Active Ownership as a Driver of Value Creation and Risk Management

ENGAGEMENT REPORT FY 2025

JULY 2026

In this report

Tikehau Capital: active ownership is part of how we invest

ACTIVE OWNERSHIP[1] IS MOST USEFUL WHEN IT IMPROVES INVESTMENT OUTCOMES

€52.8bn
ASSETS UNDER MANAGEMENT[2]

€5.8bn
DEDICATED TO CLIMATE AND BIODIVERSITY INVESTMENTS ASSETS UNDER MANAGEMENT[2]

20%
OF VARIABLE REMUNERATION LINKED TO HUMAN AND CLIMATE OBJECTIVES[2]

4 INVESTMENTS STRATEGIES

- PRIVATE EQUITY
- PRIVATE CREDIT
- REAL ESTATE
- CAPITAL MARKETS STRATEGIES

WHY ACTIVE OWNERSHIP[1] MATTERS FOR INVESTORS

ALIGNMENT OF INTERESTS

ONGOING DIALOGUE WITH COMPANIES

CLOSE MONITORING OF UNDERLYING ASSETS

LONG-TERM VALUE CREATION POTENTIAL

[1] Active ownership refers to interactions with portfolio companies and includes engagement, ongoing dialogue and collaborative initiatives.
[2] Data as of 31.12.2025.
Scope: Unless otherwise stated, this report covers FY2025 engagement activity across Private Credit, Private Equity, Capital Markets Strategies and Real Estate. Metrics are reported on the specific scope indicated in each slide footnote.

From intent to outcomes

AT TIKEHAU CAPITAL, ACTIVE OWNERSHIP IS AN INTEGRAL PART OF THE INVESTMENT PROCESS, NOT A PARALLEL SUSTAINABILITY EXERCISE.

We focus engagement[3] on the environmental, social and governance factors most likely to influence enterprise value, cash flow generation, financing conditions, operational resilience and exit outcomes, while also considering activities associated with significant environmental impacts.

The objective is practical: improve visibility on material risks, align incentives, support execution and strengthen long-term value creation potential.

In 2025, we continued to apply this approach across asset classes.

This report shows how active ownership supports better decisions, accountability and resilience.

> **Sustainability is most useful when it is pragmatic, measurable and tied to investment outcomes. Our approach is built on three principles: materiality, incentives and transparency.**

Amélie Pichon
Deputy Chief Sustainability Officer,
Tikehau Capital

[3] Engagement refers to targeted interactions with portfolio companies on material issues, supported by defined objectives and follow-up actions. Routine contact, general information exchange and one-off discussions without defined objectives are not considered engagement.

Image: ©Youssef Naddam

Engagement drives better outcomes

EXAMPLES OF HOW ENGAGEMENT SUPPORTED ACCOUNTABILITY, ACTION AND PROGRESS ON MATERIAL ISSUES DURING FY2025

PRIVATE EQUITY

52%

OF PORTFOLIO COMPANIES HAD A FORMAL ROADMAP ADDRESSING MATERIAL BUSINESS AND SUSTAINABILITY PRIORITIES[4] AT YEAR-END 2025

PRIVATE CREDIT

79.5%

OF REPORTED SUSTAINABILITY-LINKED LOAN TARGETS WERE ACHIEVED IN 2025[5]

REAL ESTATE

c.500

EUROPEAN NON-RESIDENTIAL CORE/CORE+ ASSETS WERE COVERED BY ENERGY REDUCTION PLANS AT YEAR-END 2025

CAPITAL MARKET STRATEGIES

26%

OF ENGAGED BOND ISSUERS TOOK INITIAL ACTIONS IN RESPONSE TO ENGAGEMENT PRIORITIES IN 2025[6]

Together, these indicators show how stewardship helped strengthen accountability, improve planning and drive action on material issues across asset classes in 2025.

[4] Based on portfolio companies within Tikehau Capital's private equity ESG reporting scope, comprising portfolio companies held through flagship SFDR Article 8 and Article 9 funds as of 31 December 2025. A formal roadmap refers to a documented plan addressing material business and sustainability priorities, established by the portfolio company and/or in collaboration with Tikehau Capital within 12 months of acquisition.

