

Principal adverse sustainability impacts statement

For the purposes of this Annex, the following definitions shall apply:

- (1) ‘scope 1, 2 and 3 GHG emissions’ means the scope of greenhouse gas emissions referred to in points (1)(e)(i) to (iii) of Annex III to Regulation (EU) 2016/1011 of the European Parliament and of the Council¹;
- (2) ‘greenhouse gas (GHG) emissions’ means greenhouse gas emissions as defined in Article 3, point (1), of Regulation (EU) 2018/842 of the European Parliament and of the Council²;
- (3) ‘weighted average’ means a ratio of the weight of the investment by the financial market participant in an investee company in relation to the enterprise value of the investee company;
- (4) ‘enterprise value’ means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (5) ‘companies active in the fossil fuel sector’ means companies that derive any revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels as defined in Article 2, point (62), of Regulation (EU) 2018/1999 of the European Parliament and of the Council³;
- (6) ‘renewable energy sources’ means renewable non-fossil sources, namely wind, solar (solar thermal and solar photovoltaic) and geothermal energy, ambient energy, tide, wave and other ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas, and biogas;
- (7) ‘non-renewable energy sources’ means energy sources other than those referred to in point (6);
- (8) ‘energy consumption intensity’ means the ratio of energy consumption per unit of activity, output or any other metric of the investee company to the total energy consumption of that investee company;

¹ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

² Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

³ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p. 1).

- (9) ‘high impact climate sectors’ means the sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council⁴;
- (10) ‘protected area’ means designated areas in the European Environment Agency’s Common Database on Designated Areas (CDDA);
- (11) ‘area of high biodiversity value outside protected areas’ means land with high biodiversity value as referred to in Article 7b(3) of Directive 98/70/EC of the European Parliament and of the Council⁵;
- (12) ‘emissions to water’ means direct emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council⁶ and direct emissions of nitrates, phosphates and pesticides ;
- (13) ‘areas of high water stress’ means regions where the percentage of total water withdrawn is high (40-80%) or extremely high (greater than 80%) in the World Resources Institute’s (WRI) Water Risk Atlas tool “Aqueduct”;
- (14) ‘hazardous waste and radioactive waste’ means hazardous waste and radioactive waste;
- (15) ‘hazardous waste’ means hazardous waste as defined in Article 3(2) of Directive 2008/98/EC of the European Parliament and of the Council⁷ ;
- (16) ‘radioactive waste’ means radioactive waste as defined in Article 3(7) of Council Directive 2011/70/Euratom⁸;
- (17) ‘non-recycled waste’ means any waste not recycled within the meaning of ‘recycling’ in Article 3(17) of Directive 2008/98/EC;
- (18) ‘activities negatively affecting biodiversity-sensitive areas’ means activities that are characterised by all of the following:
 - (a) those activities lead to the deterioration of natural habitats and the habitats of species and disturb the species for which a protected area has been designated;
 - (b) for those activities, none of the conclusions, mitigation measures or impact assessments adopted pursuant to any of the following Directives or national provisions or international standards that are equivalent to those Directives have been implemented:

⁴ Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2 and amending Council Regulation (EEC) No 3037/90 as well as certain EC Regulations on specific statistical domains Text with EEA relevance (OJ L 393, 30.12.2006, p. 1–39).

⁵ Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC (OJ L 350, 28.12.1998, p. 58).

⁶ Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy (OJ L 327, 22.12.2000, p. 1).

⁷ Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives (OJ L 312, 22.11.2008, p. 3).

⁸ Council Directive 2011/70/Euratom of 19 July 2011 establishing a Community framework for the responsible and safe management of spent fuel and radioactive waste (OJ L 199, 2.8.2011, p. 48).

