



AG Capital

Sustainability Report 2024

August 2025



About this Sustainability Report

Disclaimer

This document is based on the collective efforts of AGC GmbH (the Advisor), an Austrian investment advisory firm, Austrian Growth Capital GP Sarl, the Luxembourg-based general partner of Austrian Growth Capital Fund SCSp (the “Fund”), and various affiliated investment advisory and general partner entities. It has been prepared by AG Capital on behalf of the Fund’s general partner and alternative investment fund manager (AIFM), Funds Avenue S.A. The term “AG Capital” is used for convenience and does not imply investment management authority or control by the Advisor or its directors.

For clarity and consistency, AGC GmbH is referred to throughout this report as “AG Capital”, while portfolio companies may be referred to as “investments,” “investees,” “portfolio,” or “companies.”

This Sustainability Report outlines the environmental, social, and governance (ESG) performance and opportunities of AG Capital and its portfolio companies during the reporting period from 1 January to 31 December 2024. All ESG data presented in this report reflects the status of the Fund and the companies under its portfolio management as of 31 December 2024. Unless otherwise specified, AG Capital’s sustainability strategy, governance practices, policies, and targets apply across the entire portfolio.

The document is provided for informational purposes only and does not constitute investment advice, a recommendation, or an offer to buy or sell any financial instruments. While reasonable efforts have been made to ensure the accuracy and completeness of the information presented, the Fund has not independently audited or verified the data and accepts no responsibility or liability for its accuracy, reliability, or completeness.

Unless explicitly stated, the inclusion of any data or reference to ESG standards should not be interpreted as confirmation of full regulatory compliance or external assurance. The Fund is under no legal obligation to externally verify the ESG data disclosed herein. Information is subject to change and may be updated in future reporting cycles. Readers are advised to use this report as a general reference only, and not as the sole basis for making investment or policy decisions.

This report is published in PDF format on the Fund’s website. Stakeholders are encouraged to share feedback or direct inquiries via email to: office@agcapital.at.



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ESG Performance of the Portfolio Companies*

* Only disclosed to investors.



AG Capital

Message from our Managing Directors



Message from our Managing Directors, **Karl Lankmayr** and **Daniel Jennewein**

Welcome to our first Sustainability report – and thank you for joining us as we share the opening chapter of our sustainability journey.

As committed investors and long-term partners to businesses, we are dedicated to the principles of responsible investing. We firmly believe that fostering a positive impact across our portfolio and in the communities we serve goes hand in hand with delivering sustainable value. From the beginning, we have embraced the mission of going beyond financial returns, ensuring that our investments contribute meaningfully to a better and more sustainable future.

This inaugural report marks an important milestone. It offers an opportunity to share what we've been building behind the scenes – the progress we've made, the principles that guide us, and the commitments we are taking forward. As a signatory to the UN Principles

for Responsible Investment (PRI) and SFDR Article 8 designated fund, we are proud to place environmental, social, and governance (ESG) considerations at the heart of our investment strategy.

What does this mean in practice? It means working closely with our portfolio companies – not only advising them on their strategy, but supporting them in achieving their ESG commitments through building stronger governance structures, more inclusive cultures, and resilient operations. We believe these are the building blocks for a sustainable, long-term success. The best companies think ahead – not just about profits, but also about people, communities, and impact.

Karl Lankmayr
Managing Director





**Creating value.
Living by values.**

Message from our Managing Directors

We stand by our core values: upholding human rights, championing diversity and inclusion, and promoting fair working conditions. We are committed to ethical business, transparency, and doing our part to build a more sustainable economy. These values are not separate from performance – we believe they enhance it.

This report reflects our ambition to be a responsible investor, a thoughtful partner and an engaged corporate citizen. We align our work with the UN Sustainable Development Goals and are actively preparing to meet the Corporate Sustainability Reporting Directive (CSRD) and other evolving standards. But for us, ESG is more than compliance – it's about long-term thinking and real-world impact.

