



ABENEX CLIMATE- RELATED DISCLOSURES ALIGNED WITH TCFD RECOMMENDATIONS (2024)

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Abenex Climate-related Disclosures Aligned with TCFD Recommendations (2024)

Introduction and Commitment

This document marks the first standalone TCFD report by Abenex, a European private equity investment firm, and has been prepared in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

As a **mission-driven, B Corp-certified** management company, Abenex is deeply **committed to embedding climate-conscious practices throughout its operations** and across the entire investment lifecycle. This inaugural report outlines Abenex's approach to climate governance, strategy, risk management, metrics and targets, and scenario analysis — reflecting its broader ambition not only to comply with regulatory frameworks such as Article 29 LEC and SFDR, but to actively contribute to building a more resilient, low-carbon economy.

In 2024, Abenex's **climate targets** — covering both corporate operations and portfolio companies — were **officially validated by the Science Based Targets initiative (SBTi)**. This milestone builds upon Abenex's long-standing commitment to climate action, demonstrated by its active participation since 2021 in the Initiative Climat International (iCI) a collaborative effort by private equity firms to align with the Paris Agreement's ambition to limit global warming to below 2°C and strive for 1.5°C.

The report addresses climate-related risks and opportunities across the private equity funds managed by Abenex and applies the TCFD's Recommendations and Recommended Disclosures at the entity level for the reporting period from **1 January 2024 to 31 December 2024**. It offers a comprehensive overview of how Abenex identifies, assesses, and manages climate-related considerations in alignment with its fiduciary responsibilities and strategic investment objectives.

In the context of an evolving regulatory landscape and the inherent complexity of climate-related data and methodologies, this report serves as a foundational disclosure. Abenex is fully **committed to transparency and continuous improvement**, and anticipates further enhancements in subsequent reporting cycles, as industry standards mature, and data availability improves.

This commitment is fully embedded within Abenex's ESG Policy and is reinforced throughout this report, which aims to provide stakeholders with clear, credible, and actionable insights into Abenex's climate-related practices and ambitions.

Johann Dupont
Abenex General Manager

Governance

Board and Executive Oversight

- **Abenex's Managing Partners and General Manager** hold the ultimate responsibility for climate-related issues within the firm's organizational and investment activities.
- The **Sustainability Committee**, comprising each Partner across investment and support teams, is responsible for the quarterly review and approval of the climate strategy, policy, and implementation roadmap.
- The **Investment Committee** ensures that climate-related factors are assessed and integrated during investment decision-making.
- The **Mission Committee** ensures that Abenex's activities remain aligned with its raison d'être and statutory objectives. The second statutory objective — promoting the responsible management of resources and talents — is translated into operational KPIs, such as the percentage of portfolio companies with validated SBTi targets, and associated objectives.

Roles and Responsibilities

- All investment team members are responsible for integrating climate considerations throughout the investment lifecycle.
- The **Sustainability Team, composed of two full-time professionals**, the Sustainability Director and a Sustainability Associate play a pivotal role by:
 - Providing climate-related input into investment decisions.
 - Overseeing carbon assessments and risk/opportunity analysis.
 - Coordinating internal training and engagement.
 - Supporting climate-conscious action plan at portfolio company level.
- External experts may support technical analyses when necessary.

Climate Strategy

Investment Philosophy

Abenex's climate strategy is **aligned with the Paris Agreement** goals and seeks to amplify impact across four pillars: investing in useful projects, managing resources responsibly, enabling value creation and distribution, and promoting responsible investment practices.

As part of its mission-driven approach, Abenex's first statutory objective is to channel efforts towards investments that serve a meaningful societal and environmental purpose. This objective is operationalized through a **proprietary screening tool** — the Matrix — designed to assess the societal and environmental utility of potential investments.

One key dimension of the matrix is resource stewardship, with a particular focus on carbon management. This assesses how a company measures, manages, and reduces its carbon footprint, ensuring alignment with broader climate objectives. The assessment is structured as follows:

- **Low:** No concrete action has been taken by management to address climate change or reduce emissions.
- **Medium:** The company has measured its carbon footprint but has yet to implement a structured reduction plan.
- **High:** The company has measured its emissions, developed a formal climate strategy, and is actively implementing measures to reduce its carbon impact

Restrictions

Abenex 's strategy avoids sectors with high climate risks such as fossil fuels, tobacco, tar sand and thermal coal, as well as coal powered plant or coal mining (if the company generates more than 20% of its revenue from it).

Climate Resilience and Engagement

Abenex actively collaborates with its portfolio companies to:

- Improve their climate resilience
- Support their transition towards low-carbon operations
- Promote innovation and competitive positioning aligned with sustainable markets

Climate-related Risks and Opportunities

In accordance with the TCFD framework, Abenex assesses both **physical** and **transition risks**, and identifies **climate-related opportunities** on a yearly basis with the support of experts in a dedicated report:

- **Physical Risks**
 - *Acute:* e.g., floods, hurricanes.
 - *Chronic:* e.g., heatwaves, rising sea levels.
- **Transition Risks**
 - *Policy & Legal:* changing regulations, litigation.
 - *Technology:* disruptive innovations.
 - *Market:* evolving supply/demand dynamics.
 - *Reputation:* stakeholder expectations.
- **Opportunities**
 - *Resource Efficiency:* lower operating costs via energy efficiency.
 - *Energy Source:* transition to renewable sources.
 - *Products/Services:* new low emission offerings.
 - *Markets:* diversification into emerging green sectors.
 - *Resilience:* improved adaptability to climate scenarios.

