors.	Section 4.2.1
Transparency of adverse sustainability impacts at entity level (Article 4)	Tikehau Capital's integration approach goes beyond the consideration of ESG risks and also covers sustainability externalities. The Group is part of a progress approach to identify the potential positive and negative impacts of the companies, assets and projects financed and works to remedy the negative impacts whenever possible.	Section 4.2.3
Transparency of remuneration policies in relation to the integration of sustainability risks (Article 5)	Since March 2021, the remuneration policies of Tikehau IM, Sofidy and Tikehau Ace Capital (1) take into account sustainability risks and participation of employees in the ESG criteria policy of the management company concerned.	Section 1.4.3.4
Integration of sustainability issues in pre-contractual documents and periodic reports of financial products (Articles 6, 8 and 9)	The legal teams of Tikehau IM, Sofidy and Tikehau Ace Capital (4) are working on updating the pre-contractual documents of their financial products to ensure compliance with the SFDR Regulation. The SFDR Article 8 and 9 funds of Tikehau IM and Sofidy will produce their first periodic SFDR report in 2023 on the 2022 financial year.	-
Transparency on ESG integration on the website	The Group's responsible investment policy is available on its website: www.tikehaucapital.com/en/our-group/sustainability/Publications	-

1) Tikehau Ace Capital was merged into Tikehau IM on 1 January 2023.

4.9 CROSS-REFERENCE TABLE - TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES)

Theme	Description of the strategy put in place	Comments	Relevant Section
Governance	a) Describe the board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	The Supervisory Board of Tikehau Capital reviews the ESG and CSR strategy by systematically discussing this topic at its meetings, paying increasing attention to the Climate theme. Role of the Supervisory Board has: • a Governance and Sustainability Committee composed of three independent members, in charge of examining the integration of ESG (including climate and biodiversity-related risks and opportunities) and CSR issues in the Group's strategy and in its implementation. • a Risk Committee in charge of examining the strategy in terms of risks, notably financial, non-financial, operational and non-compliance risks. At the management level, the Deputy Chief Executive Officer, is in charge of steering the Group's ESG/CSR, Human Capital and Communication and Brand Marketing issues. In addition, the Sustainable Development Strategic Steering Committee advises the Managers on the guidelines of the ESG, climate and biodiversity policy.	Section 4.1.6
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. b) Describe the impacts of climate-related risks and opportunities on the organisation's business, strategy and financial planning. c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including Disclosure under a 2°C or lower scenario.	Tikehau Capital identifies climate and biodiversity risk as a major issue for the Group, both in terms of its asset management and investment activities. In terms of climate, physical risks and transition risks (notably regulatory, technological, market and reputational risks) are identified. In March 2021, Tikehau Capital joined the Net Zero Asset Managers initiative and, in this context, the Group has undertaken to define decarbonisation trajectories in line with the Paris agreement to limit global warming to 1.5 °C with intermediate targets (by 2030 or before) for its business lines. **On March 7, 2023, Tikehau Capital Sustainability Strategy Orientation Committee validated an initial target to manage around 40% of the Group's assets under management in line with the goal of achieving net zero emissions by 2050.** With regard to real estate assets, the Group aims to improve energy and carbon intensity. With regard to private equity investments, this involves engaging with companies to encourage them to make decarbonisation commitments and then manage their trajectory. In addition, the Group has set the objective of managing €5 billion in assets under management dedicated to climate and biodiversity by 2025.	Sections 4.3 and 4.3.2
Risk management	a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	At the date of publication of this Universal Registration Document, the processes for identifying and assessing ESG risks are being strengthened and include: • for real estate assets: an analysis of the exposure to physical risks (heat waves, drought, heavy rainfall and flooding) at a pre-investment stage, • for portfolio companies: a qualitative analysis of exposure to physical and transition risks at a pre-investment stage, • lastly, AXA Climate was commissioned to develop a sector-based screening tool to assess the physical and transition risks related to climate change by 2030 and 2040 taking into account different scenarios: the Representative Concentration Pathway ("RCP") SSP5 - 8.5 of the IPCC, as well as the Net Zero 2050 and Nationally Determined Contributions ("NDC") scenarios of the NGFS network to green the financial system. In early 2023, an ESG risk manager was appointed to increasingly integrate ESG and climate risks into the risk analysis. The mapping process for the financial and non-financial risks attached to the Group's activities is carried out each year under the coordination of the Group's internal audit team.	Section 4.3.2

