



2025 Sustainability Report

Reporting Period:
1st January 2025 to
31st December 2025

Publication Date:
September 2026



Contents

03	Letter from the Chair of the ESG Committee	
04	Arcmont Overview	
05	Sustainability Strategy	
06	Corporate Operations	
	Talent attraction & employee wellbeing	07
	Diversity, equity & inclusion	08
	Communities	09
	Climate related risks & emissions	10
	Data & systems	11
	Governance, compliance & ethics	12
13	Investment Activities	
	Responsible Investing	14
	Impact Investing	16



Letter from the Chair of the ESG Committee

At Arcmont, we recognise that sustainability is fundamental to maintaining a resilient, well-managed business and investment platform.

In 2025, private credit has continued to cement its role as a core part of Europe's capital markets. Despite renewed trade tensions, policy uncertainty and pockets of global instability, the asset class demonstrated its stability and investor demand proved resilient¹. At the same time, we believe that sustainability has become more integral to how the market operates, as evolving regulation, shifting market conditions and rising stakeholder expectations reshape the risks and opportunities facing borrowers and lenders alike.

Against this backdrop, during the year, we continued to grow as a business and an investment platform, supported by the trust our partners continue to place in us. This growth is underpinned by our people, in whom we continue to invest, and by our systems, including the responsible adoption of AI tools to enhance productivity and efficiency. Positively, even as the firm scaled, we made progress on our climate ambition and reduced our operational emissions

by 14% versus the prior year². We also held ourselves to the same high standards of governance and control, evidenced by an unqualified internal controls audit and our first parent-company internal controls report under TIAA, which concluded with no adverse findings.

Against a complex market environment, our portfolio remained resilient, which we believe reflects our discipline in the careful selection of high-quality borrowers, which incorporates an assessment of ESG risks. This reinforces our belief that companies that manage sustainability risks effectively are better positioned to build resilience, and that responsible investing remains central to our focus on downside protection and capital preservation. We seek to identify the ESG risks most relevant to credit outcomes, ensure sufficient mitigating actions are in place, and engage borrowers through our sustainability-linked margin

ratchet programme to strengthen risk management. During the year we also assessed AI-related risk across the portfolio with a specialist consultancy, concluding that the vast majority of our portfolio companies are well positioned to navigate AI-driven disruption, and embedded a new AI risk framework into our investment process.

Our dedicated Impact Lending strategy, which seeks to provide private credit to businesses delivering measurable environmental and social outcomes alongside competitive returns, progressed from establishment to implementation during the year. Beyond making investments and continuing to attract fundraising capital, we contributed to industry dialogue, hosted our own events, and published a whitepaper. Our aim is to direct capital to businesses that help solve critical environmental and social challenges and, through our advocacy, to encourage more capital into the space.

As markets keep evolving we will continue to refine our approach with a focus on human capital development, advancing our climate ambition and applying new technology responsibly, while maintaining the transparency and accountability our investors expect. On behalf of Arcmont, I thank our clients and colleagues for their continued partnership and invite you to read more about our progress in the pages that follow.



Nathan Brown
Chief Operating Officer,
Chair of the ESG Committee
and Arcmont Board Member

- 1** | **14% reduction** in market-based operational emissions versus FY2024
- 2** | Second **Type 2 controls report** completed with an unqualified opinion
- 3** | **6 new sustainability-linked margin ratchets** documented with KPIs and targets during the year
- 4** | Completed a **portfolio-wide AI risk evaluation** and embedded an **AI risk framework** across the investment process
- 5** | Published an **Impact Lending whitepaper**

¹ Preqin - Private Credit 2026. ² Scope 1, 2 and 3 emissions, excluding Scope 3 category 15 emissions.

Arcmont Overview³

Arcmont Asset Management ("Arcmont") is a private credit asset management firm providing flexible capital solutions to a wide range of businesses in Europe.