- (i) Directive 2009/147/EC of the European Parliament and of the Council⁹;
 - (ii) Council Directive 92/43/EEC¹⁰;
 - (iii) an Environmental Impact Assessment (EIA) as defined in Article 1(2), point (g), of Directive 2011/92/EU of the European Parliament and of the Council¹¹;
 - (iv) for activities located in third countries, conclusions, mitigation measures or impact assessments adopted in accordance with national provisions or international standards that are equivalent to the Directives and impact assessments listed in points (i), (ii) and (iii);
- (19) ‘biodiversity-sensitive areas’ means Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas (‘KBAs’), as well as other protected areas, as referred to in Appendix D of Annex II to Commission Delegated Regulation (EU) 2021/2139¹²;
 - (20) ‘threatened species’ means endangered species, including flora and fauna, listed in the European Red List or the IUCN Red List, as referred to in Section 7 of Annex II to Delegated Regulation (EU) 2021/2139;
 - (21) ‘deforestation’ means the temporary or permanent human-induced conversion of forested land to non-forested land;
 - (22) ‘UN Global Compact principles’ means the ten Principles of the United Nations Global Compact;
 - (23) ‘unadjusted gender pay gap’ means the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees;
 - (24) ‘board’ means the administrative, management or supervisory body of a company;
 - (25) ‘human rights policy’ means a policy commitment approved at board level on human rights that the economic activities of the investee company shall be in line with the UN Guiding Principles on Business and Human Rights;

⁹ Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds (OJ L 20, 26.1.2010, p. 7).

¹⁰ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.7.1992, p. 7).

¹¹ Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (OJ L 026, 28.1.2012, p. 1).

¹² Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives (OJ L 442, 9.12.2021, p. 1).

- (26) ‘whistleblower’ means ‘reporting person’ as defined in Article 5(7) of Directive (EU) 2019/1937 of the European Parliament and of the Council¹³;
- (27) ‘inorganic pollutants’ means emissions within or lower than the emission levels associated with the best available techniques (BAT-AEL) as defined in Article 3, point (13) of Directive 2010/75/EU of the European Parliament and of the Council¹⁴, for the Large Volume Inorganic Chemicals- Solids and Others industry;
- (28) ‘air pollutants’ means direct emissions of sulphur dioxides (SO₂), nitrogen oxides (NO_x), non-methane volatile organic compounds (NMVOC), and fine particulate matter (PM_{2,5}) as defined in Article 3, points (5) to (8), of Directive (EU) 2016/2284 of the European Parliament and of the Council¹⁵, ammonia (NH₃) as referred to in that Directive and heavy metals (HM) as referred to in Annex I to that Directive;
- (29) ‘ozone depletion substances’ mean substances listed in the Montreal Protocol on Substances that Deplete the Ozone Layer.

For the purposes of this Annex, the following formulas shall apply:

- (1) ‘GHG emissions’ shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope}(x) \text{ GHG emissions}_i \right)$$

- (2) ‘carbon footprint’ shall be calculated in accordance with the following formula:

$$\frac{\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{investee company's enterprise value}_i} \times \text{investee company's Scope 1, 2 and 3 GHG emissions}_i \right)}{\text{current value of all investments (€M)}}$$

¹³ Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ L305, 26.11.2019, p. 17).

¹⁴ Directive 2010/75/EU of the European Parliament and of the Council of 24 November 2010 on industrial emissions (integrated pollution prevention and control) (OJ L 334, 17.12.2010, p. 17).

¹⁵ Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC (Text with EEA relevance), *OJ L 344, 17.12.2016, p. 1–31*

- (3) ‘GHG intensity of investee companies’ shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emissions}_i}{\text{investee company's €M revenue}_i} \right)$$

- (4) ‘GHG intensity of sovereigns’ shall be calculated in accordance with the following formula:

$$\sum_n^i \left(\frac{\text{current value of investment}_i}{\text{current value of all investments (€M)}} \times \frac{\text{The country's Scope 1, 2 and 3 GHG emissions}_i}{\text{Gross Domestic Product}_i(\text{€M})} \right)$$

- (5) ‘inefficient real estate assets’ shall be calculated in accordance with the following formula:

$$\frac{((\text{Value of real estate assets built before 31/12/2020 with EPC of C or below}) + (\text{Value of real estate assets built after 31/12/2020 with PED below NZEB in Directive 2010/31/EU}))}{\text{Value of real estate assets required to abide by EPC and NZEB rules}}$$

For the purposes of the formulas, the following definitions shall apply:

- (1) ‘current value of investment’ means the value in EUR of the investment by the financial market participant in the investee company;
- (2) ‘enterprise value’ means the sum, at fiscal year-end, of the market capitalisation of ordinary shares, the market capitalisation of preferred shares, and the book value of total debt and non-controlling interests, without the deduction of cash or cash equivalents;
- (3) ‘current value of all investments’ means the value in EUR of all investments by the financial market participant;
- (4) ‘nearly zero-energy building (NZEB)’, ‘primary energy demand (PED)’ and ‘energy performance certificate (EPC)’ shall have the meanings given to them in paragraphs 2, 5 and 12 of Article 2 of Directive 2010/31/EU of the European Parliament and of the Council¹⁶.

