



SUSTAINABLE BOND & USPP ALLOCATION & IMPACT REPORTING

31/03/2023

Tikehau Capital commissioned ISS Corporate Solutions to provide an External Review on its Sustainable Bond & USPP Allocation Reporting (Section 1 of this Report). ISS report is available on Tikehau Capital's website.

01

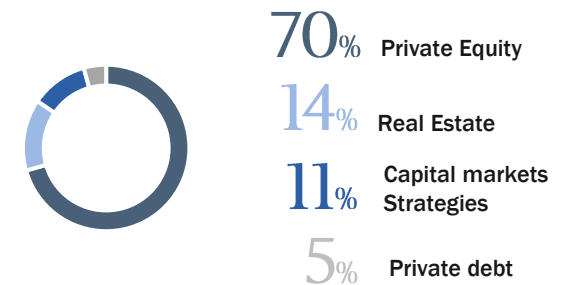
**ALLOCATION REPORTING
AS AT 31 MARCH 2023**

Allocation Reporting

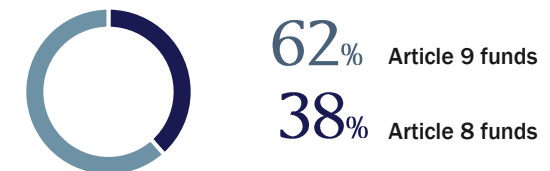
- As of 31 March 2023, €668m⁽¹⁾ total proceeds to be allocated include Tikehau Capital (“TKO”) Inaugural €500m Sustainable Bond dated from 31st March 2021 and \$180m USPP dated from 31st March 2022
- As of 31 March 2023, c.€330m are allocated and drawn (48% of total commitment) and c.€353m are allocated and not yet drawn⁽²⁾ (52% of total commitment of which c.€14m correspond to additional capacities to be allocated)
- The proceed already allocated and drawn is composed of:
 - €274.3m of ESG funds portfolio managed by Tikehau Capital, which comprise 12 ESG funds across 4 asset classes
 - €48.7m of direct eligible investments in social activities comprising 2 healthcare companies
 - €7.1m of two external funds

Eligible activity (in €m)	Total commitment	Proceeds allocated	Share of financing	Share of refinancing	Remaining commitment
Total Allocated	683.0	330.1	109.3	220.8	352.9
Total Direct Investment	48.7	48.7	37.5	11.2	0.0
Green activities	0.0	0.0	0.0	0.0	0.0
Social activities ⁽³⁾	48.7	48.7	37.5	11.2	0.0
ESG funds managed by ⁽⁴⁾	618.4	274.3	70.6	203.7	344.0
Tikehau					
Belgian Recovery Fund	15.0	2.2	n.a.	2.2	12.8
Brienne III	41.1	35.7	17.3	18.4	5.4
Regenerative Agriculture Fund	100.0	0.9	n.a.	0.9	99.1
Sofidy - S.YTIC	17.5	17.5	17.5	0.0	0.0
Solving	20.0	20.0	n.a.	20.0	0.0
T2 Energy Transition Fund	128.7	109.7	35.8	73.9	18.9
Tikehau Amaren	15.2	15.2	n.a.	15.2	0.0
Tikehau Green Assets	30.1	0.3	n.a.	0.3	29.8
Tikehau Growth Equity III	50.6	31.0	n.a.	31.0	19.6
Tikehau Impact Credit	30.0	30.0	n.a.	30.0	0.0
Tikehau Impact Lending	20.0	11.7	0.0	11.7	8.3
Tikehau Real Estate Opportunity II	150.1	0.0	n.a.	0.0	150.1
ESG external funds	16.0	7.1	1.2	5.9	8.9
Alter Equity 3P II	6.0	3.8	1.2	2.6	2.2
Ring Mission Venture Capital I	10.0	3.3	n.a.	3.3	6.7

TKO ESG funds – Proceeds allocation breakdown by Tikehau Capital Business Line



TKO ESG funds – Proceeds allocation breakdown by SFDR classification



(1) In EUR equivalent based on USD/EUR 1.0875 as of 31.03.2023

(2) Undrawn proceeds remain as cash and cash equivalent

(3) Social activities incl. Dedalus and Travecta. The slide dedicated to Travecta was removed due to the liquidation of the company

(4) Investment Companies are Tikehau IM and Sofidy

02

IMPACT REPORTING : ELIGIBLE TIKEHAU CAPITAL FUNDS' DESCRIPTION

Four Sustainability themes

TIKEHAU CAPITAL FOCUSES ON 4 SUSTAINABILITY THEMES & SUPPORTS ITS OWN SUSTAINABILITY-THEMED & IMPACT PLATFORM

DECARBONIZATION

CMS	REAL ASSETS	PRIVATE EQUITY
Tikehau Impact Credit	Real Estate Opportunities II Sofidy S.TYC	T2 Energy Transition Green Assets Amaren

- Energy efficiency
- Increase renewable energy supply
- Expand low carbon mobility
- Circular economy

CYBERSECURITY

PRIVATE EQUITY
Brienne III

- Mitigate increasing digital risks and scale up solutions (cyber security, digital identity, trusted AI)
- Drive the need for new solutions and approaches



NATURE AND BIODIVERSITY

PRIVATE EQUITY
Regenerative Agriculture

- Rebuild soil organic matter and restore degraded soil biodiversity
- Shift toward regenerative ingredients
- Scale up technical and digital solutions