[5] Based on Sustainability-Linked Loan ESG Compliance Certificates within the 2025 reporting perimeter. Reported percentages reflect performance against 73 sustainability-linked targets reported through 31 certificates received as of 30 June 2026, out of 50 expected.

[6] Based on the long-only bond portfolio universe used to define the 2025 engagement campaign, as of 24 April 2025. Reported percentages reflect coverage of the issuers and priorities identified within that perimeter during the year.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Why engagement matters?

TURNING SUSTAINABILITY TOPICS INTO INVESTMENT-RELEVANT OUTCOMES

Engagement only matters if it leads to outcomes that matter for the investment. Good engagement leads to better information, greater accountability, and improved decision-making.

VALUE CREATION

- Improve focus on material operating priorities.
- Strengthen execution discipline.
- Reinforce governance and accountability.
- Improve extra-financial performance.
- Support long-term resilience and exit readiness.

RISK MANAGEMENT

- Identify weak visibility and unresolved exposures earlier.
- Address regulatory or reputational risks before they escalate.
- Improve monitoring on sensitive issues,
- Support better underwriting and portfolio judgment.

> **The point of engagement is not to say more.
> It is to identify risks earlier, drive better discipline and foster better decisions.**

Image: ©Zac Wolff

Engagement is an integral part of the investment process

MATERIALITY, INCENTIVE ALIGNMENT, TRANSPARENCY AND FOLLOW-THROUGH

The objective is not to cover more topics, but to make progress on the ones that matter most for value creation, value preservation and long-term resilience

What counts as engagement : A targeted interaction on a material issue, with a clear objective and follow-up.

What doesn't counts as engagement : Routine contact, general information exchange or one-off discussions without a defined objective.

MATERIALITY

Focus on the sustainability issues most likely to affect business performance, financing conditions, asset quality or exit readiness.

INCENTIVE ALIGNMENT

Use financing terms, governance, voting and asset management levers to support better execution and acc

TRANSPARENCY

Prioritise engagement that improves visibility through better data, clearer plans, stronger accountability and more informed investment judgement.

REALISTIC OUTCOMES

Focus on engagements that can lead to measurable improvements in performance, governance or risk management.

Engagement objectives and levers by asset class

THE NATURE OF ENGAGEMENT DIFFERS BY ASSET CLASS, BUT THE OBJECTIVE IS THE SAME: PROTECT AND CREATE VALUE THROUGH BETTER MANAGEMENT OF MATERIAL ISSUES

ASSET CLASS	OBJECTIVE	MAIN LEVER	WHAT WE FOCUS ON	INVESTMENT RELEVANCE
PRIVATE EQUITY	Turning material topics into value-creation priorities	Ownership and governance	Board engagement, operational performance, value creation plan	Better execution, stronger governance and improved sustainability and exit readiness
PRIVATE CREDIT	Link borrower performance to measurable sustainability KPIs	Financing terms	Material KPIs and annual performance review	Better alignment, stronger monitoring, earlier warning signals
REAL ESTATE	Enhance resilience and value	Active asset management	Tenant engagement, building performance, climate risk, capex priorities	Better resilience, more targeted capex, stronger long-term asset quality
CAPITAL MARKETS STRATEGIES	Improve disclosure and strengthen risk assessment	Issuer dialogue and voting	Disclosure, governance, transition credibility, controversies	Better risk assessment, sharper underwriting, stronger monitoring

2025 stewardship activity

FOCUS ON THE ENGAGEMENTS MOST RELEVANT TO VALUE CREATION, DOWNSIDE PROTECTION AND LONG-TERM RESILIENCE.

PRIVATE EQUITY

Setting value-creation priorities early in the ownership cycle.

73%[7]

OF PORTFOLIO COMPANIES COVERED BY ENGAGEMENT IN 2025

PRIVATE CREDIT

Embedding material sustainability priorities into financing terms.

72%

OF 2025 DIRECT AND CORPORATE LENDING TRANSACTIONS INCLUDED SUSTAINABILITY-LINKED LOAN STRUCTURES

REAL ESTATE

Strengthening asset resilience through active asset management.

98%

OF AUM IN CORE/CORE+ STRATEGIES COVERED BY ESG CLAUSES IN MANDATES WITH EXTERNAL ASSET/ PROPERTY MANAGERS IN 2025[8]

CAPITAL MARKET STRATEGIES

Focusing dialogue on issuers' most material priorities.