Theme	Description of the strategy put in place	Comments	Relevant Section
Indicators and targets	a) Describe the metrics used by the organisation to assess climate-related risks and opportunities, in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	At the date of publication of this Universal Registration Document, the indicators that will be monitored as part of the NZAM commitment had not been finalised. At the level of the companies in the portfolio, the following indicators are taken into account: • GHG Scopes 1, 2 and 3 (sourced from companies or estimated), • Net zero alignment and carbon reduction target, • Revenue eligible for the European Taxonomy, and • Physical and transition risks (qualitative analysis). For real estate assets, the following indicators are taken into account: • GHG Scopes 1 and 2, • Alignment with the CRREM (Carbon Risk Real Estate Monitor) trajectory, and • Physical risks. At the level of the Group's operations, the results of the 2022 carbon assessment were as follows: GHG Scope 1: 222 tCO_2e, GHG Scope 2 (location based): 274 tCO_2e, In 2022, Scope 3 GHG emissions covering the upstream emission sources amounted to 10,316 tCO_2e. At the date of publication of this Universal Registration Document, the Scope 1-2 GHG emissions related to the common areas of the buildings in the real assets portfolio were not available. The downstream Scope 3 GHG related to portfolio companies and real assets (tenant energy consumption) is also being calculated and will be published at a later date.	Section 4.3.3 and 4.4.2

4.10 CROSS-REFERENCE TABLE - SASB (SUSTAINABILITY ACCOUNTING STANDARDS BOARD)

The table below reconciles the information published in this Universal Registration Document and the Sustainable Industry Classification System® (SICS®) FN-AC standard of December 2021 prepared by SASB Standards (IFRS Foundation) for the asset management sector.

Theme	Code	Description	Indicator / Comments	Relevant Section
Transparent Information & Fair Advice for Customers	FN -AC-270a.1	(1) Number and (2) percentage of employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	(1) Zero (2) 0%	-
	FN -AC-270a.2	Total amount of monetary losses resulting from legal proceedings associated with the marketing and communication of financial product related information to new and returning customers	€0 No financial losses resulting from legal proceedings associated with the marketing and communication of information about financial products to old and new customers.	-
	FN -AC-270a.3	Description of approach to informing customers about products and services	The Group's asset management companies are subject to strict regulations regarding the classification of clients and the provision of information to them. The Group has developed a responsible marketing approach integrated into the dedicated chapters of the various compliance manuals of each asset management company. All marketing communications on financial products and certain publications are subject to internal controls.	Section 4.4.1
Employee diversity and inclusion	FN -AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Promoting a culture of diversity is central to the Group's success and recruitment strategy. At the end of 2022, the teams had 48 nationalities and 43% women worldwide. 23% of Managing Directors and Executive Directors were women.	Section 4.4.3
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN -AC-410a.1	Amount of assets under management (by asset class) that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	**ESG integration policy** formalised in the legal documentation of SFDR Article 8 and Article 9 funds: Private Debt: **€5.4bn** Capital Markets Strategies: **€4.1bn** Real Estate: **€8.5bn** Private Equity: **€3.6bn** Tactical strategies: **€1.1bn** **Sustainability-themed and impact investments** applied to: Private Debt: **€655m** Capital Markets Strategies: **€37m** Real Estate: **€350m** Private Equity: **€2,034m** **Group exclusion policy** applied to direct investments: Private Debt: **€14.5bn** Capital Markets Strategies: **€4.1bn** Real Estate: **€13.7bn** Private Equity: **€4.1bn** Tactical strategies: **€1.4bn**	Section 4.2.2, 4.2.3 and 4.2.5

4.