RESILIENCE

PRIVATE EQUITY	PRIVATE DEBT	REAL ASSETS
Growth Impact III	Impact Lending Belgian Recovery	SoLiving

- Drive the digital, social and ecological transitions
- Develop sustainable cities and local business models
- Contribute to innovation
- Access and reinforce the healthcare system



Sustainable Bond category	ESG fund
Business line	Private debt
Investment type	Loan to medium sized enterprise
Launch Date	Dec-2021
SFDR classification	Article 8
Geography	Benelux
Fund Assets Under Management	€223m
TKO Commitment	€15m
TKO Investment	€2.2m
TKO Remaining Commitment	€12.8m

2022 ESG KPIs at portfolio level

Job creation ⁽¹⁾	-26
GHG emissions (scope 1,2,3) ⁽²⁾ /€m invested	17 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽²⁾	131 tCO ₂ /€m revenue
Board gender diversity	10%

THE FUND AIMS TO SUPPORT TO BELGIAN COMPANIES THROUGHOUT POST-COVID RECOVERY

- Following a broad international consultation, the Belgian Federal Holding and Investment Company (“SFPI-FPIM”) appointed Tikehau Investment Management, Tikehau Capital’s asset management subsidiary, as manager of the Belgian Recovery Fund, to support the Belgian economy and businesses across the country.
- The fund will grant subordinated and/or convertible loans over the next five years to companies active in Belgium. The SFPI-FPIM will commit €100 million in the fund, and up to €250 million will be raised from Belgian and international institutional investors

ECONOMIC RECOVERY

- The first investment was in Rombit, a scaleup focusing on improving the productivity, safety and security of the workforce and mobile assets in logistics, process industries, and construction.
- The second investment was in Willemen Groep, one of the largest family-run construction groups in Belgium with more than 2,200 employees and an annual turnover of over 800 million euros.



Financial Figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

(1) In 2022, Willemen Group was heavily impacted by a deteriorating construction market and price recharge delays and needed to implement a restructuring plan. Circa 1,900 jobs were maintained, and 34 jobs were cut. The Belgian Recovery Fund is closely following the situation.

(2) Estimates based on S&P Trucost data

Sustainable Bond category	ESG fund
Business line	Private Equity
Investment type	Equity investment in medium sized enterprises
Launch Date	March-2019
SFDR classification ⁽¹⁾	Article 8
Geography	Europe
Fund Assets Under Management	€175m
TKO Commitment	€41.1m
TKO Investment	€35.7m
TKO Remaining Commitment	€5.4m
2022 ESG KPIs at portfolio level	
Job creation	351
GHG emissions (scope 1,2,3) / €m invested ⁽²⁾	12 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽²⁾	88 tCO ₂ /€m revenue
Board gender diversity	12%

THE FUND IS THE LARGEST CYBERSECURITY-FOCUSED EUROPEAN FUND, ABLE TO BACK PLATFORMS UNTIL SCALE:

EUROPEAN CYBER

- The COVID-19 crisis triggered an acceleration of the Digital Transformation of the economy: massive amount of data is generated, increasingly by the digitization of “operational technology” (OT and IOT), and systems resilience becomes critical
- Europe is facing a growing number of cyber threats, making sovereign aspects key in critical sectors: strengthening the cyber security industry is a top priority for the European digital ecosystem, governments and related bodies
- B3 is positioned in a segment where capital is undersupplied, providing the opportunity for above-market returns, and will leverage a unique angle in the sector, with strong connections across the cyber ecosystem to originate and select companies

Venture Investments



Growth Investments



Financial figures as of 31 March 2023 AuM and ESG data as of 31 December 2022
 (1) SFDR reclassification from SFDR article 9 to article 8 occurred in March 2023
 (2) GHG data based on CARBOMETRIX analysis

Sustainable Bond category	ESG fund
Business line	Private Equity
Investment type	Equity investment in medium sized enterprises
Launch Date	Oct-2022
SFDR classification	Article 9
Geography	Europe
Fund Assets Under Management	€306m
TKO Commitment	€100m
TKO Investment	€0.9m
TKO Remaining Commitment	€99.1m

2022 ESG KPIs at portfolio level

Job creation	No investment at the reporting date
Water saving (m3)	
GHG emissions (scope 1,2,3) / €m invested	
GHG emissions avoided/ €m invested	
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue)	
Board gender diversity	

THE FUND AIMS TO SUPPORT SOIL HEALTH PROTECTION, IMPROVE BIODIVERSITY, REDUCE WATER USAGE TO ACCELERATE THE PARADIGM SHIFT TOWARDS A RESILIENT AND SUSTAINABLE AGRI-FOOD SECTOR



INPUTS

Rebuild soil organic matter and restore biodiversity resources with alternatives to conventional inputs and crops



EQUIPMENT & FARMING OPERATIONS

Technical, digital and farming equipment solutions supporting transition towards regenerative practices



INGREDIENTS

Support supply development of regenerative outputs to meet a growing demand and preserve natural resources



TRANSVERSAL ENABLERS

Cross-sector solutions facilitating the transition and demonstrating the impact of regenerative agriculture

Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

Sustainable Bond category	ESG fund
Business line	Capital markets strategies
Investment type	Listed equity
Launch Date	Mar-2018
SFDR classification	Article 8
ESG Label	French SRI
Geography	Global
Fund Assets Under Management	€24m
TKO Investment	€17.5m

