

ADAGIA PARTNERS CLIMATE STRATEGY

1. Commitment to Climate Action

Adagia Partners recognizes the pressing need for decisive action to address climate change. As a responsible investor, we are committed to integrating climate considerations into our investment strategy, operational processes, and engagement with portfolio companies. Our approach aligns with our broader ESG policy, which sets forth our ambition to contribute positively to environmental sustainability while delivering long-term value to our stakeholders.

Our climate commitment encompasses the following key areas:

- **Direct Investments:** We assess climate-related risks and opportunities in all our investment decisions, ensuring that climate considerations are embedded into our due diligence and portfolio management processes.
- **Governance & Oversight:** Climate-related issues are formally integrated into our governance structure through dedicated committees and monitoring mechanisms.
- **Internal Processes & Capacity Building:** We continuously strengthen our internal capabilities to address climate challenges, adopting best practices and aligning with global frameworks such as the Paris Agreement.
- **Broader Environmental Considerations:** In addition to climate change, we acknowledge the interconnected nature of environmental challenges, including biodiversity loss and planetary boundaries, and seek to incorporate these concerns into our sustainability approach.

2. Governance for Climate Issues

To ensure a robust governance structure for climate-related matters, Adagia Partners has established two dedicated committees:

- **ESG Committee:** Held twice per year, this committee is responsible for monitoring our ESG roadmap at both the management company level and across our portfolio companies. It also plays a key role in reviewing and refining Adagia Partners' ESG strategy, including climate-related initiatives and policies.
- **Compliance & Risk Committee:** This committee has the mandate to address and act upon climate-related risks as part of its broader risk management responsibilities. It evaluates potential climate-related financial risks and ensures that mitigation strategies are effectively implemented across our investments.

3. Internal Processes to Support Climate Commitment

Adagia Partners has implemented a structured approach to support our climate strategy:

- **Climate Risk Assessment:** We integrate climate risk analysis into our investment screening, due diligence, and portfolio monitoring processes.

- **Engagement with Portfolio Companies:** We actively work with our portfolio companies to help them enhance their climate resilience, set emission reduction targets, and implement sustainable business practices.
- **Training & Capacity Building:** We provide internal training sessions and access to climate-related resources to ensure that our team remains informed about evolving regulations, risks, and opportunities.
- **Disclosure & Reporting:** We are committed to transparency in our climate approach and seek to align with recognized frameworks such as the Task Force on Climate-related Financial Disclosures (TCFD) and the Science-Based Targets initiative (SBTi) where applicable.

4. Looking Forward

As climate change continues to pose increasing risks and opportunities, Adagia Partners remains committed to refining and strengthening our climate strategy. We will continue to adapt our approach in line with evolving regulatory expectations, investor expectations, and best practices in the field of sustainable investing.

By embedding climate considerations into our investment philosophy, governance structure, and operational processes, Adagia Partners aims to drive positive environmental impact while ensuring long-term value creation for our stakeholders.