96%

OF IDENTIFIED MATERIAL ESG RISKS AND OPPORTUNITIES WERE ADDRESSED THROUGH ISSUER DIALOGUE IN 2025[9]

Together, these indicators provide a high-level view of how engagement was embedded across asset classes in 2025, reflecting the principal levers used to support resilience, oversight and long-term value creation.

[7] Based on portfolio companies within Tikehau Capital's private equity ESG reporting scope, comprising portfolio companies held through flagship SFDR Article 8 and Article 9 funds as of 31 December 2025.
[8] Coverage rate 91%.
[9] Based on issuers held in Tikehau Capital's long-only credit funds as of 24 April 2025. The 2025 engagement campaign focused on material ESG risks and opportunities, including sustainability disclosure, climate transition planning and SBTi-aligned target setting. The reported percentage reflects the share of these priorities addressed through issuer dialogue during the year.
Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Turning material topics into value-creation priorities

TIKEHAU CAPITAL'S PRIVATE EQUITY ENGAGEMENT APPROACH IS DESIGNED TO SUPPORT THE BALANCE BETWEEN VALUE CREATION, RISK MANAGEMENT AND SUSTAINABILITY.

The objective is to help portfolio companies focus on the sustainability issues most relevant to their business and translate them into clear strategic priorities and practical action plans. Sustainability therefore becomes part of how the business is managed rather than a separate exercise.

The Private Equity teams work with portfolio companies to define priorities, assign ownership and review progress throughout the holding period.

This includes, where relevant:

- Reducing carbon emissions.
- Strengthening governance.
- Strengthening operational discipline and embedding sustainability into business planning.
- Helping companies respond to evolving customer and reporting expectations.
- Enhancing readiness for financing discussions or buyer scrutiny at exit.

Beyond company-level engagement, the **Tikehau Impact Club** extends the active ownership approach across the portfolio through practical guidance, targeted training and peer exchanges. Since 2023, 13 in-person events and webinars have been organised to support portfolio companies in strengthening sustainability practices and preparing for evolving market and regulatory expectations. In 2025, topics included decarbonisation, transition planning, CSRD/CSDDD readiness, VSME and EcoVadis optimisation.

THIS APPROACH IS REFLECTED IN THE SUSTAINABILITY PRACTICES OF PRIVATE EQUITY REPORTING-SCOPE PORTFOLIO COMPANIES AT YEAR-END 2025:

52%[10]

HAD A SUSTAINABILITY ROADMAP

98%

DISCUSSED SUSTAINABILITY TOPICS AT BOARD LEVEL AT LEAST ANNUALLY

48%

HAD A CARBON REDUCTION PLAN IN PLACE

[10] Definedby the company or at the initiative of the investment team in the 12 months following acquisition.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Cebat

CASE STUDY

IMPROVED VISIBILITY ON TRANSITION PRIORITIES, GOVERNANCE OVERSIGHT AND EXECUTION AGAINST THE COMPANY'S DECARBONISATION PATHWAY

CHALLENGE

At CEBAT, the objective was to strengthen the company's positioning in the electrification and network modernisation value chain enhancing the management of its sustainability and decarbonisation roadmap. This required improved carbon measurement, clearer transition priorities and a more structured approach to managing the sustainability issues most relevant to the business.

ACTIONS

Tikehau Capital supported the company on the issues that mattered most: its position in the decarbonisation value chain, the quality of its carbon data and the credibility of its sustainability roadmap. In practice, this included measuring the carbon footprint across Scopes 1, 2 and 3 in line with the GHG Protocol (with ERM), and assessing the share of revenues contributing to the SDGs and eligible under the EU Taxonomy (with Blunomy).

OUTCOMES

- A sustainability roadmap validated at Board level, providing a more structured framework for managing sustainability performance.
- A decarbonisation trajectory formalised, supported by measurable emissions-reduction targets and subsequently validated by the SBTi.
- Improved visibility on the contribution of CEBAT's products and services to the decarbonisation transition through assessment against the SDGs and the EU Taxonomy.

RESULTS

The case illustrates how active ownership can help a company strengthen governance, improve transition credibility and put in place more measurable sustainability priorities.