2022 ESG KPIs at portfolio level

GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	1,221 tCO2/€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2 / €m revenue) ⁽¹⁾	95 tCO2 /€m revenues
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽¹⁾	1,640 tCO2 /€m revenues
Board gender diversity ⁽¹⁾	30%
Executive committee gender diversity ⁽¹⁾	22%

Financial Figures as of 31 March 2023, AuM and ESG data as of 31 December 2022
(1) ISS data

THE FUND AIMS AT ACCELERATING THE SHIFT TOWARDS SUSTAINABLE CITIES

DECARBONISATION AND CIRCULAR ECONOMY

- Smart buildings and energy
- Low carbon mobility
- Electrification and energy transition
- Digital platforms and smart cities

Sample investments



URBANISATION

- Technology, digital infrastructures and dedicated services
- Logistics
- Physical services to urban population

Sample investments



READ ONLINE (French)

Sustainable Bond category	ESG fund
Business line	Real estate
Investment type	Listed equity
Launch Date	Apr-2022
SFDR classification	Article 8
ESG Label	French SRI
Geography	Europe
Fund Assets Under Management	€64m
TKO Commitment	€20m
TKO Investment	€20m
TKO Remaining Commitment	€0m
2022 ESG KPIs at portfolio level	
Assets located in area in need of housing ⁽¹⁾	100%
GHG emission in kgCO ₂ e/m ² per year	6 kgCO ₂ e/m ²

COLLECTIVE REAL ESTATE INVESTMENT BODY (FRENCH OPCI) THAT TARGETS INVESTMENT IN EUROPEAN ASSETS EMBODYING DIFFERENT TYPES OF HOUSING THROUGHOUT LIFE

SUSTAINABLE LIVING

- 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.



[READ ONLINE \(French\)](#)

Financial figures as of 31 March 2023, AuM and ESG data as of 31 December 2022

(1) Based on external study

Sustainable Bond category	ESG fund
Business line	Private equity
Investment type	Equity investment in medium sized enterprise
Launch Date	Dec-2018
SFDR classification	Article 9
Geography	Europe and rest of the world
Fund Assets Under Management	€1.0bn
TKO Commitment	€128.5m
TKO Investment	€109.7m
TKO Remaining Commitment	€18.9m
2022 ESG KPIs at portfolio level	
Energy efficiency - Energy saved during the year	782 GWh
Renewable power generated	733 GWh
Low carbon mobility (BEVs equipped with rotors and stators)	1.7 million
Job creation	1,304
GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	279 tCO ₂ /€m invested
GHG emissions avoided in 2022 ⁽²⁾ / €m invested	712 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue)	364 tCO ₂ /€m revenue
Board gender diversity	15%

THE FUND TARGETS COMPANIES OPERATING IN KEY SECTORS FOR THE ENERGY TRANSITION:



ENERGY EFFICIENCY, STORAGE AND DIGITALISATION

- Solutions to optimise energy consumption
- Energy storage playing an enabling role for the integration of renewables



CLEAN ENERGY VALUE CHAIN

- Services and equipment for infrastructure development and operation
- Utility-scale and distributed generation from renewables



LOW-CARBON MOBILITY

- Enabling infrastructure for electric vehicles penetration
- Services and equipment enabling growth of low carbon mobility



DIVERSIFICATION BUCKET

- Other ecological transition



Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

(1) ERM analysis for scope 1-2-3

(2) ERM analysis, lifetime avoided emissions were estimated by taking into account the solution lifespan and the evolution of the reference scenario over time considering current trends

T2 ENERGY TRANSITION (2/3)

CASE STUDY #1

Investment Date Sep 20

IPO Date Feb 23

EUROGROUP
LAMINATIONS



EuroGroup Laminations is a leading European manufacturer of key components for electric engines and generators, with a market-leading position in the fast-growing e-mobility sector. The rotors, stators, laminations and moulds they manufacture around the world are used in the automotive, industrial, home appliances and energy sectors.

Tikehau has supported the company in its growth strengthening governance and promoting innovation. With our support, the group reinforced its presence outside the European market, especially in China, which is one of the most active EV markets in the world.

50%

Steel and aluminium reused for production

+70 kt

Metallic material recycled per year

IPO

Feb 2023

Market capitalisation

€922M

c. 4x

increase in electric vehicle book order since our investment

c. €6Bn

order book for its Electric Vehicle and Automotive segment

Following the execution of a successful growth strategy since Tikehau's investment in September 2020, the IPO aims to help continue expansion and consolidate its position as a global leader in the design and production of the motor core for battery electric vehicles.

- “ Our investment in EuroGroup Laminations is a great example of our private equity strategy dedicated to the energy transition and ability to back leading European businesses with strong growth potential that support the decarbonisation of our economy.

