LATOUR CAPITAL
OPERATIONAL EQUITY

ESG REPORT 2024

Article 29
Energy & Climate Law

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*This report complies with the provisions of the Decree of application n°2021-663 of 27 May 2021 of article 29 of the Energy-Climate Law, and presents the main achievements of Latour Capital as well as those of our investments regarding ESG issues over the year 2024.

Introduction

OUR VISION

Since launching Latour Capital's sustainability initiative in 2017, we have consistently worked to enhance our ESG performance year after year. This 2024 edition of our sustainability report reflects both the initiatives we have driven in collaboration with our portfolio companies and the actions we have taken independently to uphold our role as a responsible financial stakeholder

Didier Gaudoux, Senior Partner at Latour Capital

Some of our key 2024 ESG achievements include:

> Supporting Decarbonization across the Portfolio:
Portfolio companies continued to implement their decarbonization strategies, resulting in measurable reductions in greenhouse gas (GHG) emissions in line with the Paris Agreement.

> Scaling Sustainability-Linked Loans (SLLs):
We expanded our use of SLLs to five agreements, achieving 100% of the associated ESG objectives. This led to 1.2m€ in savings on debt financing costs for our portfolio companies, effectively tying financial performance to ESG outcomes.

> Formalizing ESG Strategies:
ESG strategy development was extended across the portfolio through the completion of double materiality assessments, helping each company identify and prioritize its most significant ESG issues.

> Improving our analysis of emerging risks:
We enhanced our focus on climate and biodiversity risks by subscribing to a dedicated digital analysis platform and providing training to all employees on these key topics.

> External recognition of our ESG Strategy:
Our ESG approach continues to gain external validation, with year-over-year improvements in third-party ESG ratings and an award recognizing our transparency efforts.

OUR NEXT STEPS

In keeping with our commitment to continuous improvement, our strategic priorities for 2025 include:

> Driving the financial materialization of ESG initiatives:
We are advancing efforts to financially reward ESG performance, with three additional Sustainability-Linked Loan (SLL) contracts currently under negotiation. These agreements are expected to deliver savings of up to 2m€ in 2025, directly linking value creation to the achievement of ambitious ESG targets by our portfolio companies.

> Accelerating ESG data digitalization:
We plan to subscribe to a digital tool in order to streamline our annual ESG data collection and improve reporting processes, enhancing data reliability, efficiency, and accessibility across our portfolio.

> Expanding into a new investment strategy:
With the launch of Latour Small I, our latest investment strategy, we will extend and adapt our ESG due diligence and operational support capabilities to smaller-scale companies.

> Developing robust exit strategies:
As the Latour III fund approaches maturity, we will begin assessing the ESG value created within its portfolio companies, laying the groundwork for stronger and more impactful exit strategies.

> Building a societal engagement framework:
We are initiating the design of a dedicated societal engagement strategy to ensure Latour Capital contributes positively to the broader community, aligning our business objectives with social impact.

Our 2024 KEY FIGURES

LATOUR CAPITAL IS A FRENCH PRIVATE EQUITY FIRM CHARACTERIZED BY ITS ENTREPRENEURIAL MINDSET AND OPERATIONAL EXPERTISE. LATOUR CAPITAL WORKS ALONGSIDE MANAGERS TO ACQUIRE MAJORITY OR MINORITY STAKES IN HIGH GROWTH FRENCH AND EUROPEAN COMPANIES.
AT 31 DECEMBER 2024, LATOUR CAPITAL MANAGED €3.422BILLIONS IN ASSETS, SPREAD OVER FOUR FUNDS.
TWELVE COMPANIES MAKE UP THE PORTFOLIO FOR THE PERIOD COVERED BY THIS REPORT.

Latour Capital I (€115M)	Latour Capital II (€306M)	Latour Capital III (€827M)	Latour Capital IV (€1,160Bn)	Latour Small I (€250m)
Raised in 2012 and fully invested in 8 companies between 2011 and 2015	Raised in November 2015 and fully invested in 6 companies between 2015 and 2019	Raised in November 2020 and fully invested in 8 companies at the end of 2023	Closing June 2024, 3 new acquisitions in 2024	Fundraising launched in 2025
oxand *	SULO	præmia REIM FRANCE	FUNECAP GROUPE 2	
		santiane	EDG EUROPEAN DIGITAL GROUP	
		Kandelium	SYSTRA	
		FUNECAP GROUPE	praecisio	
		OMNI-PAC GROUP		
		Groupe RG		
		hygie 31		
		GUTOR		

Three new companies entered our Latour IV portfolio in 2024: European Digital Group (March 2024), Systra (October 2024) and Praecisio (December 2024). The first is a digital consulting company, the second is a global mass transit and rail engineering company, carved-out from the French SNCF and RATP Group, while the third is a very high-precision mechanical machining manufacturer.

Parallelly, two companies exited our portfolio this year: Oak Nation exited our Latour II fund in March 2024, while Oxand was sold early in 2025, marking the closing of our Latour Capital I fund.

At the end of 2024, Latour Capital decided to launch its first Latour Small fund, a strategy designed for smaller investment tickets, yet classified as an Article 8, thus driven by the same ambitions and objectives as Latour IV in terms of sustainability.

* Oxand is excluded from the perimeter of this report due to its sale in January 2025

Latour Capital Management

OUR SFDR FUND CLASSIFICATION*

Fund	Classification	
Latour Capital I	Article 6	
Latour Capital II	Article 6	
Latour Capital III	Article 6	Meets most Article 8 requirements on a voluntary basis
Latour Capital IV	Article 8	Promotes 3 ESG characteristics: > Decarbonization > Health & safety of workers > Value sharing mechanisms
Latour Small I	Article 8	

100% of our AUM take ESG criteria into account

GENERAL

€3.422 billion

Assets under management (31.12.24)

14	12	28	3
Years of experience	Portfolio companies (31.12.24)	Total employees (31.12.24)	Investments in 2024 (EDG, Systra, Visco)

* Co-investment funds follow principal funds' classifications

GOVERNANCE

100%

Team (excluding partners) received an ESG bonus

Team receives an ESG training

KPIS

100%

of bonus was awarded in 2024

CLIMATE/CARBON

Member of the ICI and France Invest's Sustainability Commission Decarbonization Working Group

Carbon footprint assessed at:

Corporate level	Portfolio level
229 tCO_2eq	1 636 392 tCO_2eq
Scope 1&2: 2 tCO_2eq (0,9%)	Scope 1&2: 305 098 tCO_2eq (18.64%)
Scope 3: 227 tCO_2eq (99,1%)	Scope 3: 1 331 294 tCO_2eq (81.36%)

AUM - DETAILS

0%

Share of activities in fossil fuel

ESG RECOGNITIONS

UNPRI

96/100

Policy governance and strategy

★★★★★

98/100

Direct private equity

★★★★★

70/100

Confidence building measures

★★★★☆

AWARDS

Winner of the 2024 Labrador Transparency Awards for our 2023 ESG report

TRANSPARENCY AWARDS

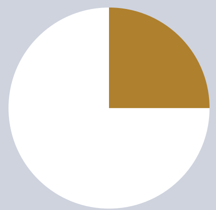
LATOUR CAPITAL DIVERSITY

31.12.24

Women overall

32%

Women in investment team



25%

Women in 2024 hires

29%

Portfolio Companies

ENGAGEMENT*

Have a dedicated ESG officer

Discuss ESG matters at board level

100%
companies in portfolio

Have assessed their carbon footprint

Partake in ESG data collection campaigns

* Praecisio excluded from perimeter (acquisition late December 2024)

PERFORMANCE*

GOVERNANCE

100%
of companies have a code of ethics

5
companies have a SLL mechanism in place

DIVERSITY

9,5%
Average board diversity

15%
Average share of women in top 10 renumeration

14%
Average gender pay gap

SOCIAL

21 475
Number of total employees

64%
Companies with an employee survey in place

13
Average work accident frequency rate

54,5%
Companies with a profit-sharing mechanism for their employees

CLIMATE

1 636 392 tCO_2eq
Total portfolio GHG emissions
Scope 1&2: 305 098 tCO_2eq (18.64%)
Scope 3: 1 331 294 tCO_2eq (81.36%)

3
companies committed to the SBTi (Praemia, Groupe RG, Systra)

1
company certified (Sulo)

BIODIVERSITY

100%
of target companies were screened since our subscription

45%
of portfolio companies were screened since our subscription

CYBERSECURITY

100%
of portfolio companies have measures in place related to information security

Latour's sustainability approach

SUSTAINABILITY ROADMAP

Sustainability for 2030

Remaining true to our entrepreneurial and operational DNA, we systematically **integrate ESG considerations at every stage of the investment lifecycle**. Through close collaboration with our portfolio companies, we support their growth while advancing their ESG maturity via tailored, hands-on action plans.

