Sustainability Policy

Sustainable Finance Disclosure Regulation (SFDR) compliant

Sustainability Policy

Revised version – 28/04/2026

This policy is about how Kartesia takes account of its economic, social and environmental impact in the way it operates as a business. By demonstrating our commitment to sustainability, we aim to align our business values, purpose and strategy with the needs of our Limited Partners, whilst embedding such responsible and ethical principles into everything we do.

1. Governance

The Board of Managers of Kartesia Management ("the Board") is the company's primary body to steer Kartesia's general business orientation. The Board is the company's ultimate decision body for all matters relating to Kartesia's investment and corporate business activities.

While the Board regularly reviews this company's Sustainability Policy, it is the role of the Sustainability team to make sure that this policy is properly implemented. The Sustainability team is in charge of sustainability procedures, monitoring and reporting.

To reinforce cross-functional oversight, Kartesia established an ESG Committee to provide a structured forum for coordination, discussion of regulatory developments, monitoring of sustainability risks and opportunities, and alignment across all functions.

2. Transparency

We firmly believe that transparency is crucial for building trust, and we take a proactive approach to communicating both financial and non-financial performance.

2.1. Transparency with our portfolio and our business counterparties

From first meeting to realization, we aim to take an open and straightforward approach to doing business with our portfolio companies. Our active partnership style of investing provides numerous opportunities for communication and feedback with our portfolio management teams.

2.2. Transparency with investors in the funds we manage or advise

We aim to provide investors in Kartesia with the highest standards of communications. We do this in many ways including our quarterly LP Reports, our annual Sustainability report, as well as through the various other forms of interaction that take place, including regular investor meetings, the Annual General Meeting, Advisory boards and occasional investor days and other such forums. Reporting is detailed in a dedicated section of this policy.

2.3. Transparency with our staff

We believe that it is important to keep our staff well informed about what Kartesia is doing. As we have a relatively small number of employees, we are able to achieve this through individual or team-based discussions. We also set up the following in order to maintain an effective communication in the workplace:

- The HR platform *Hibob*, facilitating internal communication and helping to connect team members to Kartesia's culture
- The annual *Kartesia Corporate update*, a global update on the Kartesia plateform, including procedures and sustainability aspects, given to all the employees of Kartesia during our annual offsite and designed to allow the group to improve compliance, manage risks, drive improvements and ensure that operational needs are met

3. Responsible investing policy

We are signatories to the UN Principles for Responsible Investing ("PRI") and have embedded RI policies in our investment philosophy and in our portfolio company review processes.

We follow the PRI in their definition of responsible investment as a strategy and practice to incorporate environmental, social and governance (ESG) factors in investment decisions and active ownership.

Our vision is to be recognized as a leading investor based on the returns we deliver to our investors and our responsible approach to investing. We believe that companies with high environmental, social and governance standards are typically better run, have fewer business risks and ultimately deliver better value. Responsible investment is into our investment philosophy and process. We have dedicated staff with a real commitment to ESG, which translates into having a real influence and commitment to the issue. This includes discussions with the business that we invest in about how they deploy ESG practices and policies. At Kartesia, we firmly believe that our actions should have a positive impact on all of our stakeholders, investments and investors.

1. For loans:

a. Kartesia Stewardship:

We follow the PRI in their definition of stewardship as the use of influence to maximise overall long-term value including the value of common economic, social and environmental assets, on which returns and clients' & beneficiaries' interests depend. Our RI policy makes it clear that we aim to use our influence as an investor – via board seats, monthly meeting with management or monthly meeting with sponsors – to promote a commitment in our portfolio companies to:

- comply, as a minimum, with applicable local and international laws;
- mitigate adverse environmental and social impacts and enhance positive effects on the environment, workers and relevant stakeholders;
- hold high standards of business integrity and good corporate governance;
- strive to improve on environmental, social or governance matters (including on topics such as energy transition, fair work conditions and business ethics)

We use engagement and voting in our active ownership strategy:

- Engagement: We strive to engage with the management our portfolio companies. Our engagement consists of a constructive dialogue with the management to discuss their initiatives and futures plans in terms of sustainability. In our individual engagement initiatives, we may work with external consultants (carbon footprint, etc.). We may also practice collaborative engagement with the sponsor or with the other lenders.
- Voting: We are signatories to the UN Principles for Responsible Investing ("PRI") and therefore committed to follow a policy of active ownership, requiring us to vote on all matters. Voting may take place on any number of governance, legal or investment matters and therefore each

voting matter is considered on a case-by-case basis. For this reason, we do not have an internal reference guide to cover all voting matters.

Please refer to our Voting policy and to our Stewardship policy thatare publicly available for more details on our engagement and voting fundamentals and processes.

