



MOTION

Equity Partners

Climate Policy

June 2026



Our convictions

As a reference shareholder in European SMEs, we have a duty to act **responsibly**, for our investors, for the companies we back, and for the world we operate in. Climate is not a reporting obligation for Motion Equity Partners. It is a **conviction** we have held since inception and acted upon with **consistency** in every investment cycle.

As early as 2012, we created our **ESG charter**. In 2018, we joined the **Initiative Climat International (iCi)**. In 2019, we **systematized carbon footprint assessments** across our portfolio. Since 2020, ESG strategy, including climate, has been **systematically addressed** at **every Investment Committee**. We are **aware** of the **impact** of our **decisions**, during and beyond our investment horizon.

We approach climate **pragmatically**: we believe in taking care of the planet, and we encourage all stakeholders, our teams, our portfolio companies, and our investors, to act accordingly.

Motion Equity Partners' **ambitions** are:

- **Reducing the portfolio's carbon footprint.** Motion has developed a structured measurement framework requiring annual carbon footprint assessments (Scope 1, 2 and 3) across 100% of portfolio companies and is progressively deploying science-based decarbonization trajectories aligned with SBTi recommendations.
- **Defining a framework for climate risk management.** Motion explicitly integrates transition and physical climate risks into due diligence and portfolio monitoring, structured around the TCFD framework and the GHG Protocol.
- **Strengthening regulatory transparency and training our portfolio companies.** Motion is committed to clear, consolidated ESG reporting aligned with Article 29 LEC.



A consistent approach across the investment cycle as inception...

Motion Equity Partners is convinced that climate and **environmental considerations** are **inseparable** from **long-term value creation**.

As a majority shareholder in European SMEs, we have both the **responsibility** and the **leverage** to drive meaningful change, not only by selecting companies with strong sustainability profiles, but by actively **accompanying** them throughout our ownership.

We encourage our portfolio companies to **integrate climate** as a **core business priority**, providing them with the tools, frameworks, and expertise needed to strengthen resilience and build competitive advantage.

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Pre-Investment

Before investment, ESG and climate criteria are embedded from the outset of the investment process:

- Motion applies a strict **exclusion policy upstream**: oil and gas exploration, coal-fired power plants, coal mining, power plants and heating networks where the energy mix exceeds 30% fossil fuels, and any business generating more than 20% of revenues from coal-based activities are excluded from our investment scope
- An **ESG due diligence** conducted by an external consultant and covering both transition and physical climate risks is carried out for new investment and integrated into Investment Committee memos
- Motion actively promotes **sustainability-linked financing**: sustainability-linked loans (SLLs) are generalized across new investments, structuring financing terms around the achievement of predefined ESG and climate targets. This mechanism creates a direct financial incentive for portfolio companies to improve their extra-financial performance from the outset of the investment
 - ✓ KPIs are predefined by Motion, and their annual achievement can result in a lower interest margin, reducing the overall cost of debt. These KPIs may relate to climate and broader ESG priorities, including CO2 emissions reduction, fleet electrification, employee health and safety training, and workforce upskilling initiatives



How Motion identifies and assesses climate-related risks

- At pre-investment stage, the investment team assesses material ESG and climate-related risks, and this review is incorporated into the recommendation submitted to the Investment Committee. This assessment can be complemented by an external ESG audit, which helps deepen the analysis of sector-specific context, intrinsic risks and key improvement areas
- Motion's approach covers both transition risks and physical risks
- Transition risks include regulatory, legal, technological and market changes linked to the shift to a lower-carbon economy, while physical risks relate to the direct effects of climate change on operations, supply chains and resource availability



... and furthermore throughout the holding period

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Holding period

During the holding period, Motion deploys a comprehensive and structured engagement framework designed to drive measurable climate progress:

- A tailored **ESG roadmap**, including explicit climate priorities, is co-constructed with management teams at the start of each investment
- All portfolio companies are required to conduct an **annual carbon footprint assessment** covering Scope 1, 2 and 3 emissions, enabling them to measure their environmental impact, identify their main emission sources, and implement targeted reduction actions
- Motion actively incentivizes all portfolio companies to define a **carbon reduction trajectory** : in 2025, **40% of portfolio companies** have defined and are implementing a **carbon reduction trajectory**. Carbon assessments have helped portfolio companies identify concrete decarbonization levers across key emission categories such as raw materials (shift towards recycled and lower-carbon inputs), energy (reduction of electricity consumption and action plans on dominant energy uses), etc.
- **Sharing value creation** is part of our impact policy: three portfolio companies are implementing **employee shareholding plans** (FCPE), reinforcing the alignment between ESG performance and shared value creation
- The **Motion Sustainability Club** created by Motion gathers all portfolio CEOs and CFOs on a regular basis to share best practices, discuss regulatory developments, and benchmark climate performance, ensuring full alignment across the portfolio