Antoine Flamarion & Mathieu Chabran
Co-Founders of Tikehau Capital

T2 ENERGY TRANSITION (3/3)

CASE STUDY #2

Groupe Rougnon

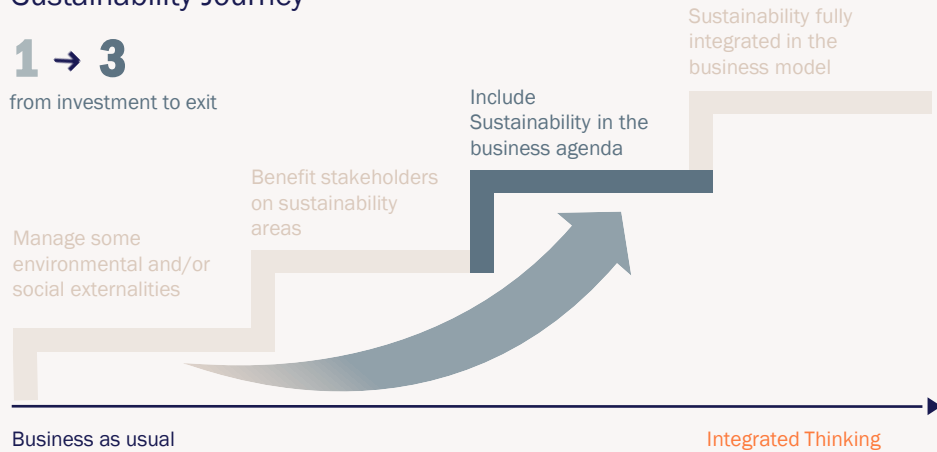
Groupe Rougnon is a multi-technical services company in the Île-de-France region, specialising in the repair, renovation and maintenance of public and private residential and tertiary real estate assets.

Investment Date	Jul 19
Exit Date	Aug 22

Sustainability Journey

1 → 3

from investment to exit



Business as usual	Integrated Thinking
At least one external** board member able to challenge the executive team	
A Sustainability roadmap	
Discussing sustainability topics at board level at least annually	
Carbon footprint assessment	
Carbon reduction plan	

1 Start to measure the impact of its products & services

2020 & 2021 activities data

- ✓ Boiler replacement
- ✓ Boiler optimisation & modernisation
- ✓ Buildings insulation
- ✓ Others...

Avoided Emissions¹
3.7k
 tCO₂e per year

Lifetime Avoided Emissions
+130k
 tCO₂e during project lifespan²

2 Become an energy one-stop-shop for clients

With Tikehau Capital support, Groupe Rougnon launched its energy efficiency business unit allowing the company to offer a one-stop-shop platform including services such as audit, financing, renovation works & maintenance.

3 Rebranded to reflect its new sustainability position



(1) There is currently no commonly accepted standard to evaluate avoided emissions. Estimated net avoided emissions considering carbon footprint for the project development. The baseline considers national electricity production emission factors - IEA.
 (2) Estimates for illustration purposes, achievement is not guaranteed.

Sustainable Bond category	ESG fund
Business line	Private equity
Investment type	Investment in a single company
Launch Date	Nov-2020
SFDR classification	Article 9
Geography	Europe and rest of the world
Fund Assets Under Management	€133m
TKO Commitment	€15.2m
TKO Investment	€15.2m
TKO Remaining Commitment	€0m
2022 ESG KPIs at portfolio level	
Renewable power generated	227 GWh
Job creation	25
GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	28 tCO ₂ /€m invested
GHG emissions avoided ⁽²⁾ / €m invested	50 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽¹⁾	248 tCO ₂ /€m revenue
Board gender diversity	14%

THE FUND AIMS AT COINVESTING IN AMARENCO ALONGSIDE T2 ENERGY TRANSITION FUND

Amarenco designs, develops, acquires, finances, delivers, owns and manages solar photovoltaic infrastructures throughout Europe and in the Middle East, North Africa and Asia-Pacific regions tertiary real estate assets.

AMARENCO



[READ ONLINE](#)

85 MWp

AgriPV installed in 2020-2022

60,339 m²

Asbestos removed in 2020-2022

€56M

Crowdfunding in 2020-2022 allowing small investor investment in local solar energy

Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

(1) ERM analysis

(2) ERM analysis, lifetime avoided emissions were estimated by taking into account the solution lifespan and the evolution of the reference scenario over time considering current trends

Sustainable Bond category	ESG fund
Business line	Private equity
Investment type	Small infrastructure
Launch Date	March-2022
SFDR classification	Article 9
ESG Label	Greenfin
Geography	Europe and OCDE countries
Fund Assets Under Management	€95m
TKO Commitment	€30.1m
TKO Investment	€0.3m
TKO Remaining Commitment	€29.8m
2022 ESG KPIs at portfolio level	
Energy saved per year (KWh)	No infrastructure asset was developed at the reporting date
GHG emissions (scope 1,2,3) / €m invested	
GHG emissions avoided/ €m invested	

THE FUND TARGETS COMPANIES OPERATING IN KEY SECTORS FOR THE ENERGY TRANSITION:



CLEAN ENERGY GENERATION

- Self consumption OV, biomass boilers, behind the grid batteries, etc.



BUILDINGS RENOVATION

- Efficient HVAC system, building envelope improvement, LED lighting, etc.

[CarbOn]



CIRCULAR ECONOMY

- Waste management systems, recycling units, heat recovery, etc.



LOW CARBON MOBILITY & LOGISTICS

- EV charging infrastructure, clean vehicle fleet, etc.



EFFICIENT INDUSTRY

- Industrial process improvement, equipment renewal, energy management systems etc.



