

Tikehau Capital to launch Tikehau Impact Credit

- Tikehau Capital launches high yield impact credit fund in latest addition to impact platform
- Fund will focus on lowering companies' carbon footprint to help facilitate the transition towards a net zero carbon economy

Tikehau Capital, the global alternative asset management group today announces the launch of Tikehau Impact Credit ("TIC"), pioneering an impact approach in the high yield universe. The fund's objective is to help expand impact investing in fixed income, a key step towards addressing climate change and contributing to reaching the goals laid out in the Paris Agreement. This new fund will sit alongside Tikehau Capital's private assets impact strategies, marking another major step forward for the Group's global impact platform.

The fund's mission is to finance and actively engage with companies across a diverse range of sectors which have the potential to enable the global shift towards a net zero carbon economy. Tikehau Capital will leverage its impact investment expertise to define "impact cases" for each investment and help issuers go down the path towards a more sustainable future.

TIC will focus on three buckets of investments and issuers: Green or Sustainability-linked bonds or climate pure-players already involved in the energy and ecological transition (bucket A); issuers who have signed an international pledge towards climate change (bucket B); and a sector-agnostic approach to companies with the potential to contribute positively to climate change mitigation or adaptation or to reduce other highly material environmental externalities (bucket C).

TIC will build on industry-recognised standards to set key impact goals including:

- a 30% carbon intensity reduction target compared to the High Yield ESG index (ICE Global High Yield ESG Tilt Index)
- a minimum 25% invested in issuers highly exposed to climate change which need to accelerate their transition and where impact can be meaningful (eg. manufacturing, agriculture, transportation)
- a contribution towards an annual 5% self-decarbonisation by sector as a best-effort

Tikehau Capital has developed a proactive ESG-by-design approach that is embedded in its portfolio management process and is at the heart of its investment philosophy. Active and continuous engagement with issuers will also be key to help these companies accelerate their transition toward a more sustainable future.

Consistent with its policy of strong alignment of interests, Tikehau Capital has committed €30 million of initial capital to this fund.



Raphaël Thuin, Head of Capital Markets Strategies for Tikehau Capital, said:

"We are thrilled to further expand our impact platform with the launch of our high yield impact credit fund. In 2020, commitments to reach net zero emissions from businesses have roughly doubled. The next step is now for impact investing to reach the shores of the fixed income market. We are committed to deploying an engagement strategy contributing to the global initiative for companies to achieve net zero emissions by 2050 or sooner and will seek to give our investors the opportunity to reach both ambitious financial and extra-financial goals through their fixed income allocation."

ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €29.4 billion of assets under management (as of 31 March 2021). Tikehau Capital has developed a wide range of expertise across four asset classes (private debt, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies.

Tikehau Capital is a founder led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives.

Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€2.8 billion of shareholders' equity as of 31 December 2020), the firm invests its own capital alongside its investor-clients within each of its strategies.

Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 607 employees (as of 31 March 2021) across its 12 offices in Europe, Asia and North America. Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN code: FR0013230612; Ticker: TKO.FP).

For more information, please visit: www.tikehaucapital.com

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TIC is a sub-fund of the SICAV Tikehau Fund and is managed by Tikehau Investment Management (AMF authorisation number: GP-07000006), the main asset management platform of Tikehau Capital.

The main risks of TIC are: the risk of capital loss, the liquidity risk, the equity risk, the credit risk, the risk linked to the investment in speculative high yield securities, the interest rate risk, the risk linked to the commitment of forward financial instruments, the counterparty risk, the exchange rate risk and sustainability risks.