¹⁶ Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (recast) (OJ L 153, 18.6.2010, p. 13)

Table 1

Statement on principal adverse impacts of investment decisions on sustainability factors

Financial market participant

- Name: Climentum Capital Management ApS (the Manager)
- Legal entity identifier: Business Registration Number 42573388

Summary

Climentum Capital Management ApS (Business Registration Number 42573388) considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts on sustainability factors of Climentum Capital Management ApS. For the reporting period (1 January to 31 December 2025), Climentum Capital Management ApS managed one financial product: Climentum Capital Fund I K/S. Climentum Capital Fund II K/S (CVR 45449025) launched in July 2026 and will be included in PAI reporting from the next reference period.

Principal Adverse Impacts (PAIs) are any negative effects that investment decisions or advice could have on environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

An “Investment” is a company (public or private) that the Fund owns equity in.

This statement on principal adverse impacts on sustainability factors covers the reference period from 1 January to 31 December 2025.

This PAI statement will be reviewed at least annually.

The Manager considers the following Principal Adverse Indicators:

- The 14 mandatory environmental, social and governance indicators
- Investments in companies without carbon emission reduction initiatives
- Investments in companies without workplace accident prevention policies

The Manager will reevaluate the scope of PAI indicators at least once per annum with a view to identifying the most relevant indicators for the Fund. Additional indicators may thus be introduced over time as the Fund evolves.

Description of the principal adverse impacts on sustainability factors

The sustainable investment objective of the Manager and the associated Fund is to reduce carbon emissions. Further, the Manager and the Fund are committed to ensuring that investments do not cause significant harm (DNSH) to environmental or social objectives in the pursuit of the carbon emissions reduction objective. The Manager and the Fund consider the Principal Adverse Impact indicators a primary way of measuring alignment with DNSH obligations and thresholds.

The table below provides the list of mandatory and additional PAI indicators considered in the investment decision and monitored throughout the ownership period, with a description of the actions taken to avoid significant adverse impacts. It also provides a description of the actions planned for the next reporting period.

The Fund collects data on key sustainability indicators from its Investments on an annual basis, including, but not limited to, the PAI indicators listed in the table below.

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Impact 2025	Impact 2024	Impact 2023	Explanation	Actions taken, and actions planned and targets set for the next reference period
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CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Greenhouse gas emissions	1. GHG emissions	Scope 1 GHG emissions	2 tCO2e	2 tCO2e	3 tCO2e		The Fund tracks these KPIs as part of annual reporting. Early-stage companies are welcome to use calculators to generate proxy data. More mature companies are expected to generate exact data. In addition, all companies must develop LCA-based avoided emissions ("Scope 4") estimations for each reporting year, as well as projections toward 2032. The Fund only invests in companies with significant avoided emissions potential, initially assessed in the due diligence phase. The Fund engages with all portfolio companies to support and ensure continuous documentation of generated, avoided, and potential avoided GHG emissions.
		Scope 2 GHG emissions	20 tCO2e	15 tCO2e	4 tCO2e	Portfolio companies are growing and thus increasing emissions.	
		Scope 3 GHG emissions	1,566 tCO2e	337 tCO2e	75 tCO2e	Ibid	
		Total GHG emissions	1,588 tCO2e	353 tCO2e	82 tCO2e		
	2. Carbon footprint	Carbon footprint	58 tCO2e / €M	13 tCO2e / €M	5 tCO2e / €M	Ibid	
	3. GHG intensity of investee companies	GHG intensity of investee companies	4,378 tCO2e/ €M	3,459 tCO2e/ €M	327 tCO2e/ €M	As companies go from pre-revenue to revenue, the formulaic effect is to increase this number. It should go down again as sales increase.	