SUSTAINABLE AGRICULTURE

Financial figures as of 31 March 2023. AuM as of 31 December 2022
 (1) Fund in Fundraising at the date of the reporting. No KPIs data to report at this stage

Sustainable Bond category	ESG fund
Business line	Private equity
Investment type	Equity investment in medium sized enterprise
Launch Date	Jul-2022
SFDR classification*	Article 9
Geography	Europe and rest of the world
Fund Assets Under Management	€60m
TKO Commitment	€50.6m
TKO Investment	€31m
TKO Remaining Commitment	€19.6m
2022 ESG KPIs at portfolio level	
Job creation	20
GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	23 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽¹⁾	169 tCO ₂ /€m revenue
Board gender diversity	25%

AIMING TO ACCELERATE THE SHIFT TOWARDS A RESILIENT AND SUSTAINABLE EUROPEAN ECONOMY

TGE III aims to address environmental and social challenges....

...to accelerate the shift towards a resilient and sustainable European economy and society following the SDGs

 **INDUSTRIAL TRANSITION**

Help build a more sustainable industry



Advanced Materials: Empower industry with technology and sustainable materials

Water treatment: Reduce pollution for strategic industries particularly water and support biodiversity

Circular Economy: Improve product lifecycles and transition towards a circular economy



 **TECH-ENABLED SERVICES**

Develop social progress through technology

FinTech: Improve business transparency, traceability and compliance

HR Tech: Reskill and train workforce

EdTech: Improve and enhance education operating models



 **HEALTH RESILIENCE**

Build a more resilient healthcare system

MedTech: Boost digital healthcare through analytics

Outsourced Pharma Services: Promote flexibility, operational agility and resilience

Clinical centres: Improve access to quality healthcare and patient needs



Notes : Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

Tikehau Growth Impact III was renamed Tikehau Growth Equity III and SFDR article 9 classification may evolve due to amendments to the initial impact strategy

The first investment was in PTSL, world-leader in delivering test hardware Solutions. PTSL prevents waste by reducing the scrap rate of the semiconductor industry while supporting European industrial jobs at the same time.

⁽¹⁾ ERM analysis

Sustainable Bond category	ESG fund
Business line	Private debt
Investment type	Loans to medium sized enterprise
Launch Date	Jul-2021
SFDR classification	Article 9
Geography	Europe
Fund Assets Under Management	€291m
TKO Commitment	€20m
TKO Investment	€11.7m
TKO Remaining Commitment	€8.3m
2022 ESG KPIs at portfolio level	
Job creation	2,261
GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	2,293 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽¹⁾	1,566 tCO ₂ /€m revenue
Board gender diversity ⁽¹⁾	18%
Portfolio companies with GHG emissions reduction trajectories	91%

THE FUND TARGETS COMPANIES SUPPORTING THE TRANSITION TOWARD A MORE INNOVATIVE, LOW CARBON AND INCLUSIVE ECONOMIC SYSTEM:

CREATE OR EXPAND SUSTAINABLE OFFERINGS

- Development of new products
- Expansion of market shares
- Access to new markets
- Influence consumer behaviours



ENABLE CLIENTS TO EXPAND SUSTAINABLE OFFERING

- Services and equipment for infrastructure development and operation
- Utility-scale and distributed generation from renewables



IMPROVE RESOURCE MANAGEMENT

- Improve industrial processes and supply chain management
- Reduce natural resource use
- Increase recycling & circularity
- Promote human capital best practices and improved equality
- Enhance stakeholder cooperation on ESG



Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022

(1) Based on S&P Trucost data and data may be overstated. This approach was used due to the lack of 2022 data across most of our portfolio companies and to ensure consistency across the portfolio

ESG RATCHETS HIGHLIGHTS

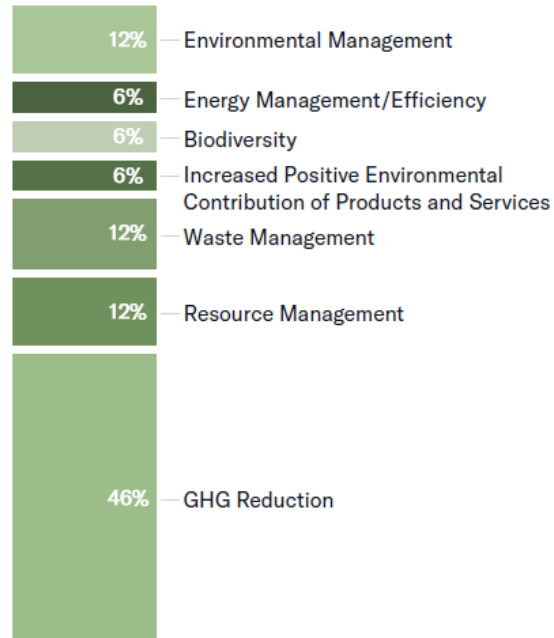
Our entire portfolio has an ESG Ratchet in place