We are proud of how far we've come – and even more excited about what lies ahead. None of this would be possible without the trust and collaboration of our team, investors, partners, and the outstanding companies we work with every day. Thank you for being part of this journey. We look forward to what we will build together in the years to come.

Karl & Daniel



Daniel Jennewein
Managing Director





AG Capital

AG Capital at a Glance



AG Capital at a Glance

AG Capital is a trusted, long-term partner to small and mid-sized companies. We provide growth and buy-out capital along with active support to entrepreneurs and managers, helping them achieve their goals. Our experienced team has over 80 years of combined expertise in private markets and the management of medium-sized businesses. Our hands-on mindset, entrepreneurial approach, and strong network in Austria and neighbouring countries are the foundations of our success. We see ourselves as a trusted partner, actively supporting value creation across our portfolio.



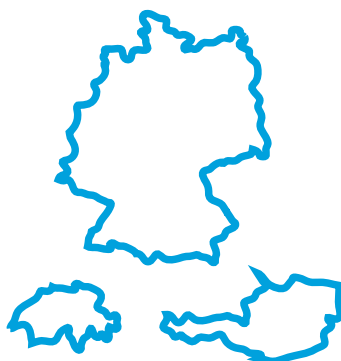
Founded in 2021



Headquartered in Austria



**EUR 140 million
equity committed for SMEs**



**Investing in Austria and
neighbouring countries**



**Team of 9 investment
professionals**



**80+ years of combined
experience in PE &
mid-sized companies**



Our Strategy

What we do	We provide tailored solutions for entrepreneurs, managers and companies	We invest between EUR 5-25 million of equity per company	We focus on mid-sized businesses in Austria and neighbouring countries
What sets us apart	We are entrepreneurs investing in entrepreneurs	We build partnerships based on trust and shared goals	Our principles guide every action we take
Investment situations	Growth and Follow-on financing (e.g. expansion, internationalization, pre-IPO)	Buy-out (shareholder buy outs, carve-outs, succession situations)	Buy & Build, Management Buy-outs, Management Buy-ins



Our Leadership

Karl is a Managing Director and founder of AG Capital, with more than 25 years of experience in private equity, investment banking and management of SMEs.

Prior to joining AG Capital, Karl managed aws Mittelstandsfonds – an Austrian private equity fund focused on the SME segment. During his tenure at aws Mittelstandsfonds, he held numerous advisory and supervisory board roles across portfolio companies. Earlier in his career, he held positions at Noreia Capital, Alukönigstahl Group, Raiffeisen Investment/Lazard, and PwC Corporate Finance.

Karl studied International Business Administration at FH Kufstein and La Trobe University Melbourne. He also completed executive education programs at London Business School and Harvard Business School.



Daniel is a Managing Director and founder of AG Capital with 25 years of experience in private equity and management of SMEs.

Daniel was a founding member of the team at Lead Equities, an Austrian private equity fund focused on the SME segment in the DACH region. He held various management, advisory, and supervisory board roles across Lead Equities’ portfolio companies, ultimately rising to the position of Managing Partner. In 2014, he joined MRHG Holding AG as a Board Member, with special responsibility for Leder & Schuh AG and its core brand, Humanic.

He holds an Executive MBA from IMD Lausanne and is a certified business coach (ESBA), having completed the HGMP Leadership Programme at the Hernstein Institute.