As we roll out our new investment strategy, Latour Small I, our commitment to ESG remains unwavering. We are extending our established sustainability approach to a new profile of smaller-scale companies, ensuring that ESG factors continue to be embedded alongside business considerations throughout the investment process.

Entering 2025, we thus reaffirm our commitment to our **Sustainability Strategy for 2030** and its three core values: decarbonizing activities, ensuring a healthy and safe environment, and maximizing value-sharing. These three pillars continue to guide us in our investment cycle, both as our primary areas of focus during the pre-investment phase analysis and our guiding principles throughout the holding period.

Decarbonization:
In line with the Paris Agreement, we aim to stabilize emissions from both Latour Capital and our portfolio companies in a manner consistent with limiting global temperature rise to well below 2°C, with a strong commitment to the 1.5°C target. We support our portfolio companies in developing actionable decarbonization strategies and encourage them to pursue Science-Based Targets initiative (SBTi) certification. Greenhouse gas emissions are tracked quarterly, enabling us to monitor progress and adjust action plans in real time.

Health and safety of workers:
Creating a healthy and safe work environment is a fundamental priority. We require all portfolio companies to implement comprehensive Health & Safety (H&S) policies that minimize operational risks. Performance is tracked through our annual ESG questionnaire for all companies, and quarterly for those in industrial sectors where H&S risks are more pronounced.

Value sharing mechanisms:
We believe that fair and inclusive remuneration is essential to sustainable business practices. That's why we have made it a priority for our portfolio companies to implement value-sharing mechanisms that ensure equitable distribution of wealth from top management down to all employees. To date, 55% of our portfolio companies have adopted such mechanisms, reflecting growing alignment with our commitment to responsible value creation.

SECTOR INITIATIVES

In 2024, Latour Capital pursued its existing engagement practices in the private equity sustainability ecosystem. Indeed, we believe partaking in these associations is a crucial part of our role as a sustainable financial actor, providing an **arena for the exchange** of ideas and a lever for **grouped advocacy**.

This year's highlight was our contribution to the **France Invest x KPMG "Guide to selecting Decarbonization financing mechanisms"**, where co-contributors from the France Invest Decarbonization Taskforce presented various sources of sustainable funds available for portfolio companies. The purpose of the report is to provide a step-by-step handbook to financial actors and portfolio companies wishing to subscribe to these types of mechanisms, demystifying their workings. This type of initiative is a concrete manner in which Latour mobilizes its ESG expertise and performs advocacy in the private equity ecosystem.

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RESPONSIBLE INVESTING

2011

France Invest

Latour Capital signed the France Invest charter in 2011. Since then, they have grown their implication through various working groups.

2012

PRI Principles for Responsible Investment

Latour Capital became a signatory of the United Nations Principles for Responsible Investment in 2012.

DIVERSITY

2020

France Invest

Latour Capital signed the France Invest Charter for Growth and Parity.

CLIMATE

2022

iC initiative climat international – Private equity action on climate change

Latour Capital became a member of the International Climate Initiative.

2023

France Invest

Latour Capital joined the France Invest Sustainability Commission, a forum of exchange with peers. Latour Capital notably partakes in the decarbonization working group.

2024

France Invest KPMG

Latour Capital contributes to drafting the "Guide to selecting Decarbonization financing mechanisms" as part of its membership in the France Invest Decarbonization working group.

ESG GOVERNANCE

ESG-related governance and oversight

Latour Capital's ESG strategy is spearheaded by our dedicated ESG partner, Didier Gaudoux, and implemented by a specialized ESG team led by Quentin Faulconnier (ESG Director) and supported by Audrey Seignat (ESG Analyst). In addition to **shaping the firm's ESG strategy and establishing the internal processes** required for its execution, the ESG team ensures its **operational rollout across portfolio companies**.

The team is also responsible for training investment professionals to ensure that ESG principles are fully understood and applied. Investment team members play a key role in reinforcing ESG efforts, particularly during discussions on ESG performance at quarterly Supervisory Board or Board of Directors meetings.

To embed ESG considerations throughout our organization, Latour Capital has integrated **ESG objectives into its remuneration framework**. These goals apply both at the portfolio level covering ESG compliance during pre-investment and ownership phases and at the management company level. The partnership awards an ESG bonus annually when at least 50% of the objectives are achieved. In 2024, the full bonus was granted, with 100% of objectives met. We are currently working on reviewing the amount dedicated to this bonus as well as its allocation criteria to make sure it matches Latour's organic growth and development in our ESG strategy.
Latour Capital's ESG policy, available on our website, sets out our approach and outlines how ESG is embedded into every stage of our investment process.

Didier Gaudoux
Senior Partner

Quentin Faulconnier
ESG and Compliance Director

Audrey Seignat
ESG Analyst

TRAINING OF TEAMS
PHYSICAL, TRANSITION CLIMATE AND BIODIVERSITY RISKS

Latour Capital is committed to fostering continuous learning for its employees. In this context, a sustainability training is delivered to the entire team at least once a year, either conducted by the ESG team or facilitated by external experts.

Our most recent training session, held in December 2024, focused on physical and transition climate risks and biodiversity-related challenges. Delivered by AXA Climate following our subscription to the AXA Altitude platform, the training aimed to raise awareness among our teams about both physical and transition risks related to climate and biodiversity, their potential business impacts, and how to effectively address them in our pre-investment analyses.

This initiative is part of our broader commitment to expanding our environmental risk approach beyond carbon. Equipping our teams with a clear understanding of the financial implications of these risks and familiarizing them with the AXA Altitude tool, which we now systematically integrate into our analysis, was a key objective.

This training illustrates our approach to selecting workshops that are directly relevant to the work we do with our portfolio companies and the ESG issues most material to their businesses. Given our exposure to several industrial companies, deepening our teams' understanding of environmental risks is particularly valuable to the execution of our strategy.

CLIMATE COMMITMENTS AND INITIATIVES

In line with our commitment to minimizing our environmental impact and adapting to global warming, Latour Capital continued in 2024 to advance targeted initiatives, both within our own operations and, more significantly, by leveraging our expertise to **support portfolio companies in implementing and accelerating their decarbonization strategies**.

Latour Capital's latest carbon footprint assessment, covering the 2023 reporting year, amounted to **229 tCO_2e**. As a service-based firm, the majority of our emissions stem from purchased goods and services. This represents a slight decrease from our 2022 footprint of 263 tCO_2e. While this reduction can partly be credited to targeted energy-saving initiatives, such as conducting an energy audit, enhancing waste sorting practices, and launching an eco-responsibility awareness campaign, the primary factor was a more rigorous and precise calculation methodology. This refined approach corrected previously overlooked inaccuracies in our initial assessment. Although our overall carbon footprint remains relatively low, we consider this annual exercise essential. It not only enables us to lead by example but also **reinforces our understanding of the standards we expect our portfolio companies to uphold**.

Recognizing the critical role investors play in the transition to a low-carbon economy, Latour Capital actively engages in collaborative platforms to promote advocacy and knowledge-sharing. In this spirit, we joined the **International Climate Initiative** in 2022 and became an active member of **France Invest's Decarbonization Working Group** within the Sustainability Commission since 2023.

In 2024, Latour contributed to the development of the France Invest x KPMG **"Guide to Selecting Decarbonization Financing Mechanisms"**, produced by the France Invest Decarbonization Taskforce. This guide outlines a range of funding options available to portfolio companies to support their decarbonization journey, including grants, energy savings certificates, research tax credits, and other financial instruments. Latour Capital led the development of the section dedicated to Sustainability-Linked Loans (SLLs), drawing from our hands-on experience with the five SLLs currently active across our portfolio. The guide offers a step-by-step handbook designed to **assist financial actors and portfolio companies in identifying and securing funding for their decarbonization strategies**.

As one of the three core pillars of our 2030 Sustainability Strategy, decarbonization is a top priority at Latour Capital. We expect all portfolio companies to go beyond simply measuring their carbon footprint by actively developing decarbonization pathways aligned with the Paris Agreement. To support this ambition, all portfolio companies received training on the Science Based Targets initiative (SBTi) in 2023. Following this effort, three companies have formally initiated the SBTi certification process and are currently working on setting science-based emissions reduction targets.

We are especially proud to highlight the progress of Sulo, a manufacturer of recycled plastic waste containers and steel compactors, which successfully obtained SBTi certification in early 2025. This certification marks the culmination of their decarbonization roadmap, developed throughout 2024 through a sustained collaborative effort to define appropriate emissions reduction targets and support the administrative submission process.