Theme	Code	Description	Indicator / Comments	Relevant Section
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	FN -AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	The Group's responsible investment policy covers the full spectrum of responsible investment, from exclusions to the development of impact products dedicated to ESG issues. ESG integration is the backbone of the Group's responsible investing strategy and engagement is held on an *ad hoc* basis with a view to helping the portfolio companies improve.	Section 4.2.4
	FN -AC-410a.3	Description of proxy voting policies and investee engagement policies and procedures	The Group believes that active shareholding stimulates communication and contributes to the creation of value. In this context, the Group is committed to voting at shareholder meetings of all companies held in funds it manages (excluding funds of funds). Portfolio managers have access to a leading platform to vote. Tikehau Capital's voting and engagement policy is available on the website, here: www.tikehaucapital.com/en/ our-group/ sustainability/publications	Section 4.2.4
Business ethics	FN -AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	€0	-
	FN -AC-510a.2	Description of whistleblower policies and procedures	Alerts can be received *via* email addresses accessible only to the identified focal points of the Compliance teams. Whistleblowing is handled impartially and guarantees, as far as possible, the strict confidentiality of the whistleblower's identity and all communications. The information required to process the alert and identify the person(s) reported is not disclosed to third parties, except to the judicial authorities. Tikehau Capital cannot take unfavourable measures against the whistleblower when this person is an employee, such as dismissal, layoff, demotion, refusal of hiring or re-hiring, intimidation, harassment, etc.	-
Activity measurement	FN -AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM)	Registered AUM: **€4.3bn** Unregistered AUM: **€33.5 billion**	-
	FN -AC-000.B	Total assets under custody and supervision	Non applicable	-

4.11 METHODOLOGICAL NOTE

Organisational scope

Unless otherwise indicated, all data in this document relate to the World scope (Europe, America, Asia and the Middle East).

Reporting period

Assets under management are carried forward to 31 December. Social and environmental indicators are reported over a rolling 12-month period, from 1 January to 31 December of the year.

Indicators related to assets under management

Assets under management – Depending on the different strategies, assets under management correspond mainly:

- for the Capital Markets Strategies activity: to the net assets of the funds (the net asset value of each type of fund unit being multiplied by the number of units outstanding);
- for the Private Debt activity: (i) to the commitments of subscribers and target expected leverage for certain leveraged funds or the net asset value plus uncalled commitments during the periods of fundraising and investment, (ii) to the higher of the net asset value of the funds or gross asset value for certain leveraged funds and the basis for determining management fees once the investment period has ended, (iii) to the assets of CLO vehicles (including cash), (iv) to subscribers' commitments less commitments allocated to other strategies and (v) to the capital outstanding for crowdfunding platforms;
- for the Real Assets activity: (i) during fundraising then investment periods, to the available appraisal value of the assets held by the funds (or, failing that, to the acquisition cost of the assets) plus uncalled commitments, cash and the fund's other assets, if any, or to the revalued net asset plus uncalled commitments and, once the investment period has ended, to the available appraisal value of the assets held by the funds (or, failing that, to the acquisition cost of the assets); but also (ii) to the commitments of subscribers called up or not called during the investment period and, once the investment period is over, to the capital invested by the funds;
- for the Private Equity activity: (i) during the fundraising then investment periods, to subscriber commitments or to called revalued commitments plus uncalled subscriber commitments, and (ii) once the investment period has ended, generally to the latest valuation of the fund assets.

See details presented in Section 5.1.1 (Key figures for full year 2022) - Operational indicators reflected in the consolidated financial statements of Tikehau Capital of this Universal Registration Document.

Assets under management in the sustainability-themed and impact platform: Funds with a sustainable or impact theme in the investment strategy (excluding Sofidy funds).

Assets under management in the climate and biodiversity platform: SFDR Article 8 or 9 funds with at least one priority objective related to decarbonisation, nature, biodiversity or another environmental theme.

Assets under management in impact funds emphasising climate and biodiversity: funds with a majority of their assets dedicated to a theme related to decarbonisation or a theme related to nature & biodiversity.