Climate Risk Management

Integration Across the Investment Cycle

Abenex manages climate risk across both transition and physical dimensions. Climate risk management is embedded across all phases of the investment lifecycle:

Pre-Investment Phase

- All companies undergo:
 - ESG due diligence with climate-specific questions
 - Assessment of carbon footprint on all scopes with the support of a climate expert firm
 - Materiality assessment of climate risks/opportunities
- For high-exposure companies:
 - Climate-specific due diligence

Findings of ESG due diligence are part of the Investment Committee's deliberations.

Holding Phase

- Annual ESG assessments include:
 - Climate risk analysis (physical and transition) on a yearly basis, in a dedicated report produced by experts
 - Sectoral roadmap and scenario planning for high-risk companies
- Outcomes inform:
 - ESG performance tracking
 - Climate action plans, notably GHG reduction and ideally path towards validation of targets by SBTi
 - Strategic reporting to Limited Partners (LPs)

A carbon footprint assessment is realized at least once during the holding phase by experts.

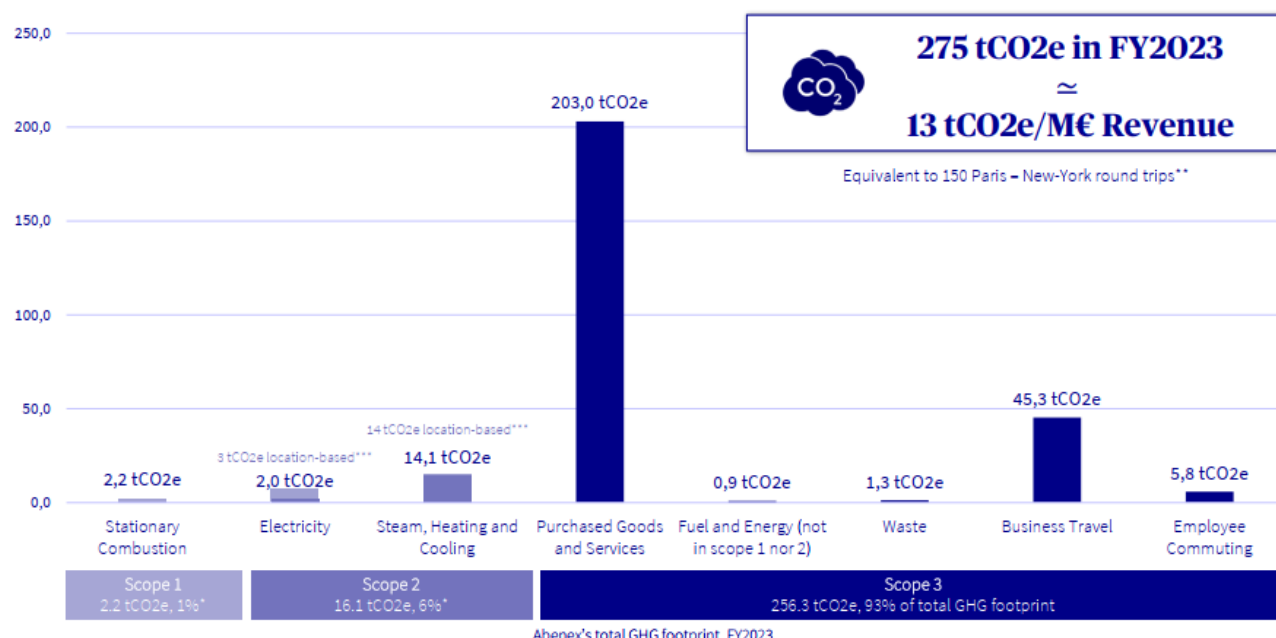
Exit Phase

- ESG/climate performance disclosed in ESG vendor due diligence
- Climate-related improvements and value-add communicated to prospective buyers

Metrics & Targets

To track progress, Abenex reports annually on ESG and climate KPIs across its portfolio. Highlights include:

Carbon Footprint



|| *of total GHG footprint **Source: carbo ***Market-based and location-based results are similar: 16.1 tCO₂e and 16.7 tCO₂e from scope 2, respectively

- Annual carbon assessments conducted at firm level, in accordance with the **GHG Protocol on all scopes** (Above: *Abenex 2023 Carbon Footprint assessed by AXA Climate*)

Internal Operations

- GHG reduction actions include:
 - Increasing renewable energy usage
 - Reducing travel by plane and promoting soft mobility to commute
 - Eating less meat at the office

Portfolio Coverage

- Scope 1, 2, and 3 emissions measured across all portfolio companies using actual GHG emissions data, either assessed directly by experts or estimated through proxies
- Energy performance diagnosis (DPE) measured per real estate asset