100%
of portfolio companies
have an ESG ratchet
as of 30 Dec 2022

12.0%
Average
Margin
Adjustment

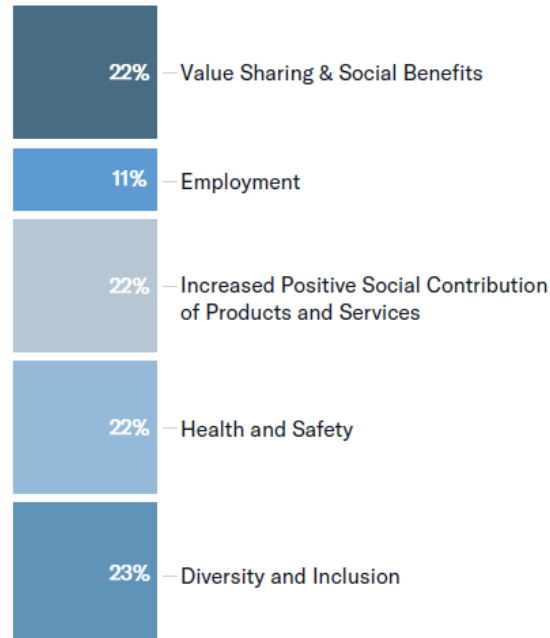
45%

Environment



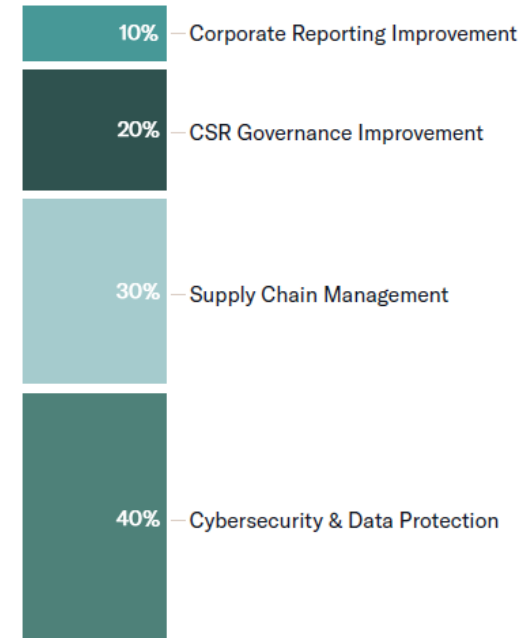
29%

Social



27%

Governance



Sustainable Bond category	ESG fund
Business line	Capital markets strategies
Investment type	High yield
Launch Date	Jul-2021
SFDR classification	Article 8
ESG Label	French SRI
Geography	Global
Fund Assets Under Management	€37m
TKO Investment	€30m
2022 ESG KPIs at portfolio level	
GHG emissions (scope 1,2,3) ⁽¹⁾ / €m invested	475 tCO ₂ /€m invested
Weighted Average Carbon Intensity, WACI (scope 1,2,3 / €m revenue) ⁽¹⁾	840 tCO ₂ /€m revenue
Board gender diversity ⁽¹⁾	40%

THE FUND AIMS TO CONTRIBUTE TO THE TRANSITION TOWARDS A LOW-CARBON, CIRCULAR ECONOMY

FOCUS ON THE HIGH YIELD SEGMENT

ISSUERS

- **Pledgers:** Issuers with an emissions reduction target validated or in the process of validation by the Science-Based Targets initiative (SBTi) or the Glasgow Financial Alliance for Net Zero (GFANZ)
- **Transition Issuers:**
 - Issuers offering low-carbon solutions
 - Issuers in transition with the potential to: i. Manage the negative externalities of their operations across the value chain; ii. Take advantage of existing and emerging opportunities in their products and services

INSTRUMENTS

- Sustainability-Linked Bonds
- Green Bonds

OBJECTIVE AT FUND LEVEL

- Reduce Carbon Intensity
- Select issuers with climate change commitments

OBJECTIVE AT INSTRUMENT & ISSUER LEVEL

- Increase in the share of recycled aluminium
- Reduce scope 1, 2 & 3 GHG emissions
- Increase in the proportion of certified sustainable inputs

Sample investments



Financial figures as of 31 March 2023. AuM and ESG data as of 31 December 2022
 (1) ISS data






Sustainable Bond category	ESG fund
Business line	Real estate
Investment type	Real assets
Launch Date	Jun-2022
SFDR classification	Article 9
Geography	Europe and rest of the world
Fund Assets Under Management	€350m
TKO Commitment	€150m
TKO Investment	€0m
TKO Remaining Commitment	€150m
2022 ESG KPIs at portfolio level	
Energy saved per year (KWh)	No real estate investment was held for more than a year at the reporting date
GHG emission in kgCO ₂ e/m ² per year	

REAL ESTATE OFFERING A MAJOR ESG IMPACT OPPORTUNITY

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.

The first acquisition that occurred in January 2023, is a 4-Star hotel located in central Paris close to Champs-Élysées.

 CLIMATE ACTION	 BIODIVERSITY	 SOCIAL
Key objectives		
 <p>100% of planned assets (Bucket A) aligned with Nearly Zero-Emissions Building standard Bring portfolio towards Sciences Based Target (SBT) trajectory</p>	<p>100% of large assets (>1,000sqm) with biodiversity management plan</p>	<p>Inclusive housing⁽¹⁾ plan to be initiated with local authorities on minimum 60% of projects including residential units</p>
Key Indicators		
 <p>Carbon intensity Measured in CO₂e tons / sqm</p>	<p># Biodiversity management plans carried out by independent expert with performance against plan</p>	<p>% inclusive / total residential units</p>

Financial figures as of 31 March 2023. AuM as of 31 December 2022
(1) Fund in Fundraising at the date of the reporting. No KPIs data to report at this stage

03

**IMPACT REPORTING :
DIRECT INVESTMENT
DESCRIPTION**

Sustainable Bond category	Direct investment in Sustainable Asset
Investment type	Loan to medium sized enterprise
Geography	Europe
TKO Investment	€32.4m
Investment Date	May-2020
2022 ESG KPIs at portfolio level	
Job creation excl. acquisitions	986
R&D expenses	€53m in FY22
Board gender diversity	11%