CARBON ASSESSMENT

Scopes 1, 2 and 3

- **Scope 1:** Direct greenhouse gas emissions from sources owned or controlled by the company
- **Scope 2:** Indirect energy-related emissions linked to purchased electricity consumed by the company
- **Scope 3:** All other indirect emissions along the value chain

Motion explicitly requires Scope 1, 2 and 3 measurement for all portfolio companies
100% of portfolio companies have completed this assessment



CLIMATE RISK ANALYSIS

Climate Risk Framework - TCFD

- **Transition risks:** risks linked to the shift towards a low-carbon economy (regulatory changes, carbon pricing, shifts in market demand)
- **Physical risks:** risks linked to the direct physical impacts of climate change (extreme weather events, resource scarcity, supply chain disruption)

Both categories are explicitly integrated into Motion's due diligence process at pre-investment stage during the holding period



CARBON TRAJECTORIES

The Science Based Targets initiative

SBTi provides a framework for defining **net-zero targets** aligned with a **1.5°C warming trajectory**

- As of 2024, one portfolio company had initiated an SBTi commitment. In parallel, Motion is progressively supporting portfolio companies in defining carbon reduction trajectories aligned with science-based principles
- As of 2025, three portfolio companies, representing approximately 40% of the portfolio, are implementing such decarbonization trajectories, with the objective of accelerating deployment across the portfolio from 2026 onwards
- The objective is to progressively extend SBTi-aligned trajectories across the entire portfolio



Embedding climate strategy in reporting and exit

Reporting

Motion seeks to maintain a **clear** and **structured climate reporting framework** in order to track portfolio progress, support internal decision-making and provide visibility to its limited partners

- Climate-related information is monitored through regular portfolio reporting, annual KPI collection and Board review at portfolio company level
- At management company level, this information is consolidated and shared with investors through annual reporting, contributing to transparency, accountability and a more granular understanding of portfolio progress over time



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Exit

At exit, ESG and climate performance are treated as integral components of the transaction process:

- All ESG and climate data, including carbon footprint assessments, decarbonization trajectories, and progress against ESG roadmap KPIs, are fully **integrated** into the **data room**, providing prospective buyers with a clear and transparent view of the company's sustainability profile
- An **ESG Vendor Due Diligence** is conducted by an external consultant to highlight progress and value creation achieved over the holding period
- Strong **ESG** and **climate performance** is presented as a **value creation driver**, demonstrating the quality of management and the long-term resilience of the business model to prospective acquirors

Our commitments and partnerships



OUR COMMITMENTS



Motion EP pledges to support a wide range of Sustainable Development Goals (SDGs) through its investment strategy



Motion EP has been a signatory of the UNPRI since 2015



Motion EP has been a signatory of the Commitments of Investors for Growth charter since 2014



Motion EP joins the iCi and commit to fight against climate change by reducing carbon footprint in its portfolio



SBTi commitment for one first portfolio company

OUR PARTNERSHIPS



- EcoTree & Motion EP contributes to the planting of trees (over 810 trees planted to date)
- With Carbometrix, Motion EP automates Carbon Footprint assessments
- La Fresque du climat initiative realized by all Motion Team
- AXA Climate and ERM accompany Motion EP for ESG Due Diligence on new investments



Incorporating climate considerations into governance and oversight

At the management company level

- Climate and ESG governance at Motion is structured and longstanding, built around two core bodies: the **Investment Committee** and the **ESG Committee**
- ESG has been **systematically** addressed in Investment Committee meetings since 2020
- **ESG Committees** are held **every two months** to review progress on the ESG roadmap, track climate-related KPIs, and define new priorities
- ESG and climate criteria are also embedded in the **variable remuneration policy** of portfolio company directors: management bonuses are partly indexed on ESG performance indicators, with the commitment to generalize this practice across all investments
- Three members of the ESG team hold the **AMF Finance Durable certification**, ensuring up-to-date regulatory expertise
- In 2024, Motion reinforced its ESG team with the recruitment of a **Head of Investor Relations and Impact** to lead the climate and impact strategy
- Beyond governance, Motion applies the same climate discipline to its own operations: the management company conducts an **annual carbon footprint assessment** through its partnership with **Carbometrix**