Team

12 team members

9 investment professionals

5 female team members



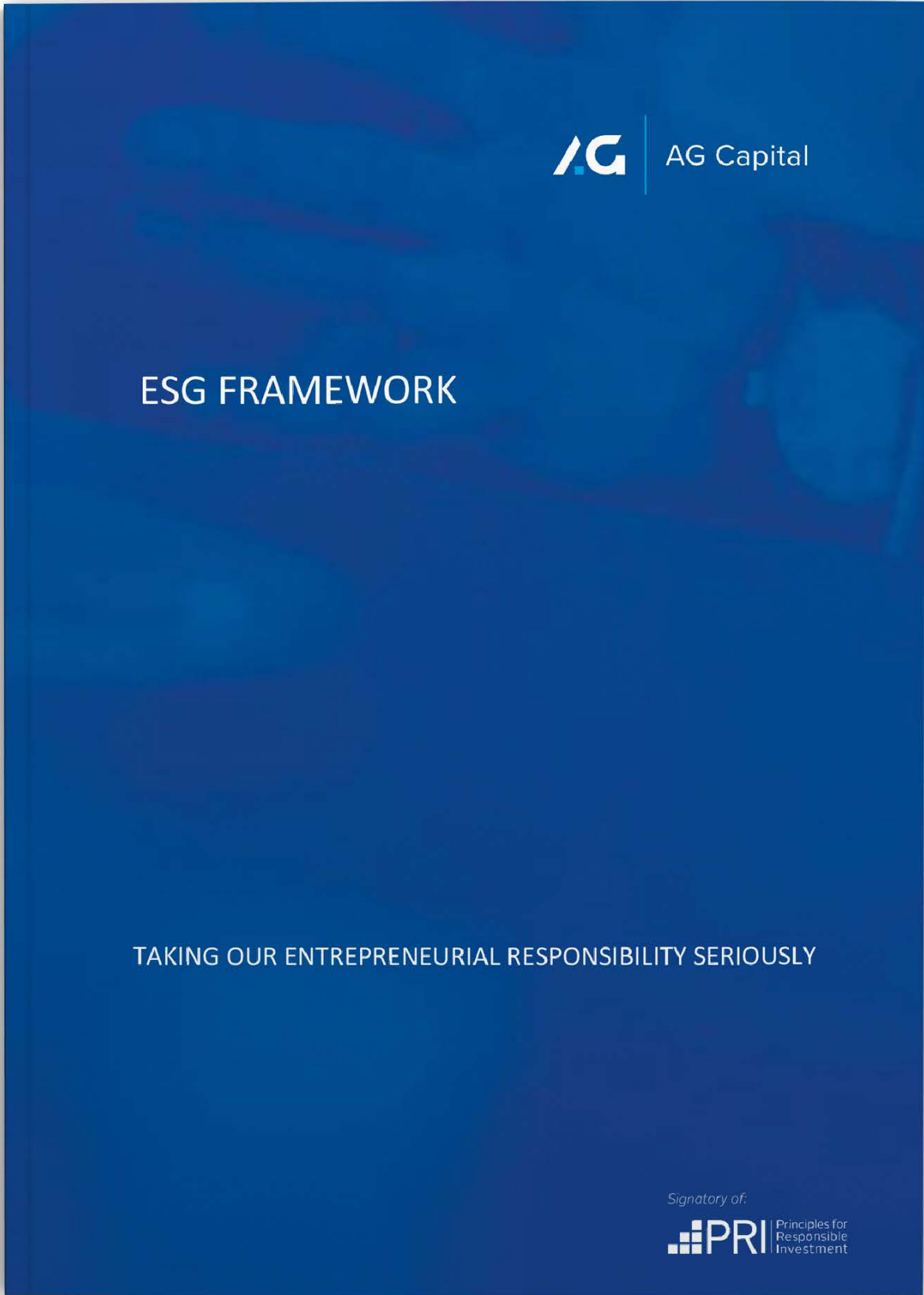
Our ESG Approach



AG Capital



Our ESG Approach



Our mission is to shape a better future by driving sustainable growth of our portfolio companies. By combining responsible investment practices with active engagement and high ethical standards we strive to deliver long-term value to our partners, companies, and the community.