Activity	Indicators	2024
Private Equity	Share of portfolio companies assessing their carbon footprint	50%
	Share of portfolio companies with SBTi targets validated	4%
Real Estate	Share of assets with reduction of energy performance diagnosis	28%

Targets

Scope 1 & 2:

We commit to reducing absolute scope 1 and 2 GHG emissions by 50.4% by 2032 from a 2023 base year

Scope 3 Portfolio:

We commit to:

- 37.8% of our eligible private equity portfolio by invested capital having;
- SBTi validated targets by 2029 and 100% by 2040;
- Reduce all in-use operational GHG emissions from our real estate investment portfolio by 62.7% per square meter by 2032 from a 2023 base year.

Reporting and Transparency

Abenex reports on its climate strategy through different channels.

- Disclosures are included in:
 - **Annual and Quaterly Reports** to LPs
 - **Annual Sustainability Report**
 - **Mission Committee report**
 - **General Assembly Meeting**
 - **UN PRI reporting**, aligned with TCFD standards

Physical Climate Risk Analysis

This section presents a **physical climate risk assessment of Abenex's** portfolio companies, based on their geographic location, industry sector (NACE code), revenue, and investment exposure. The goal is to identify vulnerability to extreme weather events such as heatwaves, floods, droughts, and sea level rise.

Geographic Distribution of Portfolio Companies

Among the 26 companies' headquarters analyzed:

- 24 are located in France
- 1 in Italy
- 1 in the Netherlands

Key Physical Climate Risks by Country

France

- Heatwaves and high temperatures
- Flash flooding
- Prolonged droughts
- Wildfires (particularly in southern regions)

Italy

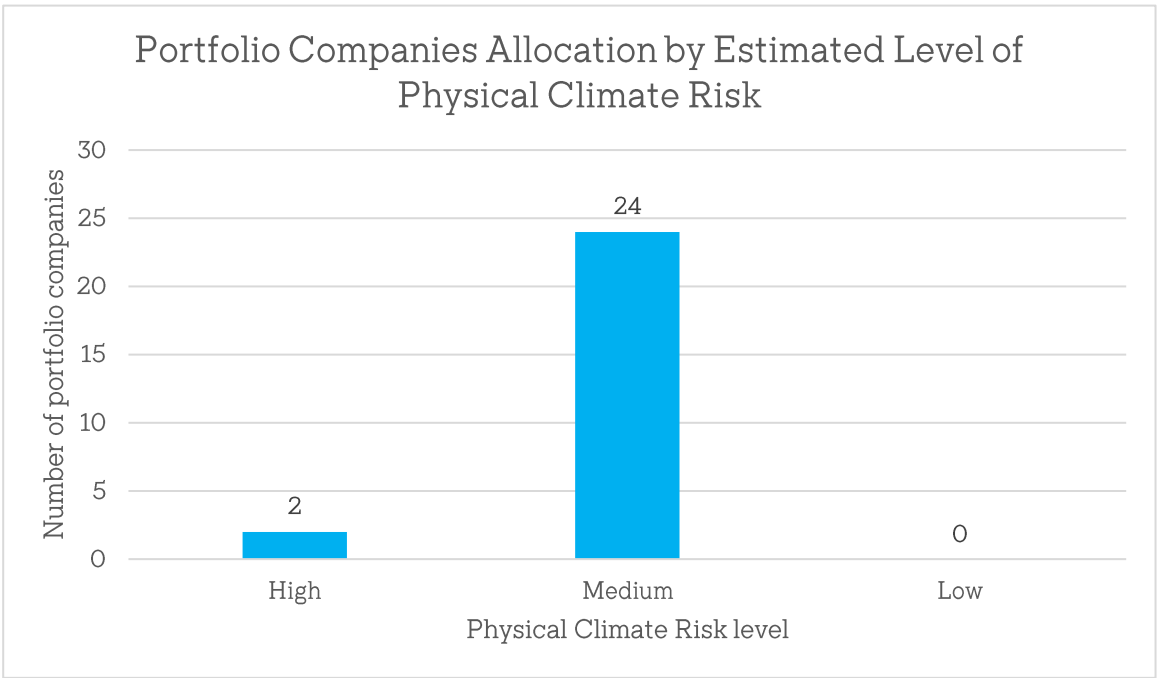
- Extreme heat events
- Agricultural droughts
- Riverine flooding
- Coastal flooding and sea level rise

Netherlands

- Significant risk from sea level rise
- River flood risk
- Intensifying summer heatwaves

Consolidated Risk Level Visualization

The chart below shows the distribution of portfolio companies by estimated level of physical climate risk.



The analysis shows that most of Abenex’s portfolio companies face physical climate risks, primarily from extreme heat, flooding, and droughts, particularly in **France**. Although fewer in number, companies in **Italy** and the **Netherlands** face specific vulnerabilities such as **sea level rise** and **river flooding**. These findings highlight the importance of systematically integrating climate risk considerations into risk management and investment decisions.