DESCRIPTION AND IMPACT THESIS

- **Dedalus was founded in 1990 in Florence by Giorgio Moretti, a successful serial entrepreneur. It operates mainly in the Italian and French IT Healthcare industry, responding to different needs of healthcare operators, from administrative and organizational activities to clinical support and interoperability requirements**
- **The company acts as enabler to access to good health and well-being and as contributor to SDG 3 (Good Health & Wellbeing) through its prevention business. The company offers a software that assists health care providers (hospitals, hospital groups, laboratories, imaging centres) and healthcare professionals in delivering treatments. Dedalus invests considerably in the development of an innovative business offering aiming at improving health care connectivity (e.g. eHealth, clinical care, administration and technology).**

ESG RISKS & MITIGANTS

- **Dedalus is owned by Ardian, a major French player in the PE sphere. Ardian is well known by Tikehau Capital and has strong commitments regarding sustainability. Dedalus' sustainability roadmap is monitored annually by Ardian.**
- **A potential geographical risk as the business operates in Brazil, although considering the software offering in the healthcare sector, it does not represent a material ESG risk.**
- **On February 2021 the Company suffered a cyber-attack in France, where medical data of half a million of French people were leaked. Dedalus promptly made itself available to collaborate with various authorities in the context of the investigations. Dedalus obtained the ISO 27001 (Information Security Management System) certification.**
- **The Company is ISO 13485 (Medical devices – Quality management systems) certified and certain entities such as Dedalus Italia S.p.A. also hold ISO 14001 and ISO 9001 certifications.**
- **Dedalus counts over 6,6000 employees**
- **The business does not have a significant carbon footprint. Particular attention is paid to more sustainable IT practices and the company plans to be carbon neutral by 2030.**

Financial figures as at 31 March 2023 and Impact data as at 31 December 2022

04

IMPACT REPORTING : ELIGIBLE EXTERNAL FUNDS' DESCRIPTION

Sustainable Bond category	External ESG fund
Business line	Private equity
SFDR classification	Not applicable
Geography	Europe
Launch date	Sept-2018
Fund Assets Under Management	€110m
TKO Commitment	€6.0m
TKO Investment	€3.8m
TKO Remaining Commitment	€2.2m
<i>2022 ESG KPIs at portfolio level</i>	
Jobs created	589
GHG emissions saved since investment	>500k tCO2
Renewable energy installed	>5,000 KWc
# of sustainable goods sold, saved or repaired	>250k units
Tons of waste collected	>166k tons
Executive committee gender diversity	32%

Financial figures as at 31 March 2023, AuM and impact data as of 31 December 2022

THE FUND TARGETS COMPANIES SUPPORTING THE TRANSITION TOWARD A MORE INNOVATIVE, LOW CARBON AND INCLUSIVE ECONOMIC SYSTEM

ENERGY TRANSITION

- Green energy accessible to everyone
- Efficiency of renewable energy plants
- Deployment of renewable energy installations



RECYCLING, CIRCULAR ECONOMY AND SUSTAINABLE CONSUMER GOODS

- Repair and recycling of household appliances
- Consumer goods carbon footprint reduction
- On-site collection and recycling of construction waste
- Sustainable consumer goods



LOW-CARBON MOBILITY

- Cycling as a mode of soft mobility for company employees
- Rail freight management system



SOCIAL IMPACT SERVICES

- Employment conditions and employability improvement
- Sustainable projects financing



Sustainable Bond category	External ESG fund
Business line	Venture capital
SFDR classification	Article 9
Geography	Europe
Launch date	Apr-2021
Fund Assets Under Management	€66m
TKO Commitment	€10m
TKO Investment	€3.3m
TKO Remaining Commitment	€6.7m
2022 ESG KPIs at portfolio level	
Vulnerable active users	13,209
Trained disadvantaged people ⁽¹⁾	913

THE FUND TARGETS VENTURES WHICH PURSUE IMPACT BY DESIGN AND USE TECH TO ADDRESS SOCIAL AND ENVIRONMENTAL ISSUES



- Meeting transcription services for deaf or hard hearing persons



- B2B and B2C solution for online moderation against toxic content



- Eco homecare (avoiding single use plastic)



- Sourcing, training, recruitment of refugees



- Online school targeting unemployed people and students from rural areas



- B2B tech solution to implement circular business models



- Carbon payment program to value and accelerate transition to regenerative agriculture



- B2B solution for designing and assembling modular buildings



- Fund raising for non profits

Financial figures as of 31 March 2023, AuM and impact data as of 31 December 2023

(1) Trained disadvantaged people includes unemployed learners following the training and learners, trained living in remote areas



05

APPENDICES

Dedicated Governance

CAPITAL ALLOCATION COMMITTEE



Advise the General Managers in its decisions of investments and divestments

SUSTAINABLE BOND ALLOCATION COMMITTEE



CÉCILE CABANIS
DEPUTY CEO



HENRI MARCOUX
DEPUTY CEO



ANTOINE ONFRAY
GROUP CFO



LAURE VILLEPELET
GROUP HEAD OF ESG

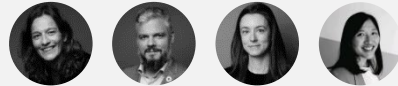
- Oversee allocation of sustainable bonds proceeds
- Meet annually before the anniversary of each impact bond's issuance

Strong sustainability backbone supported by a diverse team and best-in-CLASS Governance

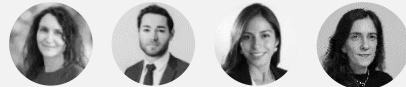
ECOSYSTEM OF TALENT

Dedicated Senior Management at Group level

Deputy CEO
Head of Climate
Head of ESG
Climate & Biodiversity
director



1 ESG lead for each business line⁽¹⁾



All investment team members embed ESG
in their fundamental analysis

**SUSTAINABILITY
ECOSYSTEM**

GOVERNANCE

AT GROUP LEVEL

Governance and Sustainable Development Committee
(advising the Board of Directors)

Sustainability Strategy Orientation Committee
(advising the Manager)

Business Dedicated Task Forces

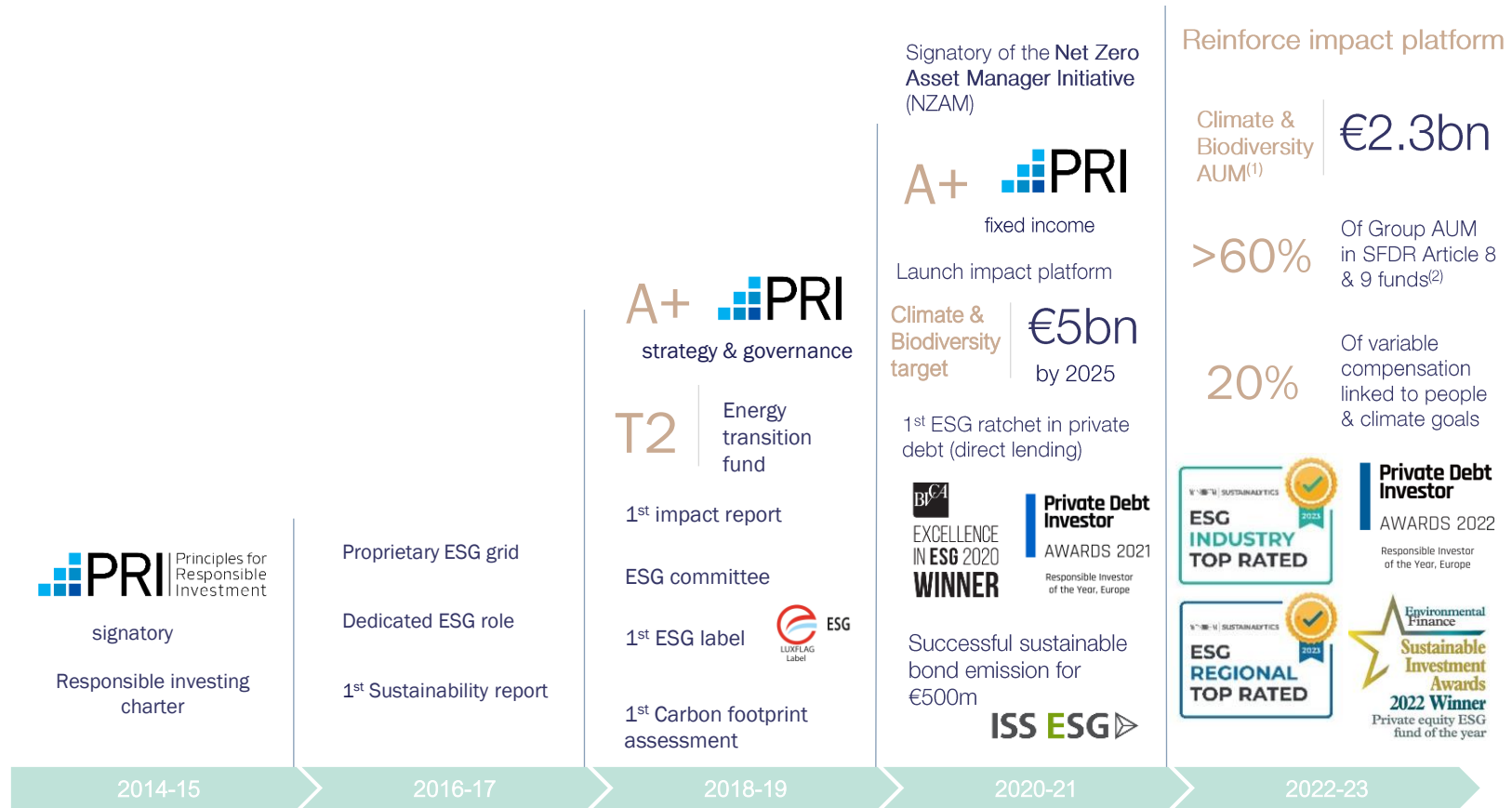
AT INVESTMENT LEVEL

Sustainable Bond Allocation Committee

Impact Committee
(for Impact funds)

(1) Supported by ESG analysts

Pioneer in Sustainability



Notes:

As at Dec-22

(1) Defined as AUM in SFDR Article 8 or 9 funds with at least one priority objective related to decarbonisation, nature, biodiversity or another environmental theme. Excluding Sofidy funds and green buildings

(2) Article 8 and 9 funds of the EU Sustainable Finance Disclosure Regulation (SFDR) respectively promote ESG characteristics and have a sustainable investment objective