Our key ESG commitments reflect our mission to be a responsible investor and a conscientious corporate citizen:

- ✓ We integrate ESG best practices as a core part of the investment process.
- ✓ We commit to environmental sustainability and climate action.
- ✓ We uphold universal human rights, diversity, and equality across all dimensions.
- ✓ We promote fair and progressive working conditions that exceed legal requirements.
- ✓ We ensure integrity through strict adherence to business ethics, compliance, and anti-corruption measures.
- ✓ We align our actions with the UN Sustainable Development Goals (SDGs). We support portfolio companies holistically and actively participate in strategic decision-making.

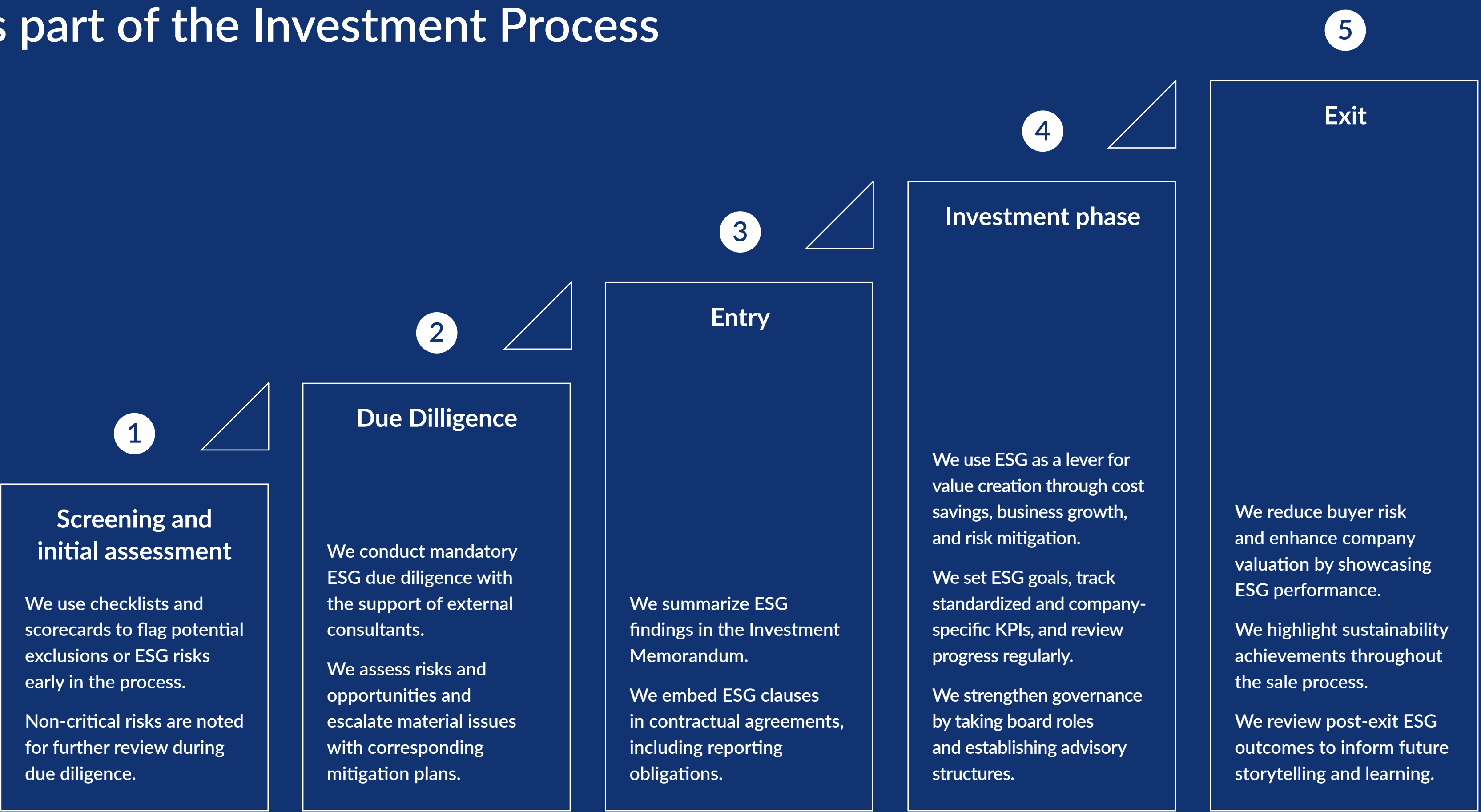
SFDR
Article 8

Signatory of:
 PRI Principles for Responsible Investment





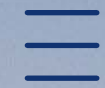
ESG as part of the Investment Process



Exclusion list*

- Tobacco and distilled alcoholic beverages
- Weapons and military equipment
- Gambling
- Pornography
- Fossil and nuclear energy
- Human cloning and genetically modified organisms (GMOs)

*This is a non-exhaustive summary of AG Capital’s exclusion list. The full list is available in the AG Capital ESG Policy.



SFDR Article 8



As an SFDR Article 8 fund, we are proud to promote environmental and social characteristics that go beyond regulatory compliance, reflecting our core values and long-term investment philosophy. As a “light green” fund, we maintain strong regulatory alignment by actively embedding ESG principles at every stage of the investment process.

We apply:

- ✓ A robust exclusion list,
- ✓ Conduct ESG due diligence for each investment, and
- ✓ Systematically track ESG key performance indicators across our portfolio.

By aligning with internationally recognized frameworks and mapping contributions to the UN Sustainable Development Goals, we ensure that our capital generates both financial returns and measurable, positive impact. This disciplined, forward-looking approach enables us to build resilient businesses – businesses our investors can confidently support for the long term.



UN PRI

Signatory of:



Our fund is built on six foundational principles that promote ethical and long-term investment practices. By adhering to these guidelines, we contribute to a more sustainable and resilient global financial system. For our investors, this means responsible stewardship of capital that aligns with internationally recognized sustainability standards.