	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0%	0%	0%		This is included in the Exclusions Policy and enforced in the due diligence process and throughout the investment life-cycle.
	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	22%	23%	33%		All portfolio companies are encouraged to maximise use of renewable or nuclear power. In cases where energy consumption is a determining factor to achieving avoided emissions targets and/or Taxonomy alignment, a specific action plan is required, which the Fund helps to develop.
	6. Energy consumption intensity per high impact climate sector	Energy consumption in MWh per million EUR of revenue of investee companies, per high impact climate sector	662 MWh / €M	516 MWh / €M	35 MWh / €M	With a more conservative interpretation, most companies are now listed as “in scope”, driving up the number.	
Biodiversity	7. Activities negatively affecting	Share of investments in investee companies with sites/operations	0%	0%	0%		Companies with industrial sites and/or operations near

	biodiversity-sensitive areas	located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas					biodiverse sensitive areas are required to conduct an environmental impact assessment.
Water	8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0 t / €M	0 t / €M	0 t / €M		If a company generates significant emissions to water, the Fund will engage with the given Investment to ensure sufficient processes and controls are in place to avoid significant harm and reduce emissions to reasonable levels (insignificant harm).
Waste	9. Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average	0 t / €M	0 t / €M	0 t / €M		If a company generates significant hazardous waste, the Fund will engage with the Investment to ensure proper waste management procedures (incl. collection and disposal) and ensure adequate safety procedures are followed. To the extent possible, the Fund will engage with portfolio companies

							to reduce hazardous waste as much as possible.
INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS							
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (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%	0%		In the case of any wrongdoing, the Fund will engage with the portfolio company on corrective measures and implement new procedures to avoid any recurrence. If violations are repetitive in nature, the Fund will exit the Investment.
	11. Lack of processes and compliance mechanisms to monitor compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for	23%	0%	26%	Initiatives to improve governance are yielding results.	The Fund's requirements in terms of adequate procedures may varies according to the size and adverse impact potential of the portfolio company. If any procedure is found

	with UN Global Compact Principles and OECD Guidelines for Multinational Enterprises	Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises					to be missing or implementation seems to be improper, the Fund will work with the company to set up adequate mechanisms and oversight (e.g. anti-corruption policy and procedure).
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	7%	8%	8%		When a significant disparity associated with gender in wages is found, the Fund will engage with the portfolio company to bridge this gap, and require that an action plan is developed. As early-stage companies may have only a few employees at the point of investment, this indicator will be highly sensitive to small changes, incl. the addition/removal of individuals.
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	79%	75%	74%	New calculation method implies that this actually shows % of	When Board and/or Management teams are characterized by high levels of gender imbalance at the point of investment, the Fund will

						board positions occupied by men.	encourage the portfolio companies to take concrete measures to increase representation of the underrepresented gender.
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%	0%	0%		This is included in the Exclusions Policy and enforced in the due diligence process and throughout the investment life-cycle.

Table 2

Additional climate and other environment-related indicators

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Emissions	4. Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	13%	0%	31%		During due diligence, the Fund engages with prospective portfolio companies to identify the most relevant GHG reduction levers to deliver on the Fund's
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							carbon emissions objectives. In addition, the Fund requires all portfolio companies to measure and track the GHG emissions of their products/technologies over time through third-party verified life-cycle analyses (LCAs), and take concrete actions to deliver the highest possible climate impact. To this end, the Fund offers support with access to relevant tools and experts.
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Table 3

Additional indicators for social and employee, respect for human rights, anti-corruption and anti-bribery matters

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS

Social and employee matters	1. Investments in companies without workplace accident	Share of investments in investee companies without a workplace accident prevention policy	18%	11%	31%	Initiatives to improve governance are yielding results.	Portfolio companies that grow beyond "micro-entreprises" (as defined in the Fund's Good Governance Policy,
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	prevention policies						available at www.climentum.com) are required to put in place relevant policies on human and labor rights, including workplace accident prevention, when deemed a material impact area.
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Description of policies to identify and prioritise principal adverse impacts on sustainability factors

The Manager and the Fund have been actively integrating criteria related to adverse impacts on sustainability factors into investment decisions since launch in July 2022. In line with a double materiality approach, the Manager and the Fund also considers material sustainability risks related to its investments which may impact the financial performance of its Investments. For further information on the integration of sustainability risks, please refer to the Sustainability Risks Integration Policy (available at www.climentum.com).

The Manager and the Fund’s approach to identifying and prioritizing principal adverse impacts of Investments relies on a range of resources, tools and methodologies, including support from third-party experts. The Manager and the Fund are aware that the resources, tools and methodologies used are not necessarily perfect and complete, with a certain margin of error to be expected due to the lack of data and uncertainties that are characteristic of early-stage companies. The Manager and the Fund will continue to evolve and refine the approach to identifying and prioritizing principal adverse impacts to ensure that no significant adverse impacts are caused by their investments.

Sustainability factors, i.e. environmental, social, human rights and anti-corruption matters, are considered at different stages of the Manager and the Fund’s investment decision-making processes as well as during ownership via different policies and procedures, including:

- **The sourcing phase:**
 - **Thematic-focused investments:** The Fund selects companies working in sectors which have the potential to deliver a substantial positive contribution to climate change mitigation by reducing carbon emissions.

- **Exclusions policy:** The Fund checks all potential investments against its Exclusions Policy, which includes sectors and activities deemed as carrying high inherent levels of sustainability risk and/or high inherent risks of causing significant harm to social or environmental objectives..
- **The due diligence phase:**
 - **Materiality assessment (PAI):** As part of the due diligence process, the Fund collects insights and, where possible, data on a prospective Investment’s performance against its PAI indicators (see table above), subject to the above-mentioned limitations associated with early-stage companies. Based on this, material adverse impact areas for the specific Investment are identified and discussed in detail with third-party experts and representatives from the prospective Investment, which may result in concrete actions for year one of ownership (see more on “Sustainability Action Plan” below).
 - **DNSH assessment:** To avoid significant adverse impacts associated with a prospective Investment, the Fund has identified a number of DNSH criteria, thresholds and supporting indicators, which are linked to several of its PAI indicators. As part of the materiality assessment, the DNSH thresholds are reviewed for all prospective investments through a combination of questionnaires, desk research, Life-Cycle Analyses (for the climate mitigation criteria only) as well as interviews and a workshop with key personnel from the prospective Investment. In case a DNSH threshold cannot be respected at the point of investment, this constitutes a “red flag”, and the investment cannot proceed until corrective action has been taken. Note that any changes to the preliminary DNSH evaluation in the due diligence phase will be monitored through a combination of the Fund’s PAI indicators and additional (bespoke) indicators at least once per annum (see table below). The DNSH thresholds are available at www.climentum.com.
- **The ownership phase:**
 - **Sustainability Action Plans (SAPs):** Following the due diligence process, the Fund collaborates with all Investments to develop a Sustainability Action Plan (SAP), which shall generally be appended to the Shareholder’s Agreement. The purpose of the SAP is to ensure that all Investments are on track to deliver on their climate impact potential. In addition, the SAP seeks to ensure that any material adverse impacts are effectively addressed through adequate processes and safeguards to avoid causing significant harm to sustainability factors, in a manner that is proportional to the company’s size, nature and scale. The SAP includes agreed actions and priorities for year one of ownership, after which the Fund engages with its Investments to develop a bespoke sustainability strategy and roadmap in support of their longer-term growth objectives (3-5 years). This work continues to include consideration to material adverse impacts and risks to the Investment in question (i.e. a “double materiality” approach).
 - **Annual reporting (incl. PAI):** The Fund collects data from Investments at least once per annum to ensure that its DNSH thresholds are respected at all times and that its Investments are on track to deliver on its overall climate objective. For many of its Investments, data availability and preparedness on several PAI indicators will be low at the point of investment. For this purpose, the Fund is committed to supporting its Investments to build adequate data collection, consolidation, and reporting systems to

report on PAI and other relevant sustainability indicators. In cases where PAI data from one or more Investments is lacking, the Fund may rely on secondary data sources and proxies/estimates and/or have notable omissions in its periodic PAI reporting. In both cases, any such limitations will be communicated with full transparency.

The identification and prioritization of principal adverse sustainability impacts of the Fund's Investments is ultimately the responsibility of the Board of the Manager. All of the policies and procedures to identify, prioritize and avoid principal adverse sustainability impacts of its investments are reviewed annually and approved by the Limited Partners Advisory Committee (LPAC) of the Fund.