Latour Capital remains committed to scaling these efforts. As an active and hands-on investor, we will continue to deliver tailored, proactive support to help more portfolio companies define and certify their decarbonization trajectories in the years ahead.

Groupe RG, a leading distributor of personal protective equipment (PPE), is actively developing an SBTi-aligned decarbonization trajectory while simultaneously expanding its range of sustainable product offerings.

According to the company, CSR, particularly carbon reduction, has become a decisive factor in both public and private procurement processes. In public tenders, environmental criteria now account for 15-25% of the evaluation, and 0-10% in private contracts. Large corporate clients, increasingly focused on reducing scope 3 emissions, are driving demand for low-carbon PPE solutions as part of their own decarbonization strategies.
In response, Groupe RG has prioritized the development of eco-responsible product lines and more efficient logistics models. Clients are placing growing emphasis on reducing transport-related emissions, encouraging suppliers to innovate in order management and distribution flows.

This strategic shift is already delivering results: revenue from sustainable products rose from 28% of Groupe RG's topline in 2023 to 33% in 2024, underscoring the commercial relevance of low-carbon innovation.

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D&I COMMITMENTS AND INITIATIVES

At Latour Capital, we view diversity and inclusion as essential drivers of thoughtful decision-making and long-term performance.

To this end, Latour signed the France Invest Gender Parity Charter in 2020, committing to 40% female representation within its investment teams by 2030. To support this goal, we have integrated concrete measures into our recruitment policy, including the systematic and unbiased consideration of both female and male candidates, in order to actively combat gender bias and promote equal opportunities. In 2024, we **achieved 32% of female representation in workforce, and 25% in the investment team**. Through these initiatives and the promotion of internal talent, we aim to see a continued rise in female representation in the coming years, especially in senior roles.

Another lever for the diversification of our workforce is the recruitment of young talent. **In 2024, we welcomed six analysts** under the age of 28: four joined the investment team, while the other two joined the ESG team and the financial control teams respectively. We are proud to support youth employment and to infuse the firm with fresh perspectives that young professionals bring. In total, 29% of our 2024 recruitments were female.

The well-being of our employees is another fundamental priority for Latour Capital. In line with this commitment, all Latour Capital employees, regardless of gender, are entitled to parental leave as outlined by French law and are actively encouraged to make full use of it. Furthermore, **Latour ensures 100% of salaries are maintained throughout the parental leave, going beyond French legal requirements**. To support a healthy and balanced work environment, Latour Capital has also put in place several initiatives, including spacious, well-lit office spaces and access to an on-site gym. Once a year, Latour Capital enrols all willing employees in a ten-kilometre race occurring in our office's neighbourhood. This **sporty company culture is an aspect of Latour which we are very proud of**, allowing flexibility to accommodate for training, and encouraging employees to partake in company events such as the yearly 10km of the Champs Élysées, which saw over a third of our employees take part in 2024.

COOPERATION WITH STAKEHOLDERS

Latour Capital maintains **strong, collaborative relationships with its stakeholders**, including portfolio companies, Limited Partners (LPs), and co-investors. Our daily activities involve close engagement with our portfolio companies, as well as actively addressing a wide range of inquiries from our investors. In 2024 alone, we responded to **over 50 LP questionnaires and held numerous ad-hoc meetings** to present both our overarching ESG strategy and specific initiatives implemented within our portfolio. These interactions also provide valuable feedback, helping us benchmark our performance against industry standards and continuously improve.

EDG
EUROPEAN DIGITAL GROUP

Since acquiring European Digital Group (EDG) in early 2024 alongside our co-investor Montefiore, we have been working closely to build a tailored ESG strategy that reflects EDG's identity as a growing group of digital consultancies. This has involved reinforcing governance at the Group level, creating regular touchpoints with business unit leaders, and setting ESG KPIs within a sustainability-linked loan framework aligned with the Group's core values of environmental responsibility, gender equality, and value sharing.

We worked in a tripartite manner with EDG and Montefiore throughout the process, drawing upon the strengths of each party to co-construct EDG's strategy. This collaboration illustrates our commitment to close partnerships with co-investors, always prioritizing the needs of our portfolio companies while delivering robust operational support.

SULO®

Another strong example of collaboration with our stakeholders is the impact analysis we conducted on Sulo, at the initiative of one of our LPs. Recognizing the positive role Sulo plays as a producer of bins and containers made from recycled materials, our investor encouraged us to create a KPI to better showcase their positive impact on European waste management in line with global circularity objectives.

In partnership with Sulo's management, we aggregated the relevant data and found that 33-40% of European municipal waste in 2023 was collected using Sulo containers, an achievement that reflects the company's leadership in the European waste management sector.

This initiative underscores the engagement and deep understanding our LPs have of our portfolio companies, as well as the valuable results of collaborative efforts.

Sustainability

ENGAGEMENT STRATEGY

Aligned with Latour Capital's hands-on and operational approach, we are actively involved in ESG matters at every stage of the investment cycle.

> **Our standardized pre-investment ESG analysis was systematically applied across all transactions in 2024.** Combined with external due diligence, this process enables us to assess key sustainability risks and opportunities. It also evaluates each company's ability to report on Principal Adverse Impact (PAI) indicators and their performance on Latour's three core ESG priorities: decarbonization, health and safety, and value sharing. The analysis includes benchmarking against industry peers and sets the foundation for a preliminary five-year roadmap, estimating the internal and external resources needed to meet ESG objectives.

> **During the ownership phase, we work closely with management to implement the ESG action plan, with regular touchpoints, notably quarterly supervisory board reviews.** Key initiatives include appointing an ESG Leader, conducting carbon footprint assessments, and developing decarbonization strategies.

> **At the exit stage, an external due diligence is conducted to assess the ESG progress made and the company's preparedness for upcoming regulatory requirements.**
The table below summarizes our approach, the details of our engagement strategy can be found in our ESG policy which was reviewed late 2023 and published in Q1 2024 (available on our website).

OVERVIEW OF ESG INTEGRATION IN THE INVESTMENT CYCLE

IN THE PRE INVESTMENT PHASE	DURING THE HOLDING PHASE	AT THE EXIT PHASE
Negative screening with the systematic application of **sectoral exclusion criteria***	Appointment of a **sustainability referent**	Systematic **external vendor ESG due diligence**
Pre-investment **preliminary analysis** (content detail can vary)	Creation of a **sustainability action plan** and corresponding **KPIs** to monitor (plan reviewed quartely)	Summary of **sustainability performance** and progress on action plan included in exit memorandum
Systematic **external ESG due diligence**	Systematic **carbon footprint assessment** and establishment of **decarbonization trajectories** using SBTi targets	
Complete ESG analysis: including risk and opportunity analysis, benchmark, PAI reporting capacity, reporting on 3 specific Article 8 KPIs, roadmap	Creation of **sustainability-linked remuneration plans** for top management and **value sharing policies**	
Final ESG analysis (including DD) included in investment memorandum	Systematic reporting on **PAI indicators** and Sustainability Risks, quarterly reporting on 3-5 most material KPIs, creation of **CSR reports**	

* Our list of exclusion can be found in our ESG policy

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Voting rights

Latour Capital ensures its ESG commitment through an **active participation in voting processes at portfolio company level**. Acting as the sole representative of our funds, we independently oversee all voting activities. This includes thoroughly collecting and evaluating information from unlisted portfolio companies to ensure alignment with our ESG priorities. Votes are cast either by mail or in person, allowing us to participate in decisions for foreign entities when required. We systematically take part in General Meetings of unlisted companies, irrespective of our ownership stake.

Training of portfolio companies

A cornerstone of our engagement strategy is the **Latour Capital ESG Community**, a platform that brings together sustainability officers from all portfolio companies for at least one annual gathering. This forum encourages **peer-to-peer exchange**, allowing participants to share insights, discuss practical sustainability approaches, and circulate best practices across sectors.

These meetings also serve as a key moment for **targeted ESG training**, particularly in response to evolving regulatory landscapes. During our most recent gathering, we shared our strategic ESG priorities for the year, including the alignment of portfolio decarbonization strategies with the Paris Agreement and the enhancement of ESG data quality through our quarterly reporting framework.

A central focus of the session was a comprehensive training on the Corporate Sustainability Reporting Directive (CSRD). Despite the two-year delay introduced by the Omnibus Directive, we took this opportunity to provide a clear, step-by-step overview of the CSRD's concrete implications, enabling participants to understand the regulation and begin preparing accordingly. This included launching double materiality assessments, which help companies identify and prioritize the ESG topics most relevant to their operations and stakeholders.

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SYSTRA

Systra is a global mass transit and rail engineering company acquired in 2024. As the third investment under our Latour Capital IV fund, classified as an Article 8 fund under the SFDR, this transaction required alignment with the fund's three promoted ESG pillars: decarbonization, health and safety, and value sharing.

Our pre-investment due diligence was conducted using the enhanced ESG framework described above, with a specific focus on these three areas. A tailored ESG roadmap for Systra was developed, including the following key initiatives:

- **Post-acquisition, Systra will strengthen its ESG infrastructure by recruiting dedicated ESG personnel, developing a comprehensive reporting system with quantitative targets, and broadening its reporting perimeter to ensure consistency across the Group.**
- **In 2024–2025, the company will focus on enhancing its regulatory readiness, particularly in light of upcoming CSRD and EU Taxonomy obligations. This effort will be supported by external ESG experts.**

Since the acquisition, Latour Capital has worked closely with Systra's Head of ESG to identify and define key ESG performance indicators (KPIs) for inclusion in a sustainability-linked loan (SLL) framework. Selecting the right indicators is a critical step, as they reflect Systra's most material ESG challenges and form the foundation of its future sustainability strategy. We are committed to finalizing these trajectories in the near term and look forward to supporting Systra's progress in these priority areas over the next five years.

Taxonomy

To date, a share of **0-10% of our AUM is eligible to the EU Taxonomy while 0% is aligned**. We systematically assess the alignment/eligibility potential of targets in pre-investment phase.

Achievement of Article 8 criteria

Since the launch of our Latour Capital IV Article 8 fund, we have made it a priority to assess portfolio companies' performance against **three core ESG indicators: employee health and safety, value-sharing mechanisms, and carbon footprint**. These KPIs are evaluated both during the pre-investment phase and continuously throughout the holding period. **In 2024, Funecap, European Digital Group, and Systra all reported on these indicators**. We are particularly pleased to share performance insights for European Digital Group and Systra, despite 2024 being their first year within our portfolio. The table below outlines their performance across these dimensions, as well as the measures we have implemented to monitor and support progress on each front[1].

[1] Group Praecisio is excluded from this reporting seeing it was closed in December 2024.

PROMOTED CHARACTERISTIC	SUB-CHARACTERISTICS	INDICATORS	PORTFOLIO COMPANIES' ACTIONS & PERFORMANCE
ENSURE HEALTH AND SAFETY OF EMPLOYEES	Health and safety policy and monitoring	· Health and safety policy or action plan formalized beyond legal requirement (Y/N)	Portfolio companies have a H&S policies in place and track H&S KPIs
		· Frequency rate of accidents at work	2024 average workplace accident frequency rate: 16
PROMOTE THE IMPLEMENTATION OF EMPLOYEE VALUE-SHARING MECHANISMS	Profit sharing mechanisms	· Share of employees benefiting from the capital gain sharing mechanism (%)	Portfolio average of 33% of employee shareholders through optional employee savings plan (PEE) associated with a Corporate Mutual Fund (FCPE)
	Shareholding	· Share of shareholder employees (%)	Portfolio average of 33% of employee shareholders
		· Share of capital held by employees (%)	Portfolio average of 1,9% of capital held by employees
ASSESS AND MONITOR CARBON FOOTPRINT	Carbon footprint assessment	· Carbon footprint calculation, on scope 1, 2 and 3 (Y/N)	Scope 1: 14 785 tCO_2eq Scope 2: 3 790 tCO_2eq Scope 3: 83 620 tCO_2eq
	Carbon emissions monitoring and reduction	· CO_2 per €m of revenue (tCO_2/m€)	Portfolio average of 59,25 tCO_2eq/m€ of revenue
		· Greenhouse gas emission reduction target (Y/N)	GHG emission reduction targets developed for 66% of portfolio: EDG and Systra

DATA COLLECTION AND ESG REPORTING

As part of our ongoing commitment to improving the quality of ESG data, we review our workstreams for ESG data transmission regularly. These efforts include **optimizing data exchange both internally between Latour Capital and our portfolio companies and externally, particularly with our Limited Partners (LPs)**.

To support this, we update our annual ESG questionnaire each year in alignment with France Invest guidelines. These updates aim to **increase the granularity and relevance of the data collected**. The responses also serve as a comprehensive base to address the numerous ad-hoc ESG questionnaires received from our LPs, more than 50 annually, making data accuracy a top priority.

In 2024, we **maintained the quarterly reporting system launched with portfolio companies** in 2023 and **extended it to all new companies entering our portfolio**. These reports focus on 3 to 5 KPIs that are most material to companies' respective business models, tracking performance on these specific KPIs but also covering key ESG challenges, corresponding mitigation measures, and upcoming actions. This closer monitoring has proven invaluable in assessing performance between annual questionnaires and tailoring our operational support accordingly. As shareholders, we also leverage this information during quarterly board meetings to support more informed discussions on ESG performance.

Continuing the trend initiated last year, **ESG-linked margin ratchets became increasingly prevalent in financial loans throughout 2024**, driven by multiple factors:

> The development of 5-7year ESG roadmaps, structured around 3-5 KPIs tailored to each portfolio company, has proven instrumental in **launching operational support initiatives and deploying the customized ESG strategies** outlined during the pre-investment phase.

> Tying a portion of CEOs' variable compensation to the achievement of these ESG objectives has further reinforced the **alignment of interests**, enhancing the drive toward concrete results.

> The **financial incentive** provided by reduced loan margins also serves as a compelling motivator for strong ESG performance.

> The annual independent audits required to verify progress against targets ensure that **ESG KPI reporting is both timely and accurate**.

We place particular value on these sustainability-linked loan structures, as they foster alignment across stakeholders, accelerate the rollout of ESG action plans, and promote robust, transparent ESG data exchange.

SLL MECHANISMS IN OUR PORTFOLIO

ESG ratchets are mechanisms that reduce borrowing costs based on a company's ESG performance, measured against criteria agreed upon with lenders within 12 months of signing the loan. These criteria are weighted using basis points of the total debt and are audited annually.

In 2024, five portfolio companies of our Latour III and Latour IV funds had ESG-ratchet mechanisms in place as part of their loan agreements. 100% of the objectives set were met, resulting in approximatively 1,2m€ in annual savings on debt-related financial costs.

These ratchets agreements were tied to over 10 types of KPIs spanning all ESG dimensions, including decarbonization, circularity, health & safety, value sharing and more. Tying financial incentives to these objectives has served particularly useful to fast track companies' ESG strategies.

Three additional contracts are currently under negotiation, bringing the total number of active SLL contracts for 2025 to eight, with expected financial benefit of [1,5m€-2m€].

100%	~ 1,2m€
of the 18 quantitative objectives set were met	in annual savings on the cost of debt

CLIMATE

As a key pillar of our 2030 Sustainability Strategy, and a fundamental consideration aligned with the industrial profiles of our portfolio companies, climate change is a major priority for Latour Capital. We previously committed to **aligning our decarbonization efforts with the goals of the Paris Agreement**, taking into account the sector-specific characteristics of our investments.

To achieve this, **climate-related considerations are integrated at every stage of the investment lifecycle**.

> During the pre-investment phase, we apply our **exclusion policy** to systematically rule out companies active in the fossil fuel sector or those significantly contributing to global warming. As part of the risk assessment process, we conduct a **thorough analysis of climate risks, both transitional and physical, and evaluate the corresponding mitigation strategies**.

> Following acquisition, we perform a **comprehensive carbon footprint assessment** covering Scopes 1, 2, and 3 emissions. We then work closely with portfolio company management teams to develop **tailored decarbonization roadmaps**, guided by the Science Based Targets initiative (SBTi) frameworks and tools. A gap analysis is carried out to identify additional actions required to meet the decarbonization goals.

> Finally, at exit, an external ESG vendor due diligence is conducted to assess the greenhouse gas emission reductions facilitated by the implemented measures.

GUTOR

Gutor is a manufacturer of uninterruptible power supply (UPS) for industrial installations acquired in 2023. As a carve-out from Schneider Electric, the key stake was to uphold their maturity on ESG matters following the acquisition. As such, once the ESG governance was built, our first diagnostic was to perform a carbon footprint assessment across all three of their production sites located in Switzerland, Malaysia, China.

As a recent standalone entity, gathering the data was a considerable task which Gutor successfully achieved. Accompanied by a carbon-expert consultant, the mission was kickstarted on their Swiss site in September 2024 in order to onboard all parties. Latour Capital's ESG team was present as a committed sponsor, demonstrating the strategic priority of decarbonization for Gutor's shareholders.

The results of the carbon footprint were delivered by the end of 2024, with an important concentration of emissions in scope 3 "use of sold products" category. Their UPS's functioning indeed requires a constant energy consumption, funnelling a large part of their emissions in this category.

Looking ahead, a key workstream for 2025 is to build Gutor's decarbonization trajectory, leveraging the different carbon intensities of clients and geographies from this initial carbon footprint assessment.

Portfolio overview

At portfolio level, total greenhouse emissions (scope 1, 2 and 3) amounted to over **1 636 392 tCO_2 eq in 2024**, of which ~20% for scopes 1 and 2 (~305 100 tCO_2 eq).

Due to the wide range of sectors represented across our portfolio, carbon footprints vary significantly across companies in terms of emissions intensity (measured in tCO_2e per unit of revenue), emission breakdown (with scope 3 emissions accounting for between 45% and 99% of total emissions), and the feasibility of reduction measures, some scope 3 emission sources being especially difficult to address.

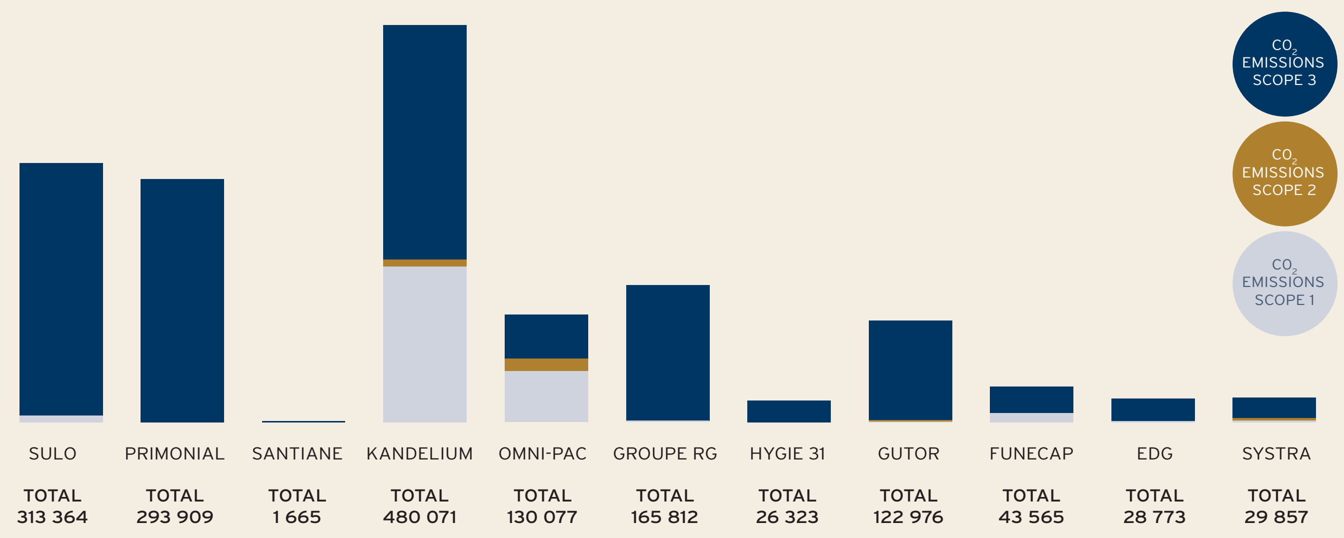
Once a detailed assessment of each company's carbon footprint has been performed, wherever economically and operationally feasible, we then focus on **defining near-term (by 2030) science-based targets**. These targets outline the emission reduction trajectories needed at the company level to align with a +1.5°C global warming pathway, in accordance with guidance and methodologies established by the Science Based Targets initiative (SBTi).

NEXT STEPS

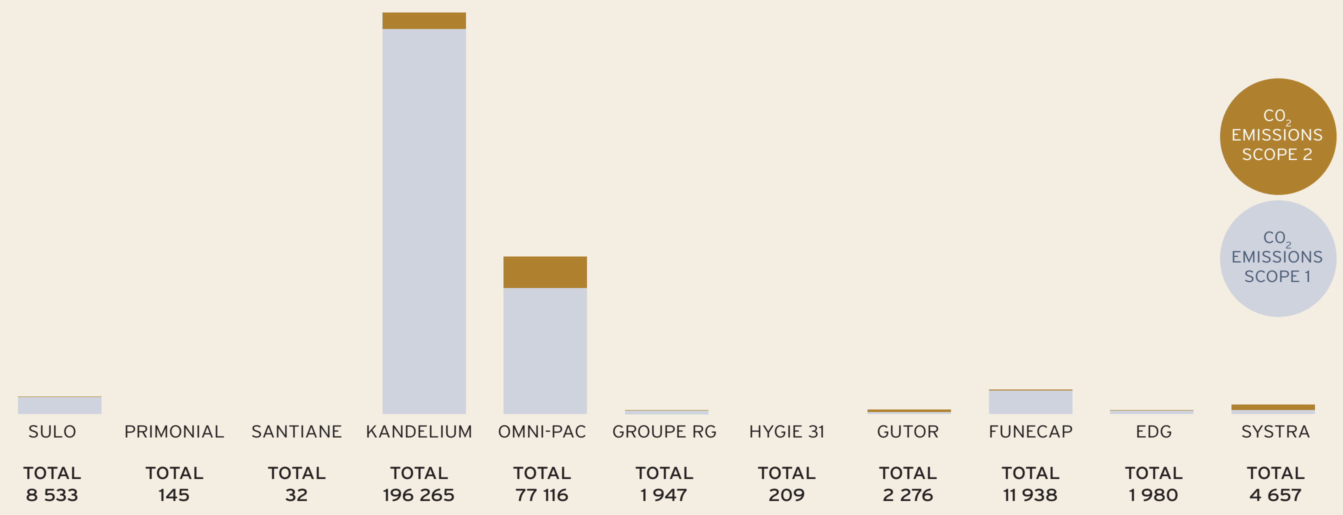
Decarbonization being a central pillar of our ESG Strategy, we will continue to assist our portfolio companies' decarbonization efforts in 2025 building on existing workstreams.

For Groupe RG, Hygie31 and EDG, like Gutor this entails finalizing decarbonization trajectories and materializing these targets with concrete decarbonization levers. Other portfolio companies like Sulo, having certified their reduction trajectory with the SBTi, will have to pursue their efforts to tackle emissions on all three scopes and reach their reduction objectives. For our most industrial companies, like Kandelium for instance, we will continue tracking their emission reductions through the energy consumption models we built for the matter, better monitoring their reduction pathway already started in 2022.

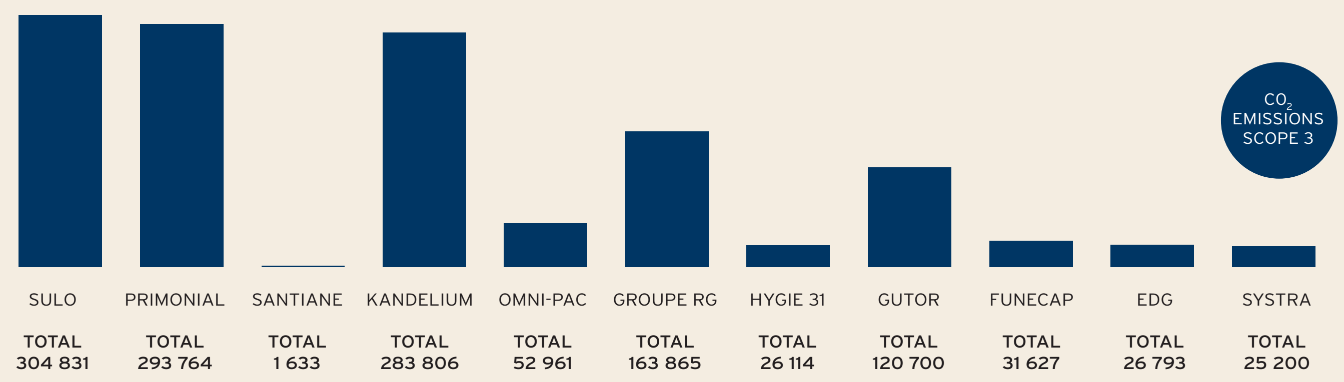
TOTAL SCOPE 1, 2 & 3 EMISSIONS TCO_2 EQ



OVERVIEW SCOPE 1 & 2 EMISSIONS TCO_2 EQ



OVERVIEW SCOPE 3 EMISSIONS TCO_2 EQ



Kandelium and Sulo are currently the two largest emitters within our portfolio, reporting 480 ktCO_2e and 313 ktCO_2e, respectively. These emission levels reflect the industrial nature of their operations: Kandelium manufactures chemical compounds such as barium carbonate, strontium carbonate, and sodium percarbonate, while Sulo produces waste containers from recycled plastic and steel compactors.

Having held both companies in our portfolio for several years, we were able to establish baseline carbon footprints early on and conduct yearly follow-ups to track progress. In collaboration with company management, we have developed tailored decarbonization plans that include annual reduction targets aligned with the +1.5°C trajectory of the Paris Agreement.

> Kandelium has committed to reducing its scope 1&2 emissions by 5% (absolute reduction) annually by 2030, using 2022 as the base year, and aims to reach net zero by 2042.

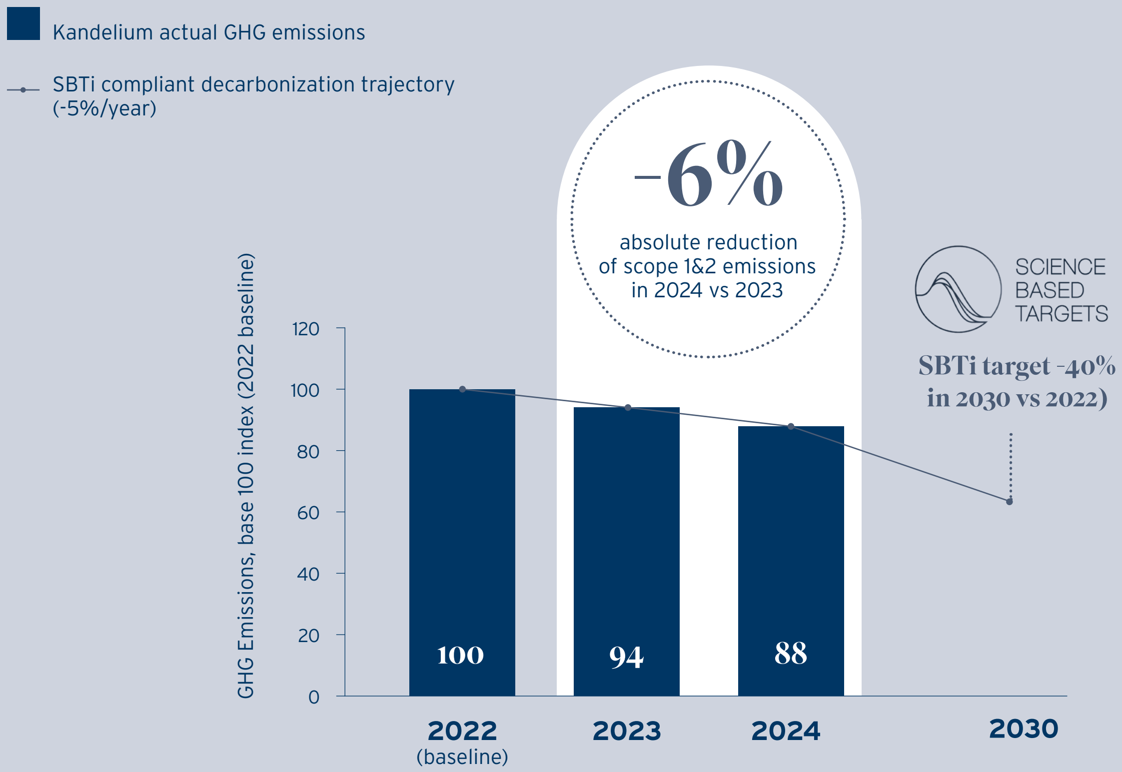
> Sulo has taken its ambition a step further by securing SBTi certification for its roadmap. The company has committed to annual reductions of 5% for scope 1&2 emissions (absolute reductions) and 7.75% in scope 3 emissions per unit of gross profit (intensity reduction) by 2030, using 2021 as the base year.

These reduction targets are underpinned by concrete decarbonization initiatives, co-identified with each management team. For example, both Kandelium and Sulo switched to green electricity for a large part of their electricity consumption. Kandelium also established efficiency improvements such as kiln insulation at its German facility, while Sulo implemented a transport and distribution optimisation plan: maximizing routes and transitioning its fleet to greener cars.

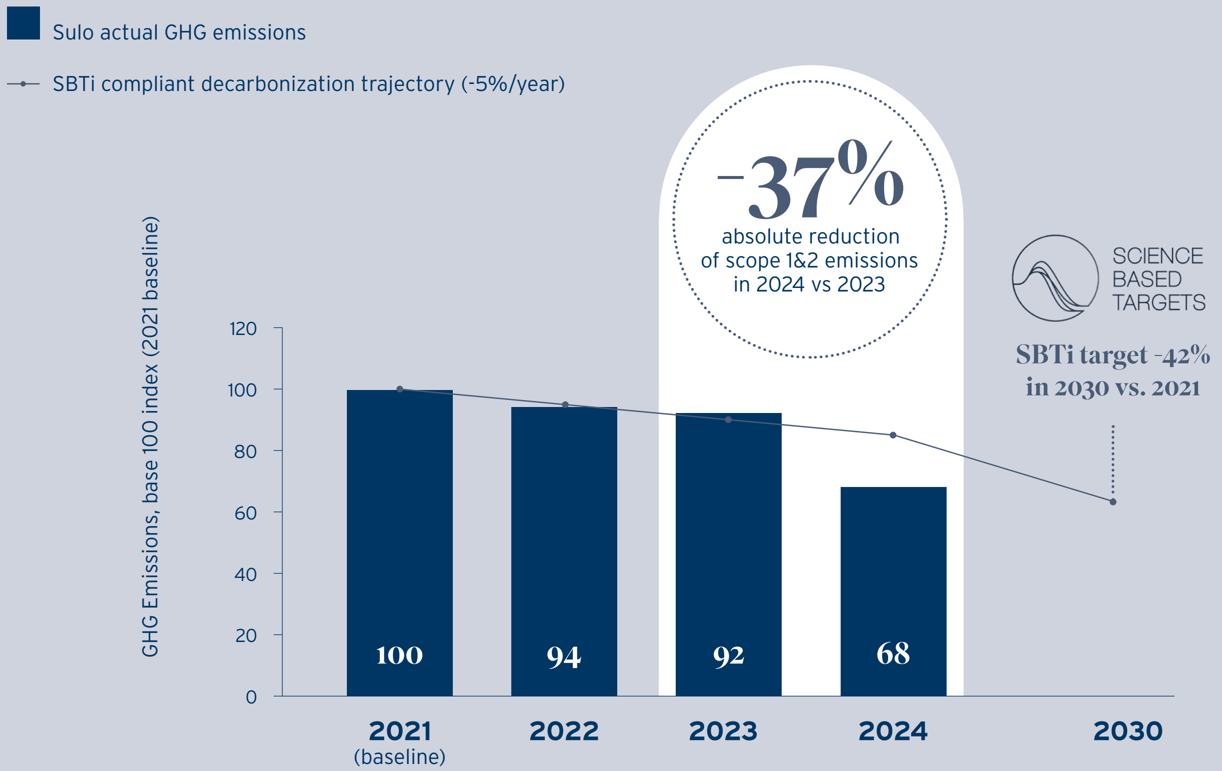
We are pleased to see that these measures have enabled both companies to reach their decarbonization targets in 2024, for the second consecutive year. Tracking progress on these decarbonization trajectories is essential to avoid deviations and to accurately measure the impact of these actions. As such, we jointly developed a data analytics model based on IPMVP framework[1] and best practices that decouples CO_2 emissions from external variable factors. This allows us to monitor monthly variations in emissions and energy consumption with greater precision.

[1] International Performance Measurement and Verification Protocol framework

KANDELIUM CO_2, EQ SCOPE 1&2 EMISSIONS (2022-2024) - BASE 100



SULO CO_2, EQ SCOPE 1&2 EMISSIONS (2021 - 2024) - BASE 100



BIODIVERSITY

One of our key initiatives in 2024 was **strengthening our approach to biodiversity and climate risk management**. Previously, our assessments were conducted manually, using publicly available resources such as the Key Biodiversity Areas database, the World Heritage Outlook, and the EU Natura 2000 classification of protected areas.

In 2024, we transitioned to a more systematic and efficient methodology by subscribing to the **AXA Altitude platform**, a digital tool that enables **real-time evaluation of physical climate and biodiversity risks**. This automation has significantly enhanced our ability to integrate climate and biodiversity risk screenings throughout the entire investment cycle:

- During the pre-investment phase, the tool has helped us **sharpen our analysis, while also enabling a greater volume of screenings in a much shorter timeframe**, improving our overall coverage of the topic. As a result, we now incorporate climate and biodiversity risk assessments as a standard part of our due diligence process, rather than selectively based on perceived materiality.

- In the holding phase, the tool has proven highly practical, both in terms of data input and output, thanks to the **concise and visually engaging reports it generates**. These reports have become **valuable assets in our engagements with portfolio companies**. Some companies have even requested analyses of potential build-up targets, using the tool's output to inform internal discussions and decision-making. Notably, the platform's ability to model the financial impact of climate and biodiversity risks helps to clearly demonstrate the business case for addressing these issues and integrating them into investment decisions.

In addition to leveraging digital solutions, we continue to monitor biodiversity-related performance through our annual ESG questionnaire. This includes KPIs such as exposure to key biodiversity areas, the presence of formal biodiversity protection policies, identification of negative impacts or pressures, and implementation of prevention or mitigation measures.

In line with our climate strategy and our commitment to continuously improving our sustainability assessments, we plan to test a new methodology using quantified biodiversity impact criteria on a newly acquired portfolio company in the coming year.

0%

of portfolio companies are exposed to significant biodiversity risk

praecisio

During the acquisition of Praecisio, a high-precision mechanical engineering manufacturer in December 2024, the AXA Altitude digital platform proved particularly useful due to the proximity of the company's main production site in Châlette-sur-Loing to the Loing River, raising initial concerns about potential flood and biodiversity risks.

By inputting the site's exact location into the platform, we were able to swiftly assess the flood risk using both historical data and AXA's predictive modelling of regional water levels. The analysis confirmed a low level of flood risk, providing us with confidence in the site's resilience. Furthermore, the biodiversity component of the tool's analysis confirmed the absence of any material risks in terms of threatened species and areas of interest for biodiversity.

This preliminary risk screening proved valuable in two ways: it reassured us about a potentially critical environmental exposure, and it streamlined our due diligence process, allowing us to focus resources on other material issues. The AXA Altitude tool thus played a key role in helping us efficiently factor climate and biodiversity risks into our pre-investment analysis.

DIVERSITY AND INCLUSION

In parallel to Latour Capital's internal diversity and inclusion targets, we are actively **working to increase the representation of women across our portfolio companies**. To this end, diversity and inclusion KPIs are integrated at every stage of the investment process.

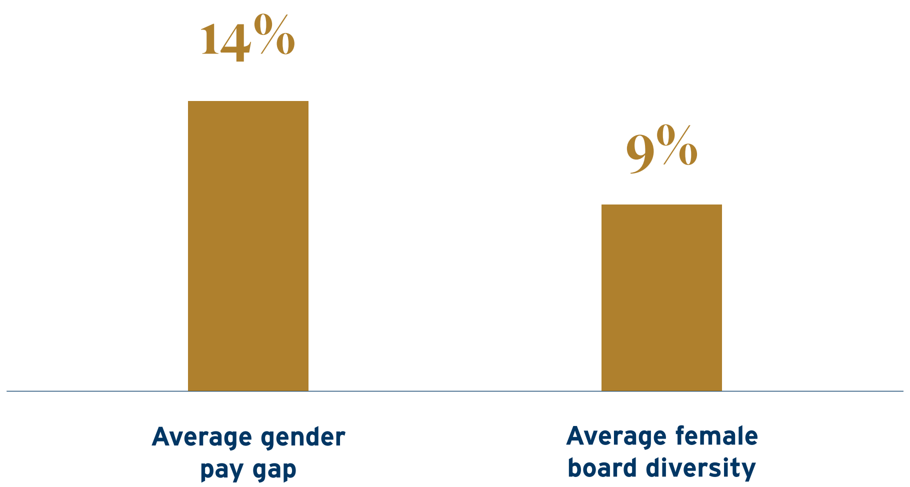
> During the pre-investment phase, we **assess the target company's existing diversity policies** and transparency in related disclosures.

> Once a company enters our portfolio, we strongly encourage management teams to **implement measures aimed at improving gender balance in the workforce and reducing the gender pay gap**. These efforts are monitored systematically through our annual ESG questionnaire, which tracks key diversity indicators.

Enhancing female representation is all the more crucial in light of evolving regulatory requirements in France, notably the 2021 Rixain Law, which mandates a minimum of 30% women in company governing bodies by 2026, increasing to 40% by 2029.

In 2024, women represented 9% of board members across our portfolio companies, while the average gender pay gap stands at 14%, underscoring the importance of continued and accelerated progress in this area.

DIVERSITY IN OUR PORTFOLIO COMPANIES (2024)



EDG
EUROPEAN DIGITAL GROUP

Following Latour Capital's 2024 acquisition, the European Digital Group, a conglomerate of digital consultancies, included the share of women amidst the 100 highest earners as a KPI in their sustainability-linked loan mechanism, emphasizing the significance of gender parity in their sustainability strategy's key objectives alongside decarbonization (tCO_2) and value sharing (number of employees shareholders).

In 2024, EDG had 35% women in their top 100 highest earners (versus 32% in 2023), already outperforming their 2025 target of 34%, a significant milestone in promoting pay equity and gender balance at senior levels.

Another major initiative introduced by EDG in 2024 is the Ariane Group, an internal network dedicated to supporting women within the organization. Ariane aims to foster the personal and professional growth of female employees and talents through a variety of initiatives: intra-group mentoring, leadership and confidence-building coaching, raising awareness about everyday sexism and harassment. This collective represents a concrete step toward embedding inclusion into the Group's culture and operations.

POSITIVE SOCIETAL IMPACT

In 2024, various of our portfolio companies developed societal actions to increase their positive impact on society. Whether through **financial donations**, or **skill-based patronage**, we are very proud of their implications and wish to shed light on these inspiring initiatives.

hygie31

Acquired in 2022, Hygie31, a services platform supporting health professionals, has made societal engagement a central pillar of its ESG strategy, reflecting its role within the broader healthcare ecosystem.

As part of its sustainability-linked loan (SLL), Hygie31 selected two KPIs focused on their community impact:

> The number of prevention campaigns conducted in its pharmacies

> The donation amounts allocated to local communities

In 2024, Hygie31 ran nine health education and prevention campaigns on critical topics such as HPV*, diabetes, and cardiovascular risks, successfully meeting its target. On the philanthropic side, the company made over 250k€ in donations to local charities, significantly surpassing its initial goal.

We are proud to see our portfolio companies actively contribute to their communities, not only through financial support but also by improving public access to essential information such as health matters.

* Human Papillomavirus

SYSTRA

Since its acquisition in 2024, Systra, a global leader in mass transit and rail engineering, has continued its long-standing collaboration with the NGO Bridges to Prosperity, a partnership that spans seven years. Through this initiative, Systra sends engineers and employees to rural regions worldwide to help build essential infrastructure for local communities every year.

In November 2024, Systra inaugurated its third bridge with the NGO, the Baraje-Rubyiro Bridge in southwestern Rwanda, following a two-week construction mission led by ten Systra employees from business units around the world.

This initiative not only reflects Systra's core mission of delivering safe, accessible infrastructure, but also strengthens the company's global team culture. By uniting employees from diverse geographies around a shared, purpose-driven project, the program fosters a strong sense of collaboration and solidarity across the Group. We take great pride in seeing our portfolio companies channel their know-how towards meaningful, community-focused initiatives.

Appendix

LATOUR CAPITAL ESG PERFORMANCE SCORE-CARD

WE PRESENT THE 2022-2024 SCORECARD OF OUR PORTFOLIO COMPANIES ON KEY ESG ISSUES BELOW.

CATEGORIES		2022	2023	2024
GENERAL	Appoint ESG manager	100%	100%	100%
	Perform quarterly and annual CSR reporting	100%	100%	100%
	Formalize CSR strategy/policy	100%	100%	100%
	General criteria average performance	**100%**	**100%**	**100%**
ENVIRONMENTAL	Perform carbon footprint	80%	90%	100%
	Decarbonization pathway	60%	50%	73%
	GHG reduction strategy/initiatives in place	70%	63%	73%
	SBTi commitment	20%	38%	27%
	Waste management policy	20%	25%	45%
	Water management policy	10%	13%	18%
	Climate risk screening performed	0%	0%	45%
	Formalised biodiversity strategy	10%	13%	18%
	Environmental criteria average performance	**34%**	**37%**	**50%**
SOCIAL	Health and safety policy	60%	63%	73%
	Tracking of H&S indicators	90%	88%	91%
	40% female representation at board level	10%	25%	9%
	Profit sharing scheme for employees	50%	50%	55%
	Responsible procurement approach	40%	50%	55%
	Social criteria average performance	**50%**	**55%**	**56%**
GOVERNANCE	CSR discussed at board level	70%	100%	100%
	Code of conduct	70%	88%	91%
	CSR criteria in CEO's compensation scheme	40%	75%	82%
	Governance criteria average performance	**60%**	**88%**	**91%**
AVERAGE ESG PERFORMANCE ACROSS ALL CATEGORIES		**61%**	**70%**	**74%**

STATEMENT ON PRINCIPAL ADVERSE IMPACT INDICATORS

Our PAI indicators are selected following reglementary obligations (14 mandatory indicators) and in line with the industrial profile of our portfolio companies (2 optional indicators on health & safety, and waste management). Potential limits reside in the data collection process, as these numbers are not systematically collected at entity-level and are rarely audited.

ADVERSE SUSTAINABILITY INDICATOR			METRIC	*IMPACT 2023*	IMPACT 2024	EXPLANATION	ACTIONS TAKEN, AND ACTIONS PLANNED, AND TARGETS SET FOR THE NEXT REFERENCE PERIOD
GREENHOUSE GAS EMISSIONS	1.	GHG EMISSIONS	**SCOPE 1** GHG EMISSIONS (tCO_2eq)	*205 648*	**216 693**	100% coverage	Latour Capital is committed to considering climate change issues throughout the investment process and progressively measuring the carbon footprint of the portfolio companies. Since 2021, Latour Capital has been carrying out a systematic carbon assessment on its portfolio. In the coming years, Latour Capital will define with its portfolio companies action plans to reduce GHG emissions, in line with the progressive decarbonization trajectory as defined by the international objectives of the Paris Agreement.
			SCOPE 2 GHG EMISSIONS (tCO_2eq)	*36 121*	**17 912**		
			SCOPE 3 GHG EMISSIONS (tCO_2eq)	*588 356*	**852 173**		
			TOTAL GHG EMISSIONS (tCO_2eq)	***830 125***	**1 086 778**		
	2.	CARBON FOOTPRINT	**CARBON FOOTPRINT**	334,0 tCO_2eq/€M invested	258.9 tCO_2eq/€M invested	100% coverage	Since 2021, Latour Capital has been carrying out a systematic carbon assessment on its portfolio. Latour Capital favors the setting of decarbonization targets based on the recommendations and tools developed by the internationally recognized Science Based Target initiative (SBTi). Latour Capital focuses on setting near-term science-based targets (~2030) that specify the GHG emission reduction pathway required at the company level to limit global warming to +1.5°C compared to the beginning of the pre-industrial era.
	3.	GHG INTENSITY OF INVESTEE COMPANIES	**GHG INTENSITY OF INVESTEE COMPANIES**	454,8 tCO_2eq/€M of revenue	499.6 tCO_2eq/€M of revenue		
	4.	EXPOSURE TO COMPANIES ACTIVE IN THE FOSSIL FUEL SECTOR	Share of investments in companies active in the fossil fuel sector	0%	0%	100% coverage	Latour Capital has a strict sectoral exclusion policy, which ensures that no portfolio companies is active in the fossil fuel sector.
GREENHOUSE GAS EMISSIONS	5.	SHARE OF NON-RENEWABLE ENERGY CONSUMPTION AND PRODUCTION	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	Share of non-renewable energy consumption: 85,6% Share of non-renewable energy production: 70,4%	Share of non-renewable energy consumption: 85,8% Share of non-renewable energy production: 23%	Energy consumption: 82% coverage. Primonial and Systra excluded Energy production: 27,3% coverage. Primonial, Santiane, Funecap, Groupe RG, OmniPac, Gutor, EDG and Systra excluded.	Latour Capital's commitment to setting decarbonization goals for its portfolio companies also comes through the development of Green Electricity purchasing. As a result, share of non-renewable energy consumption is expected to decrease in the next few years.
	6.	ENERGY CONSUMPTION PER INTENSITY PER HIGH IMPACT CLIMATE SECTOR	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0,85 GWh/€M of revenue	0,64 GWh/€M of revenue	100% coverage. Only a limited perimeter of portfolio's companies are active in high impact climate sectors : 4 in manufacturing (Sulo, Kandelium, OmniPac, Gutor) and 1 in wholesale and retail trade (Groupe RG).	Latour Capital's commitment to setting decarbonization goals for its portfolio companies also comes through the development of energy efficiency action plans, in particular for investees operating in the most emissive sectors.
BIODIVERSITY	7.	ACTIVITIES NEGATIVELY AFFECTING BIODIVERSITY-SENSITIVE AREAS	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	0%	100% coverage	Latour Capital systematically performs an ESG due diligence for each investment of the managed funds. As with other environmental indicators, biodiversity is one of the themes addressed in the due diligence process when the issue is material. In the next few years, Latour will continue to strengthen its biodiversity risk assessment approach
WATER	8.	EMISSIONS TO WATER	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0,00 t	0,00 t	100% coverage	In the context of biodiversity due diligence, Latour Capital monitors the contribution of the preservation of terrestrial, freshwater and marine ecosystems in the "key biodiversity areas".
WASTE	9.	HAZARDOUS WASTE AND RADIOACTIVE WASTE RATIO	Tons of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0,40 t per €M invested	0,19 t per €M invested	72,7% coverage. Primonial, Groupe RG and Hygie31 are excluded.	Latour Capital collects waste management indicators from its portfolio companies on a yearly basis. In the next few years, the priority is to reach a 100% coverage rate.
SOCIAL AND EMPLOYEE MATTERS	10.	VIOLATIONS OF UNGC PRINCIPLES AND OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%	0%	100% coverage	Latour Capital is collecting and tracking this KPI in both pre-investment and holding period. The target is 0%.

		ADVERSE SUSTAINABILITY INDICATOR	METRIC	*IMPACT 2023*	IMPACT 2024	EXPLANATION	ACTIONS TAKEN, AND ACTIONS PLANNED, AND TARGETS SET FOR THE NEXT REFERENCE PERIOD
SOCIAL AND EMPLOYEE MATTERS	11.	LACK OF PROCESSES AND COMPLIANCE MECHANISMS TO MONITOR COMPLIANCE WITH UNGC PRINCIPLES AND OECD GUIDELINES FOR MNE	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/ complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	19,5%	15,9%	100% coverage	Latour Capital is collecting and tracking this KPI in both pre-investment and holding period. The target is 0%.
SOCIAL AND EMPLOYEE MATTERS	12.	UNADJUSTED GENDER PAY GAP	Average unadjusted gender pay gap of investee companies	15,3%	12,8%	100% coverage	Deeply concerned about the gender equality, Latour Capital monitors the pay gap of its investees through the annual ESG questionnaire.
SOCIAL AND EMPLOYEE MATTERS	13.	BOARD GENDER DIVERSITY	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	12,18%	14,02%	100% coverage	Latour Capital has signed the France Invest Parity Charter, thus publicly committing itself to measuring parity in its teams and portfolio and promoting parity. The ambition of this Charter is to reach 40% women in the investment teams and 30% women in the management committees of the holdings by 2030.
SOCIAL AND EMPLOYEE MATTERS	14.	EXPOSURE TO CONTROVERSIAL WEAPONS	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	100% coverage	Latour Capital has a strict sectoral exclusion policy, which ensures that no portfolio companies is active in the controversial weapons industry (production or distribution of anti-personnel mines or cluster bombs).
WASTE	15.	NON-RECYCLED WASTE RATIO	Non-recycled waste ratio	13,76 t/€M invested	27,38 t/€M invested	36% coverage. Santiane, Funecap, Groupe RG, Promnial, Hygie31, Gutor and EDG are excluded.	On a yearlys basis, Latour Capital collects waste management indicators from its portfolio companies. In the next few years, the priority is to reach a 100% coverage rate.
SOCIAL AND EMPLOYEE MATTERS	16.	RATE OF ACCIDENTS	Rate of recordable work-related injuries	0,033	0,021	73% coverage. Funecap, OmniPac and Groupe RG are excluded.	When the issue is material (industrial activities for instance), Latour Capital tracks this KPI on a monthly basis. Specific rate of accidents reduction targets have been set for several portfolio companies.

CROSS-REFERENCE TABLE

ARTICLE 29 - ENERGY AND CLIMATE LAW	SFDR REGULATION	PAGES
1. General approach of the entity to the consideration of ESG criteria	Article 3 - Transparency of sustainability risk policies	p.5 ; p.13
2. Internal means to contribute to the transition		p. 13-23
3. ESG governance within the financial entity	Article 5 - Transparency of remuneration policies in relation to the integration of sustainability risks	p.16, 17
4. Engagement strategy with issuers or managers		p.25-31
5. Alignment with the EU Taxonomy		p.30
6. Alignment strategy with the international objectives of the Paris Agreement	Article 4 - Transparency of adverse sustainability impacts	p.18, 19 ; p.34-39
7. Biodiversity alignment strategy		p.40-41
8. Integration of ESG risks in risk management	Article 3 - Transparency of sustainability risk policies Article 4 - Transparency of adverse sustainability impacts	p.48-50
9. Improvement plan		p.13

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