The Principles for Responsible Investment (PRI) is a UN-backed global organization dedicated to integrating environmental, social, and governance (ESG) considerations into investment and ownership decisions. As a signatory, we are committed to upholding the following six principles:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.



Investors' ESG Frameworks



We are proud to count the European Investment Fund (EIF) as one of the major investors in our Fund. As part of this partnership, we integrate the EIF ESG Framework into our investment and ownership practices.

The EIF's ESG Framework refers to a set of Environmental, Social, and Governance (ESG) standards developed by the European Investment Fund (EIF) to guide investors in making responsible investment decisions.

Using the EIF ESG standards helps us to:

- 1

Integrate ESG factors into investment and ownership decisions, promoting sustainability and long-term value creation while mitigating potential risks.
- 2

Identify and manage ESG risks, such as environmental liabilities, governance deficiencies, or social challenges, to ensure the stability and resilience of the investment portfolio.
- 3

Mitigate regulatory and reputational risks by encouraging adherence to international ESG standards, reducing exposure to compliance failures and negative public perception.
- 4

Support long-term value creation by ensuring that investments contribute positively to both financial returns and societal or environmental well-being.
- 5

Promote continuous ESG improvement, enabling ongoing adaptation to evolving regulations and ensuring the investment portfolio remains aligned with best practices throughout the fund's lifecycle.

By adhering to this framework, the Fund strives that its investments are not only financially sound but also aligned with global standards for sustainability and responsible governance.



UN Sustainable Development Goals



The 17 UN SDGs are the world’s agreed blueprint for addressing urgent global challenges like poverty, inequality, climate change, and environmental degradation.

As part of our ESG strategy, we have aligned our investment approach with selected United Nations Sustainable Development Goals (SDGs). These global goals provide a shared blueprint for addressing the world’s most pressing social and environmental challenges, and they serve as a meaningful framework for directing capital toward positive impact.