We consider principal adverse impacts (or "PAI"; Article 4 of SFDR) of investment decisions on sustainability factors at entity level through an ESG questionnaire that is filled in at due diligence stage and, post investment, on an annual basis.

b. Negative screening:

We have a dedicated Exclusion Policy publicly available on our website, that aims to set out the Kartesia's exclusions, based on:

- Sectorial exclusions, meaning the exclusion of sectors or activities with potential negative impacts on the environment, human dignity, health or society;
- Norm-based exclusions, meaning the exclusion of companies and practices, regardless of the economic sector and activities, for instance due to breach or violation of international conventions or standards, presence in sanction list, etc.

2. For loans in our Impact strategy:

For the Impact strategy, Kartesia has established and implemented, a dedicated responsible policy, the "Kartesia Impact Investment Policy" which is based, among the other, (1) on CANDRIAM exclusion policy and, (2) on both negative and positive screening. This is detailed in our Exclusion policy that is publicly available on our website.

3. For CLOs:

Regarding the investments in CLOs, Kartesia ensure the relating CLO Manager has a formalized ESG & CSR Policy of which the content meets Kartesia's expectations (for instance with regards to negative screening / exclusion applied) and provide enough comfort on the mitigation of the sustainability risk and all associated risk (e.g. reputational risk).

In addition, for the KCO Funds, Kartesia :

- Ensures that the CLO Manager has duly completed the tailor-made ESG due diligence questionnaire ("CLO Manager ESG DDQ");
- Collects the sustainable-related policies (e.g. the ESG/CSR Policy, the Exclusion Policy, etc.) and ensure it aligns with Kartesia's sectoral exclusion criteria.

If a CLO Manager does not have a formalized ESG/CSR Policy, Kartesia will ensure that each individual CLO managed by this CLO Manager have negative screening criteria which satisfies the Kartesia Exclusion Policy and expectations.

1. For Asset Financing strategy:

The Asset Financing strategy, implemented through the KAF Funds and managed in partnership with portfolio management delegate Flexam Invest, finances and leases tangible assets to lessees across Europe.

Kartesia believes that responsible asset financing can be a direct driver of positive environmental and social outcomes. The KAF strategy contributes to several UN SDGs through its asset selection and lessee engagement, most notably:

- SDG 3: Good Health and Well-Being: by financing assets that directly support health, safety, and emergency response outcomes, including rescue helicopters and other critical emergency and medical equipment.
- SDG 7: Affordable and Clean Energy: by financing assets that support the transition to cleaner and more efficient energy solutions
- SDG 9: Industry, Innovation and Infrastructure: by enabling lessees to access modern, resource-efficient assets that support sustainable industrial development
- SDG 11: Sustainable Cities and Communities: by financing assets that contribute to more sustainable and resilient infrastructure
- SDG 13: Climate Action: by prioritising assets that contribute to a positive climate contribution.

4. Reporting

- We are signatories to the UN Principles for Responsible Investing ("PRI") and report to the PRI on an annual basis. Our RI Transparency report is publicly available on the PRI website (www.unpri.org);
- Our annual Sustainability Report is publicly available on our website (www.kartesia.com);
- We also report on stewardship and sustainability on a quarterly basis to our investors;
- Internal responsible investment reporting is done on a quarterly basis at (1) the quarterly portfolio review and (2) the quarterly Senior management meeting;
- SFDR reporting
    - Annex I (PAIs): The PAIs are collected by the Sustainability team with the support of the Deal team on an annual basis, via the tool Apiday. PAIs are consolidated in the tool by fund and at portfolio level. Consolidation methodology has been reviewed by 2 external consultants at inception. Methodology is reviewed on an annual basis by the Kartesia Sustainability team and the external consultant supporting us on Apiday. The Annex I is available publicly on Kartesia website.
    - Annexes 2 & 3 (pre-contractual disclosures): The Annex 2 and Annex 3 of the funds are drafted by the Sustainability Team together with the Legal and Compliance Team and Luxembourgish auditors and are approved by the conducting officer. They have been communicated to investors.
    - Website disclosure: The website disclosures of the funds are drafted by the Sustainability Team together with the Legal and Compliance Team and Luxembourgish auditors and are available publicly on Kartesia website.
    - Annexe 4 / Annexe 5 (periodic reporting): The Annex 4 and Annex 5 of the funds are drafted by the Kartesia Sustainability team and subject to an annual SFDR independent assurance review.

5. Volunteering & Donations

We are proud of fostering generosity, resilience, and community support through Kartesia Philanthropy, our dedicated vehicle set up under the umbrella of the King Baudouin Foundation. We choose to partner and financially support charities engaged in causes with identifiable impact on children's well-being, health and education. We believe children are the next enablers of social and environmental changes.

The Kartesia Pan-European Philanthropy board chooses to accompany charities directly endorsed by the firm's collaborators.

6. Contact persons:

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This policy is part of the following sustainability-linked policies of Kartesia that are reviewed on an annual basis. Please contact sustainability@kartesia for any question.

- *Sustainability Policy*
- *Exclusion Policy*
- *Stewardship Policy*
- *Climate & Biodiversity Policy*
- *Human Rights Policy*
- *Impact Investing Policy*