Assets under management in real estate assets with excellent performance: energy performance diagnostic A, BREAM very good, LEED gold or HQE very good or above.

Labour indicators

Before being consolidated, information related to human resources is collected at the Group level, which includes several companies as at 31 December 2022: the Company, Tikehau Ace Capital, Tikehau Capital North America, Tikehau IM and its subsidiaries and branches, Tikehau Capital Europe, Homunity and its subsidiaries, Sofidy and its subsidiaries, Star America Infrastructure Partners, IREIT Global Group, and FPE Investment Advisors.

Permanent staff: includes employees with permanent full-time or part-time contracts as well as the representatives of the Managers.

Accidents: To calculate the workplace accident rate, the company divides the respective number of accidents by the total number of hours worked by its employees and multiplies the result by 1,000,000.

Unadjusted gender pay gap: The unadjusted gender pay gap is prepared based on categories of permanent employees taking into account:

(i) their function ((a) investment professionals, (b) corporate functions or (c) investment support),

(ii) their grade ((a) analyst - associate, (b) vice president - director and (c) executive director - managing director),

(iii) their geographical region (Eurozone, United Kingdom, USA and Asia), and

(iv) their activity for an autonomous asset management company with specific remuneration practices.

Each category of permanent employees is then reviewed individually to exclude:

- employees having spent less having spent less than least 6 months of year N at the Group,
- groups with less than two employees of the same gender.

Out of 48 categories comprising 637 permanent employees, 22 categories comprising 538 employees were selected. The categories selected thus represent more than 84% of the population studied.

The bases of remuneration retained for employees present in the Group on 31 December of year N include fixed compensation, variable compensation paid over the year in cash as well as deferred variable compensation; a proration of variable compensation has also been calculated for employees present for more than 6 months but less than a year.

Given (i) the size of the Group, (ii) the diversity of its activities and geographical locations and (iii) the rapid development of its teams in recent years, the size of the analysis categories remains limited and thus, could be significantly affected, negatively or positively, to any marginal evolution of each category.

Training: Total training actions carried out under the 2022 skills development plan at Group level. This includes mandatory, individual and collective training actions.

Cyber training: Population targeted by the IT department: permanent and non-permanent Group employees as well as permanent service providers enrolled in the cyber risk campaign in the second quarter of year N and included in the workforce at 31 December of year N.

Employees who are Company shareholders: Group employees who hold shares directly or indirectly, including and without limitation through the intermediary of a company or a special purpose vehicle or who have been allocated shares of the Company, even these have not been vested, in each case in accordance with the free share or performance plans adopted by the Company. The percentage is calculated by taking the average monthly workforce from which the workforce of GSA and EIL have been subtracted, who are not eligible for the allocation of free shares.

Environmental indicators

Environmental data was collected for eight offices (Evry, London, Madrid, Milan, New York, two offices in Paris and Singapore) representing more than 85% of the Group's permanent and non-permanent employees and more than 85% of the surface of offices. For the other offices, estimates were made on the basis of an extrapolation using physical data available for the offices covered and/or data collected during the previous year.

Greenhouse gas (GHG) emissions: In line with the Greenhouse Gas Protocol ("GHG Protocol"), the Group takes into account the following greenhouse gases (i) carbon dioxide (CO_2), (ii) methane (CH_4), (iii) nitrous oxide (N_2O) and (iv) fluorinated gases (PFC, HFC, SF_6, NF_3). The Group uses recognized sources of emission factors: (1) 2022 Green-e®, (2) ADEME Carbon Base, (3) AIB 2021, (4) IEA 2020 and 2021, (5) DEFRA 2022, (6) US EPA EEIO 2018, (7) IPCC 5th Assessment Report for Global Warming Potentials.

GHG Scope 1: emissions from fixed or mobile facilities controlled by the organisation. For Tikehau Capital, these are emissions related to fuel and gas consumption, and refrigerant gas emissions related to air conditioning.

GHG Scope 2: indirect emissions related to the energy supplied (offices).