Engagement policies

The Fund considers engagement with its Investments as a critical lever for enhancing the positive impact of its Investments as well as avoiding significant adverse impacts. Engagement can be conducted either reactively, e.g. as a response to a specific incident that has had an adverse sustainability impact, or proactively to steer companies towards accelerated positive impact.

The Fund engages with its Investments based on the following principles:

- **Continuous engagement and capacity building:** The Fund discusses sustainability issues with Investments on a regular basis to improve their handling, including disclosure, of such issues. Given the nature of the Fund's Investments, the Fund is committed to supporting its Investments with access to experts, tools and resources, helping to gradually increase the capacity of its Investments over time.
- **Board engagement:** In cases where the Fund has a Board seat, the Fund shall use its leverage to continuously deliver on the Fund's climate impact objectives while addressing any principal adverse impacts and/or sustainability risks.
- **Cooperation:** When necessary, and in cases where the Fund does not have a Board seat, the Fund shall cooperate with other shareholders to exert influence over how sustainability issues are considered by the investment.
- **Management of conflicts of interests:** the Fund identifies, manages and, where necessary, prohibits any action or transaction that could pose a conflict between the Fund and the Investment. The Fund strives to manage any conflicts in a manner consistent with the highest standards of integrity.

For engagement activities that are conducted in response to a significant controversy and/or identification of a potential or confirmed significant adverse impact, Investments will be given the opportunity and support to address the issue(s) in question within a set and reasonable timeframe. In case of insufficient progress from an Investment or repeated violations, the matter will escalate and will, in the worst case, result in an exit from the Investment.

The Fund's engagement activities cover all of the principal adverse impacts and DNSH criteria that have been identified and prioritized in the tables above.

References to international standards

The Manager and the Fund's commitments to sustainable investments, principal adverse impacts, and sustainability risks are anchored in responsible business conduct codes and internationally recognised standards. As such, the approach and methodologies to managing and disclosing sustainability risks and impacts (positive and negative) throughout the full investment cycle considers the following international standards and guidelines:

- The 10 Principles of the United Nations Global Compact
- The United Nations Sustainable Development Goals (SDGs)
- The OECD Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The Principles for Responsible Investment (PRI)
- Project Frame (investor-focused initiative for measuring climate impact, incl. avoided emissions)
- Sustainability Accounting Standards Board (SASB)

In relation to alignment with the Paris Agreement, the application of PAI indicators includes a requirement for Investments that are active in the most climate-critical sectors to demonstrate a credible transition strategy that is compatible with the Paris Agreement's climate objectives. The Manager and the Fund meet this requirement by working closely with their investments to deliver a positive contribution to climate change mitigation in line with substantial contribution criteria. The Manager and the Fund do not currently develop climate change scenarios as they have insufficient resources to develop detailed scenarios that can generate actionable insights.

Data quality and estimation note

Scope 1, 2, and 3 greenhouse gas emissions for one portfolio company were not reported for the 2025 reference period and have been recorded as N/A. Climentum Capital is actively engaging with the company to ensure emissions data is collected and reported for the 2026 reference period.

Where data was not reported or incomplete across other portfolio companies, estimates have been applied based on data from prior reporting periods. All estimates have been derived using consistent methodology and are clearly distinguishable from directly reported figures. Climentum Capital continues to work with its portfolio companies to improve the completeness and quality of sustainability data over time.

Historical comparison

2025 was the 3rd full year of the fund. On environmental indicators, the share of energy consumption from non-renewable sources has declined from approximately 62% in 2022 to around 24% in 2024–2025, reflecting the portfolio's continued preference for renewable electricity. Emissions to water, hazardous waste, and biodiversity impacts have remained at zero across all reporting years.

On the governance and social side, the trend is clearly positive. The share of portfolio companies without adequate compliance monitoring and grievance mechanisms fell from 67% in 2022 to 0% by 2024, where it remained in 2025, reflecting both active engagement by Climentum and the maturation of the portfolio. The gender pay gap similarly improved sharply from 29% in 2022 to approximately 8–9% in 2023–2025, where it has broadly stabilised.