100%

OF REVENUES CONTRIBUTING TO SDGS[11]

SBTI TARGET BY 2035

-63%

ON SCOPES 1 & 2 EMISSIONS INTENSITY

-66%

ON SCOPE 3 EMISSIONS INTENSITY

[11] 99.7% of revenues contribute to the SDGs, while the remaining 0.3% is classified as 'other' and is not mapped to any SDG.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Aries

CASE STUDY

IMPROVED OPERATIONAL EFFICIENCY, RESOURCE PRODUCTIVITY AND WORKFORCE STABILITY SUPPORTED LONG-TERM BUSINESS PERFORMANCE

CHALLENGE

At Aries Industries, the priority was to improve operational efficiency, strengthen competitiveness and support long-term growth. For an aerospace manufacturer producing complex titanium components and specialised machinery, this meant reducing material waste, improving energy efficiency and strengthening workforce safety and retention.

ACTIONS

Tikehau Capital worked with management to identify priorities where sustainability considerations and operational objectives were closely aligned. The focus was placed on material efficiency, energy use and workforce practices, with initiatives aimed at improving production yield, reducing resource consumption and supporting workforce stability over time.

OUTCOMES

Between 2023 and 2025, Aries:

- Improved material efficiency and production yield, reducing raw material waste across manufacturing processes.
- Enhanced energy performance through production optimisation and lower energy intensity.
- Strengthened workforce practices, contributing to improved safety and employee retention.

RESULTS

The case shows how active ownership can help turn industrial improvements into lower costs, lower environmental impact and stronger operating performance.

> 10 tons

OF TITANIUM SAVED (2023-2025)

up to 50%

OF ENERGY SAVINGS PER PART PRODUCED

-21.5pp

DECREASE IN TURNOVER RATE (2023-2025)

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Linking borrower performance to incentives

IN PRIVATE CREDIT, FINANCING TERMS CAN HELP DRIVE ACCOUNTABILITY ON ISSUES THAT MATTER FOR LONG-TERM PERFORMANCE AND CREDIT QUALITY.

The objective is to focus on the sustainability issues most relevant to a borrower's business and credit profile and translate them into measurable performance objectives. Where appropriate, these priorities are embedded into financing agreements through Sustainability-Linked Loan (SLL) structures, helping align borrower incentives with long-term business performance.

The Private Credit teams work with borrowers throughout the life of an investment to monitor progress on the issues most relevant to their business, operations and long-term resilience. The focus is on a limited number of priorities that can support stronger business practices and help manage risks over time.

In 2025, 72% of Direct Lending and Corporate Lending transactions included a Sustainability-Linked Loan mechanism, compared with 65% in 2024. Climate-related risks and opportunities remained an important area of focus. Decarbonisation represented 45% of sustainability-linked KPIs, up from 33% a year earlier, and 76.7% of reported greenhouse-gas reduction targets were achieved in 2025. Progress was also reflected in the growing number of portfolio companies engaged with the Science Based Targets initiative, reaching 55 companies at year-end.

This includes, where relevant:

- Reducing greenhouse-gas emissions,
- Strengthening governance and risk oversight,
- Improving health and safety practices,
- Enhancing cybersecurity and data protection,
- Improving talent retention and inclusion,
- Strengthening supply-chain management and operational resilience.

THIS APPROACH IS REFLECTED IN THE 2025 INDICATORS. AT YEAR-END 2025:

72%

OF DIRECT LENDING AND CORPORATE LENDING TRANSACTIONS INCLUDED A SUSTAINABILITY-LINKED LOAN MECHANISM IN 2025

79.5%

OF REPORTED SUSTAINABILITY-LINKED LOAN TARGETS WERE ACHIEVED IN 2025[12]

25%

OF DEPLOYED CAPITAL WAS COVERED BY A SCIENCE-BASED TARGET COMMITMENT, COMPARED WITH 16% IN 2024

[12] Based on Sustainability-Linked Loan ESG Compliance Certificates within the 2025 reporting perimeter. Reported percentages reflect performance against 73 sustainability-linked targets reported through 31 certificates received as of 30 June 2026, out of 50 expected within that perimeter

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Châteauform’

CASE STUDY

EMBEDDING SUSTAINABILITY ACCOUNTABILITY THROUGH GOVERNANCE, TARGETS AND FINANCING DOCUMENTATION

CHALLENGE

At Châteauform’, the objective was to support the gradual integration of sustainability considerations into the financing framework in a manner aligned with the Group’s level of maturity, governance and reporting capabilities. As the sustainability framework was still developing, the focus was on identifying priority areas, strengthening governance and preparing the future incorporation of sustainability requirements into financing documentation.

ACTIONS

Tikehau Capital first engaged with the company during the 2022 refinancing to assess its sustainability maturity, internal organisation, reporting capabilities and the credibility of its trajectory. The 2025 refinancing marked a new stage, with Tikehau Capital acting as ESG coordinator in the design of the sustainability-linked features of the financing.

This included proposing an SBTi-aligned emissions trajectory supported by a calibration mechanism designed to preserve the overall level of ambition over time, requiring independent verification of performance against sustainability targets, and challenging the relevance and robustness of proposed sustainability metrics. Discussions also highlighted climate adaptation as an area requiring further development before being incorporated into the financing framework.

OUTCOMES

- Sustainability embedded as a structural component of the financing framework, supported by formal monitoring and independent verification.
- A more robust sustainability-linked structure, underpinned by an SBTi-aligned emissions trajectory and clearly defined accountability mechanisms.
- Climate adaptation identified as a priority area for further development before integration into future sustainability-linked targets.

RESULTS

The case illustrates how active ownership in private credit can help translate sustainability priorities into measurable commitments through financing documentation, independent verification and structured monitoring.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Agora Market

CASE STUDY

STRENGTHENED MEASUREMENT, ACCOUNTABILITY AND CREDIBILITY OF THE COMPANY'S TRANSITION CONTRIBUTION

CHALLENGE

At Agora Markets, the objective was to strengthen the measurement and accountability of the company's contribution to the transition through the financing framework. While the company operates in markets supported by long-term electrification and energy-transition trends, the engagement focused on reinforcing the credibility of this positioning through more structured targets and performance indicators.

ACTIONS

The 2024 refinancing supported the development of an SBTi-aligned emissions reduction pathway and an ecodesign KPI, helping to embed climate considerations more systematically into product development. The framework also included a review mechanism should adoption of ecodesigned product ranges fall below expectations.

In June 2026, Tikehau Capital worked with Ansa to strengthen the assessment of the company's transition contribution through a broader set of metrics covering avoided emissions from LED lighting, lighting-sobriety features, circular revenues, recycled and recyclable materials, and projects serving sensitive areas.

OUTCOMES

- A more structured approach to assessing the company's contribution to the transition across its products and services.
- Climate considerations embedded more systematically into product development through an SBTi-aligned trajectory and an ecodesign KPI.
- Improved visibility on areas of relative maturity and future development through peer benchmarking and enhanced sustainability metrics.

RESULTS

The case illustrates how active ownership in private credit can strengthen the credibility of a company's transition positioning by embedding climate objectives into financing documentation and developing a more robust approach to measuring environmental contribution.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Enhance Resilience and Value

IN REAL ESTATE, ASSET PERFORMANCE DEPENDS ON EFFECTIVE COORDINATION BETWEEN OWNERS, TENANTS, PROPERTY AND ASSET MANAGERS, CO-OWNERS' ASSOCIATIONS AND SERVICE PROVIDERS

Engagement helps align these stakeholders around building performance, risk management and investment priorities. The approach improves visibility on asset-level risks, supports more disciplined capital allocation and helps protect long-term asset value and liquidity.

GOVERNANCE & DATA

ESG clauses: At year-end 2025, ESG clauses were included in asset and property manager mandates covering 98% of AuM in Core/Core+ strategies. Annual sustainability committees provide a structured process to review priorities, monitor progress and agree next steps.[13]

Tenant engagement & data sharing: Tenant eco-guides had been shared across 94% of assets[14] by year-end 2025. Lease clauses support collaboration on environmental performance and data sharing, helping improve the quality of information used for asset management decisions. Better data supports visibility on asset-level exposures, identifies potential obsolescence risks and helps inform capital allocation decisions.

ASSET PERFORMANCE

Energy performance: Reducing energy consumption remains a key priority. By year-end 2025, approximately 500 European non-residential assets above 1,000 sqm within Core/Core+ strategies were covered by action plans designed to improve energy performance.[15] These plans help identify investment needs, prioritise capex and support long-term asset quality.

Environmental certifications: Environmental certifications continue to support building performance, asset quality and marketability. At the end of 2025, IREIT held 52 certified buildings, representing 100% of its assets.[16]

RESILIENCE

Climate resilience: By year-end 2025, 94% of real estate assets under management were covered by a physical climate risk assessment.[17] Building on the enhanced methodology introduced in 2024, work is increasingly focused on adaptation planning for the most exposed assets, helping inform investment decisions and strengthen resilience.

Biodiversity: Since 2024, biodiversity action plans tailored to asset characteristics have been developed under the Biodiversity Charter for Real Estate Activities and supported through practical implementation tools.

THIS APPROACH IS REFLECTED IN THE 2025 INDICATORS. AT YEAR-END 2025:

98%

OF CORE/CORE+ AUM WAS COVERED BY ASSET AND PROPERTY MANAGER MANDATES INCLUDING ESG CLAUSES[13]

~500

EUROPEAN NON-RESIDENTIAL ASSETS WERE COVERED BY ENERGY PERFORMANCE ACTION PLANS[15]

94%

OF REAL ESTATE AUM WAS COVERED BY A PHYSICAL CLIMATE RISK ASSESSMENT[17]

[13] Coverage rate of 91%
[14] Perimeter: managed real estate assets, coverage 99.8% of AuM.
[15] DEET refers to the French "Décret Eco-Énergie Tertiaire", which tertiary buildings above 1000sqm to reduce their energy consumption over time
[16] Perimeter : Except for Berlin's asset which will undergo important restructuring works in the years to come
[17] Coverage calculated on the managed assets perimeter.
Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Cergy Atrium

CASE STUDY

ENHANCED ASSET QUALITY, LOWER OBSOLESCENCE RISK AND STRONGER LONG-TERM ATTRACTIVENESS

CHALLENGE

At Cergy Atrium, the upcoming lease renewal provided an opportunity to address several weaknesses associated with an ageing office asset, including high energy consumption, evolving regulatory requirements and changing tenant expectations. Rather than limiting the works to a conventional refurbishment, the objective was to strengthen the building's long-term viability and preserve its leasing appeal.

ACTIONS

The lease renewal created a framework for a broader renovation programme, developed in coordination with the tenant. The works combined energy-efficiency measures, building systems upgrades and safety improvements, including heat pumps, new air handling systems, LED lighting, EV charging stations and progressive asbestos removal.

OUTCOMES

- Improved environmental performance and operational efficiency.
- Enhanced safety and regulatory compliance.
- Strengthened occupier appeal and long-term leasing prospects.

RESULTS

The project demonstrates how a lease event can be used to address obsolescence risks and reposition an ageing asset. By aligning the renovation programme with tenant needs, Sofidy strengthened the building's marketability, improved its resilience to future regulatory requirements and supported its long-term income potential.

-53%

ENERGY CONSUMPTION

-75%

GHG EMISSIONS

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Almond Core Center

CASE STUDY

IMPROVED PORTFOLIO QUALITY, ENERGY PERFORMANCE AND LONG-TERM MARKETABILITY

CHALLENGE

At Almond Core Center, a portfolio of vacant, outdated flats in central Madrid needed to be upgraded to meet current environmental standards and regain market appeal. Beyond the refurbishment of individual units, the challenge was to improve the portfolio's energy and carbon performance in a way that would support its long-term quality and resilience.

ACTIONS

The refurbishment programme extended beyond the flats themselves. Working with other owners within the buildings, upgrades were also carried out to common areas, including facades, heating systems and lighting. This collaborative approach enabled energy performance improvements at building level, complementing the refurbishment of individual units and increasing the overall impact of the programme.

OUTCOMES

- Improved energy and carbon performance across the portfolio.
- Enhanced quality and marketability of refurbished units.
- Progress towards alignment with the CRREM 1.5°C decarbonisation pathway.
- External recognition through sustainability certification and industry awards.

RESULTS

The project shows how targeted refurbishment and stakeholder engagement can enhance the long-term value of residential assets. Improvements at both unit and building level strengthened resilience while improving environmental performance.

54%

REDUCTION IN ENERGY CONSUMPTION ACROSS 244 REFURBISHED UNITS

61%

REDUCTION IN GREENHOUSE GAS EMISSIONS, ALIGNED WITH THE CRREM 1.5°C PATHWAY

86

FLATS AWARDED AENOR'S SUSTAINABLE REFURBISHMENT CERTIFICATE — A FIRST IN SPAIN

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Sant Cugat

CASE STUDY

ALIGNED OWNER AND TENANT INTERESTS AROUND A LONG-TERM PLAN SUPPORTING ASSET RESILIENCE AND PERFORMANCE

CHALLENGE

At Sant Cugat, the objective was to integrate renewable energy into the asset in a way that worked for both the owner and the tenant. Given the building's occupation by a data centre operator with significant energy requirements, the project required a structure that was operationally practical and aligned with the interests of both parties.

ACTIONS

IREIT Global worked with Oxygen, the tenant, to install rooftop solar panels, supported by Proton, a local solar energy specialist. The arrangement enabled the property to benefit from available subsidies while assigning responsibility for the maintenance of the installation to the tenant, creating a shared framework for the project's long-term success.

OUTCOMES

- On-site renewable energy generation integrated into the asset.
- Strong alignment between owner and tenant on a long-term improvement initiative.
- Reduced reliance on grid electricity for the tenant's operations.
- Lower operational carbon footprint.

RESULTS

The project illustrates how tenant engagement can support the implementation of sustainability initiatives that benefit both occupiers and owners. By aligning incentives and responsibilities, the solar installation enhanced the asset's environmental performance while supporting its long-term resilience and relevance to tenant needs.

182

SOLAR PANELS INSTALLED ACROSS 470 SQM

43.82

TONNES OF CO_2 AVOIDED PER YEAR VERSUS CURRENT EMISSION LEVELS

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Improve disclosure and strengthen risk assessment

IN CAPITAL MARKET STRATEGIES, ENGAGEMENT IS A TOOL TO IMPROVE INVESTMENT DECISIONS. IT HELPS INCREASE VISIBILITY ON MATERIAL RISKS, STRENGTHEN ISSUER ACCOUNTABILITY AND SUPPORT MORE INFORMED INVESTMENT JUDGEMENT.

Tikehau Capital takes a selective approach to engagement, focusing on the issues most likely to affect an issuer's resilience, financing profile or long-term value. Engagement priorities are identified through an issuer-level assessment framework, helping focus resources where additional dialogue can provide the greatest benefit to investment analysis and risk assessment.

IN EQUITY PORTFOLIO

In equity portfolios, engagement provides additional insight into how companies are managing risks and opportunities that may affect long-term performance. In 2025, discussions with listed real estate companies focused on governance, environmental performance, climate resilience and the quality of sustainability-related disclosures, particularly where these factors could influence asset quality and competitiveness over time.

IN CREDIT PORTFOLIO

In credit portfolios, engagement helps improve understanding of downside risks and factors that may affect an issuer's ability to navigate the transition to a more sustainable economy. In 2025, discussions focused primarily on issuers without a Science Based Targets initiative (SBTi) commitment and on selected issuers with limited ESG disclosure, where additional transparency could support a more informed assessment of transition readiness and resilience.

96%

OF IDENTIFIED ENGAGEMENT PRIORITIES COVERED THROUGH ISSUER DIALOGUE[18]

26%

OF ENGAGED BOND ISSUERS TOOK INITIAL ACTIONS IN RESPONSE TO ENGAGEMENT PRIORITIES IN 2025[19]

[18] Based on issuers held in Tikehau Capital's long-only credit funds as of 24 April 2025. The 2025 engagement campaign focused on material ESG risks and opportunities, including sustainability disclosure, climate transition planning and SBTi-aligned target setting. The reported percentage reflects the share of these priorities addressed through issuer dialogue during the year.
[19] Based on the long-only bond portfolio universe used to define the 2025 engagement campaign, as of 24 April 2025. Reported percentages reflect coverage of the issuers and priorities identified within that perimeter during the year.
Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Asmodee

CASE STUDY

ADDRESSED INFORMATION GAPS RELEVANT TO ASSESSING ISSUER RESILIENCE AND LONG-TERM CREDIT QUALITY.

CHALLENGE

With Asmodee, the challenge was to address information gaps on issues increasingly relevant to long-term credit quality: climate ambition, Scope 3 emissions, packaging practices and selected social indicators. Rather than treating these gaps as a passive constraint, the engagement was used to set clearer expectations on the level of disclosure and forward-looking evidence needed to assess the issuer's resilience over time.

ACTIONS

Tikehau Capital used the engagement to clarify expectations with the issuer and test the robustness of its approach, focusing in particular on the company's climate roadmap, the treatment of Scope 3 emissions, the strengthening of sustainability reporting and the development of more decision-useful metrics. The engagement also provided an opportunity to test the robustness of the issuer's approach and communicate investor expectations regarding future disclosures.

OUTCOMES

- Clearer expectations set regarding sustainability disclosures and reporting practices.
- More focused dialogue on climate, environmental and social issues relevant to credit quality.
- Better identification of information gaps and areas requiring further monitoring.
- Enhanced framework for assessing issuer resilience and sustainability-related risks.

RESULTS

This case illustrates how engagement in long-only bond strategies can strengthen the investment process even where disclosure remains incomplete. By challenging information gaps, communicating expectations and deepening dialogue with the issuer, the engagement supported a more informed assessment of downside risks and long-term credit quality while encouraging greater accountability over time.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Kojamo

CASE STUDY

FOCUS ON GOVERNANCE AND OPERATING ISSUES AFFECTING LONG-TERM VALUE, INCLUDING INCENTIVES, TENANT INDICATORS, AND ENVIRONMENTAL DATA

CHALLENGE

At Kojamo, the challenge was to address governance and operating issues with a direct bearing on long-term value: ownership of sustainability-related issues within the organisation, alignment of management incentives, tenant-related indicators and the quality of environmental performance data. Rather than treating these as disclosure issues alone, the engagement was used to assess how far sustainability considerations were embedded in the company's strategic and operational decision-making.

ACTIONS

Sofidy and Tikehau Capital engaged with the company on governance, incentive alignment, tenant satisfaction and energy performance. The discussion provided an opportunity to raise expectations around accountability and execution, while assessing how sustainability considerations were incorporated into the company's decision-making and management practices.

OUTCOMES

- Clearer expectations communicated regarding governance and accountability for sustainability-related issues.
- More focused dialogue on incentive alignment, tenant-related performance and environmental data quality.
- Better identification of areas requiring stronger execution and follow-through.
- Enhanced assessment of governance and operational factors relevant to long-term value creation.

RESULTS

This case illustrates how shareholder engagement can be used to discuss governance and operational issues that may influence long-term value creation. By raising expectations around accountability, incentive alignment and execution, the engagement helped focus attention on areas that warrant ongoing monitoring by investors.

Source: Tikehau Capital internal analysis, based on data reported by portfolio companies, borrowers, issuers, asset managers, property managers and other relevant counterparties, as applicable.

Strengthening market practice

Collaborative engagement complements Tikehau Capital's direct dialogue with companies and issuers. We participate selectively in initiatives that aim to improve market practices, strengthen disclosure and support better investment analysis. These activities complement, but do not replace, direct engagement.

PRIVATE EQUITY AND PRIVATE CREDIT

In private credit, Tikehau Capital contributed to guidance on impact investing in private debt, helping develop common approaches to impact assessment, measurement and reporting. It included work on impact assessment, SDG classification, sustainability-linked lending and decarbonisation approaches.

For private equity, Tikehau Capital joined the Global Impact Investing Network (GIIN).

CAPITAL MARKETS STRATEGIES

As part of the the Institutional Investors Group on Climate Change (IIGCC), Tikehau Capital joined a working group focused on climate-related bondholder engagement, the Bondholder Stewardship Working Group and the IIGCC Bank Engagement and Research Initiative, focused on how to engage financial institutions on climate. These initiatives aim to strengthen engagement practices and improve investors' understanding of transition risks and opportunities.

REAL ESTATE

Through the Observatoire de l'Immobilier Durable (OID), Tikehau Capital contributed to discussions on climate adaptation, sustainability integration and market practices in real estate, and endorsed the OID Climate Adaptation Charter supporting adaptation practices across the sector.

These initiatives help strengthen market practices, improve the tools available to investors and promote more informed investment decisions across asset classes.

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