GHG Scope 3 upstream: indirect emissions related to purchased goods and services, capital goods, activities that consume fuels / other energy sources, waste generated, business travel and employee travel. Scope 3 emissions were calculated using monetary factors for purchased goods and services and capital goods and supplier specific emission factors were used for business travel.

At the date of publication of this Universal Registration Document, the Scope 1-2 GHG emissions related to the common areas of the buildings in the real assets portfolio were not available. The downstream Scope 3 GHG related to portfolio companies and real assets (tenant energy consumption) is also being calculated and will be published at a later date.

4.12 REPORT OF THE INDEPENDENT THIRD-PARTY ORGANISATION

Report of the independent third-party organization on the verification of the consolidated non-financial performance statement included in the management report

MAZARS

Registered office: 61, rue Henri Regnault, 92400 Courbevoie, France

Year ended 31 December 2022

To the Shareholders,

In our capacity as independent third-party organisation, member of Mazars Group and accredited by COFRAC Inspection under number 3-1058 (scope of accreditation available on www.cofrac.fr), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated non-financial performance statement, prepared in accordance with the entity's procedures (hereinafter the "Guidelines") for the financial year ended 31 December 2022 (hereinafter respectively the "Information" and the "Statement"), presented in the management report of the group, in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities and over time.

The Statement has been prepared in accordance with the entity's Guidelines, the main elements of which are presented in the Statement.

Restrictions due to the preparation of the Information

As mentioned in the Statement, the Information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the Information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

The entity's responsibility

The Managers are responsible for:

- selecting or setting appropriate criteria for the preparation of the Information;
- preparing the Statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and also, the Information required by Article 8 of Regulation (EU) 2020/852 ("green taxonomy");
- and implementing internal control procedures deemed necessary to the preparation of information, free from material misstatements, whether due to fraud or error.

Responsibility of the independent third-party organisation

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of Information (observed or extrapolated) provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As it is our responsibility to express an independent conclusion on the Information prepared by management, we are not authorized to be involved in the preparation of such Information, as this could compromise our independence.

This is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the Information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the Information provided for in Article 8 of Regulation (EU) 2020/852 (EU Taxonomy);
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and the professional doctrine of the French National Association of Auditors.

Means and resources

Our work was carried out by a team of 4 people between December 2022 and March 2023 and during 5 weeks.

We conducted 10 interviews with the people responsible for preparing the Statement, representing departments of ESG, administration, finances, risk management, compliance and human resources.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.

We estimate that the procedures we have carried out in the exercise of our professional judgment enable us to provide a limited assurance conclusion:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, with due consideration of industry best practices, when appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- we verified that the Statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including when relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Our work was carried out centrally with the contributing departments;
- we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures implemented by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work covers 100 % of the consolidated data selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We are convinced that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

The independent third-party organisation,

Mazars SAS

Paris La Défense, 16 March 2023

Simon BEILLEVAIRE, Partner — Edwige REY, CSR & Sustainability Partner

Appendix : information considered most important

Quantitative indicators including key performance indicators

- Percentage of women in the permanent staff
- Percentage of women in investment teams
- Percentage of women in Managing Director + Executive Director
- Gender pay gap
- Percentage of employees having followed at least one external training course during the year
- Percentage of employee shareholders in the Company
- Share of the Group's investment portfolio invested in its investment strategies
- Percentage of registered employees who have received cybersecurity training
- Accident rate
- Number of days lost due to injury, accident, death or illness
- Discrimination cases
- Turnover rate on average workforce
- Board gender diversity
- Violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises
- Assets under management in impact funds with a climate and biodiversity focus
- Assets under management in real estate assets with excellent performance (energy performance certificate A, BREEAM very good, LEED gold, HQE very good, or above)
- Greenhouse gas (GHG) emissions assessment - scope 1, scope 2 and scope 3 upstream
- Share of non-renewable energy consumption and production
- Activity negatively affecting biodiversity sensitive areas
- Employees in the ESG team
- Assets under management in Article 8 or Article 9 SFDR funds
- Share of private equity holdings with a sustainability roadmap
- Ratio of companies financed with ESG ratchet to total number of companies financed in private debt (corporate lending and direct lending)