At the portfolio company level

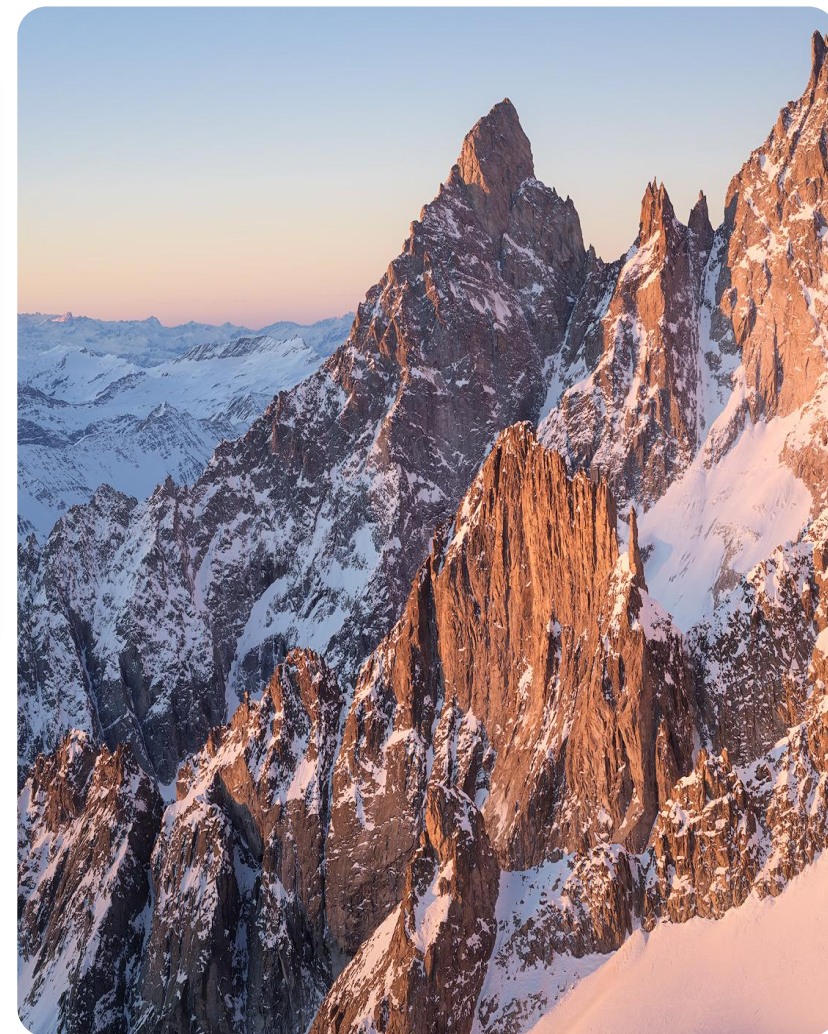


1 dedicated ESG officer
in all our portfolio companies



ESG performance
is reviewed at each quarterly Board meeting

All portfolio companies participate in the Motion Sustainability Club, a structured forum for best practice exchange, regulatory updates, and climate workshops





Motion Equity Partners' climate approach is grounded in a **long-standing conviction**: climate considerations are an integral part of **responsible investing** and **long-term value creation**. Over time, we have built a **pragmatic** and **structured** approach that embeds **climate considerations** across our governance, investment processes and portfolio management practices.

Our objective is not only to measure emissions, but also to **encourage** portfolio companies to improve the quality of their data, identify their main sources of emissions, define relevant reduction levers and progressively build credible transition pathways. Through **active engagement**, **dedicated governance**, and ongoing **dialogue** with management teams, we aim to reinforce companies' resilience, support operational progress and capture the opportunities arising from the transition to a lower-carbon economy.

As our approach continues to mature, Motion Equity Partners remains committed to **strengthening** its **climate framework**, enhancing the robustness of its analysis and reporting, and deepening its focus on decarbonization, climate resilience, biodiversity and water-related dependencies. For Motion, climate is not a separate workflow or a compliance exercise: it is a **core component** of how we manage risk, create value and support sustainable long-term performance across our portfolio

The logo features the word "MOTION" in a white, bold, sans-serif font, with a lowercase "i" in "MOTION". Below it, the words "Equity Partners" are written in a smaller, white, sans-serif font. The text is centered within a circular graphic composed of two overlapping, semi-transparent blue rings. The background is a dark blue gradient with abstract, flowing light patterns.

MOTION
Equity Partners

www.motionequitypartners.com