By focusing on the SDGs that are most relevant to our portfolio and investment strategy, we aim to generate measurable contributions in areas

such as climate action, responsible consumption, good health, quality education, decent work, industry innovation and reduced inequalities. This alignment informs our investment selection, value creation plans, and ESG monitoring efforts.

Our commitment to the SDGs reflects our belief that long-term financial performance and positive societal outcomes go hand in hand. It also reinforces our role as a responsible investor – one that supports resilient, future-ready businesses that create sustainable value for all stakeholders.





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2024 Fund ESG Highlights



2024 ESG Fund Highlights



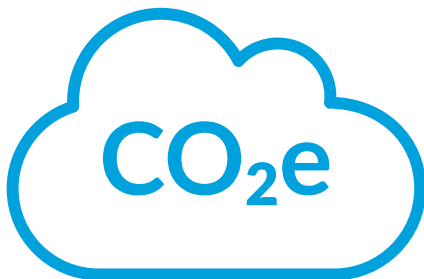
Reported SFDR Principal Adverse Impact (PAI) disclosures as part of the annual regulatory reporting



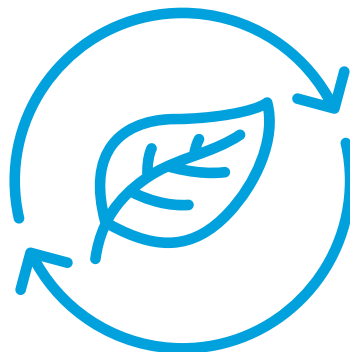
Received the annual ESG data set compliant with SFDR Article 8 from all portfolio companies



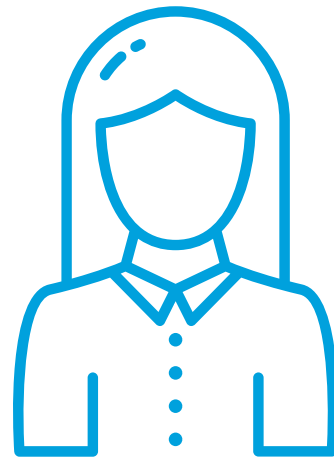
Submitted annual UN PRI report



Calculated Scope 1 and Scope 2 GHG emissions according to the GHG Protocol



Hired a Head of ESG to lead the Fund's sustainability efforts, effective 2025



Extended the team with three female professionals, effective 2025



2024 Portfolio ESG Highlights

Environmental	5/5 companies use energy from renewable sources	5/5 portfolio companies calculated GHG emissions Scope 1 & Scope 2	
Social	100% portfolio companies calculated unadjusted gender pay gap	546 FTEs employed in the portfolio	53% workforce is female
Governance	~150 ESG data points collected from each portfolio company	5/5 portfolio companies have occupational health & safety policy	~18 hrs of training and education provided per FTE annually



UN SDGs across the Portfolio

	Environmental	Social
UN SDGs	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES
Achievements 2024	— Renewable Energy: Increased renewable energy consumption. — Photovoltaic Systems: Installed photovoltaic (PV) systems as part of the portfolio's transition to cleaner energy sources. — Sustainable Mobility: Introduced more electric and hybrid vehicles.	— Employee Development: Implemented regular training and education for staff to develop a variety of professional skills. — Employee Engagement: Introduced employee surveys. — Gender Pay Equity: Calculated and reported unadjusted gender pay gap.
Goals 2025	— GHG Accounting: Expand the GHG emissions measuring to Scope 3. — Decarbonization: Encourage the companies to develop decarbonization strategies.	— Diversity and Inclusion: Continue to promote diversity, equity and inclusion in the portfolio. — Employee Development: Professionalize the employee training agenda. — Health and Safety: Carry on initiatives focused on employees' health and safety and well-being in portfolio. — Gender Pay Equity: Encourage portfolio companies to close the unadjusted gender pay gap. — Labor Standards: Further improve labor standards in portfolio.



AG Capital

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Signatory of:

