



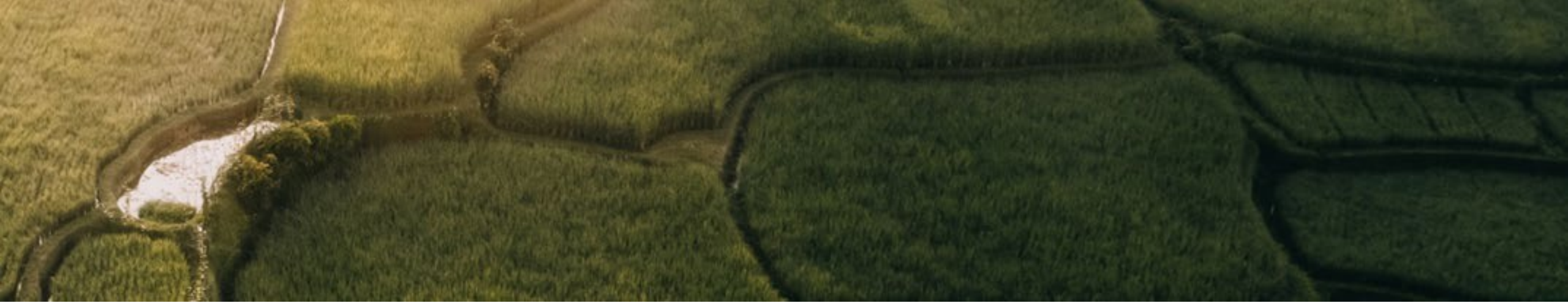
Argos Climate Action Website Disclosure

Summary

The Argos Climate Action Fund (ACA) has a twofold objective as its target to generate superior financial returns is coupled with the objective of achieving a reduction of the greenhouse gas emission intensity generated by these mid-market companies over the holding period, with the objective to decrease the carbon emission intensity (in tons of CO₂eq/m€) by 7.5% a year in the portfolio, within the detailed methodology framework provided in the Fund Agreement.

The Fund principally arranges majority investments in small and medium-sized companies, often as part of succession solutions, private equity funds' exits, or corporate spin-offs. The Fund aspires to produce returns through niche strategies, and by pro-actively accompanying the acquired businesses in their growth and value creation.





No significant harm to the sustainable investment objective

The GHG Intensity Trajectory of each Portfolio Company will be measured and reported on an annual basis (from the second year of every sustainable investment). A do not significantly harm study will be conducted, in accordance with SFDR on every indicator of Table 1, and on 2 additional principal adverse impacts (PAI) indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters (Table 3): inexistence of code of conduct and inexistence of anti- corruption and anti-bribery policies.

Sustainable investment objective of the financial product

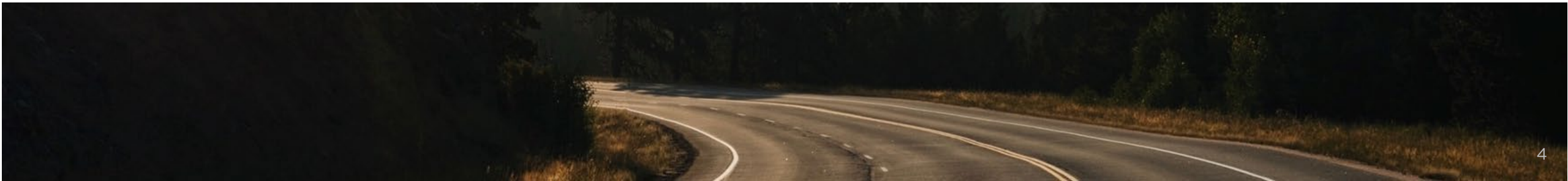
ACA has sustainable investment as its objective since its purpose is to invest in mid-market companies and significantly reduce their GHG emissions. The Fund will target a -7.5% yearly reduction of CO₂eq intensity (in tCO₂eq per €m of sales) of companies it will invest in.

Investment strategy

The purpose of ACA is to invest, in one or several times, directly or indirectly, in Mid-Market companies with the double objective of generating financial returns and reducing their GHG Emissions intensity by 7.5% per annum during the Fund's ownership. With partners specialised in industrial decarbonisation, Argos have developed a tool enabling to conduct an identification of the decarbonisation potential and key levers for each industry to conduct a preliminary ACA eligibility check.

The GHG Intensity Trajectory of each Portfolio Company will be measured and reported on an annual basis (from the second year of every sustainable investment). A do not significantly harm study will be conducted, in accordance with SFDR on every indicator of the Table 1, and on two additional PAI indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters (Table 3): inexistence of code of conduct and inexistence of anti-corruption and anti-bribery policies. Being specified such a study will typically be conducted within 100 days of each closing of a sustainable investment and its conclusions will be integrated in the environmental improvement plan of the relevant Portfolio Company, ensuring at least that such plan does not significantly harm the situation of the investee companies as regards PAIs. The PAIs on sustainability factors will be made available in the Annual Report.

Argos conducts a detailed assessment of decarbonisation levers implementation steps to reach a >7.5% reduction in carbon intensity per annum (with specialised advisors). During the first 100 days of the holding period, Argos initiates a GHG footprint assessment and benchmark for each portfolio company. The decarbonisation roadmap is "translated" into a detailed plan with operational initiatives, which will be reviewed annually. Argos defines SBTs for each portfolio company if applicable, with a detailed GHG emission plan. Argos conducts a yearly carbon footprint and an external GHG Audit on each portfolio company.





Proportion of investments

ACA will invest 100% of its assets in sustainable investments with an environmental objective within the meaning of article 2⁽¹⁷⁾ of SFDR, it bearing clearly specified that such investments will be in economic activities that may not qualify as environmentally sustainable under the EU Taxonomy.

Monitoring of sustainable investment objective

The sustainable investment objective is monitored along all the investment cycle of the product from the pre-due diligence phase to exit phase of the investee company. For more information, please see Argos Wityu Responsible Investment policy and Argos Wityu Climate policy on our website: <https://argos.fund/sustainability/>

Methodologies

The sustainability indicator used to measure the attainment of the sustainable investment objective is GHG intensity (tCO₂eq per €m of sales), as further specified in the ACA Agreement.

Data sources and processing

ACA is committed to supporting our portfolio companies in setting up the most appropriate ESG management systems. Argos uses EcoVadis as ESG reporting platform. This will enable the firm to support portfolio companies in a customised way.

Limitations to methodologies and data

The main limitation is now linked to data quality collection. The data will be kept under review, and the ACA would expect it to increase significantly in the following years because companies will become more aware of ESG reporting and they will improve their data-gathering methodology.



Due diligence

To deepen the analysis of ESG risks and opportunities, an ESG review is systematically carried out by external advisors, which provide their expertise. The review is focused on material topics defined by the advisors, which will:

- Identify and assess ESG risks which are significant for the organisation and how these issues may affect the business.
- Identify and assess ESG drivers and opportunities that could create value or avoid risks of value destruction (reduction in energy consumption, reduction of employee turnover, reputational issues, biodiversity, etc.).
- Define actions based on the risks and opportunities which feed the ESG Action Plan, conducted during the investment period, to leverage the ESG drivers over a multi-annual period (e.g., use of technology using less energy, long-term bonuses, etc.).

Engagement policies

The responsible investment policy describes Argos Wityu's ESG approach within the investment process. It specifically describes the engagement required from Argos Wityu's portfolio companies to comply with commonly accepted ESG frameworks. The policy is available on the website: <https://argos.fund/sustainability/>

Attainment of the sustainable investment objective

Continued effort of attaining the objective of reducing carbon emissions is ensured in view of achieving the objectives of the Paris Agreement. In order to achieve it the ACA will target a -7.5% yearly reduction of CO₂eq intensity (in tCO₂eq per €m of sales) of companies it will invest in.