2025 Awards⁵

Established in 2011, Arcmont has raised approximately €45 billion (\$51 billion)⁴ in assets from institutional investors globally and has committed over €44 billion (\$50 billion) across more than 540 transactions since inception.

With a highly experienced investment team, an established investment track record and deep technical expertise, Arcmont offers creative and flexible capital solutions to European businesses, supported by a partner that values long-term relationships.

In March 2023, Arcmont was acquired by Nuveen, the investment arm of the Teachers Insurance and Annuity Association (TIAA). As part of Nuveen Private Capital, which brings together Arcmont and Churchill Asset Management, Arcmont forms part of one of the largest private capital businesses globally, with more than \$86 billion of assets under management across Europe and the US.

For more information, please visit www.arcmont.com.



2025 European Mid-Market Direct Lending Manager of the Year and Mid-Market Direct Lending Deal of the Year
- Debtwire



2025 Direct Lending Deal of the Year (Mid Cap)
- Alternative Credit Awards



NPC: Institutional Lender of the Year
- The M&A Advisor



2025 Lender of the Year Alternatives
- Real Deals



2025 Leverage Finance Award: Best Team
- Unitranche Debt Large Cap
- PEX

A market-leading European private credit business

2011

Arcmont Founded

€45bn⁴

capital raised since inception

€44bn

capital committed

4

distinct investment strategies

³ Arcmont data as of June 2026. ⁴ Includes separately managed accounts, co-investment commitments and available leverage. ⁵ Investors should not interpret any awards described herein as an endorsement of Arcmont's or its funds' past performance or as an indicator of their future performance. Please refer to the Arcmont Awards disclaimer [here](#) for further information about the awards included herein.

Sustainability Strategy

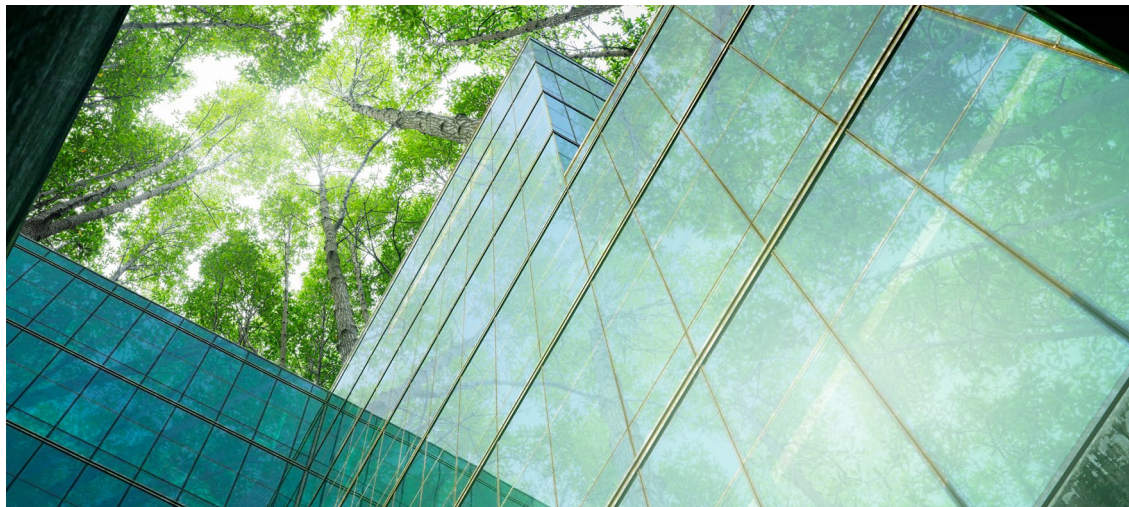
We are committed to growing our assets under management, investor base and product offering in a responsible and sustainable manner.

Our sustainability strategy is informed by a materiality-led approach and is reviewed annually to ensure our efforts remain targeted, effective and responsive to evolving expectations. While our priorities remain consistent with last year, we continue to believe they represent the issues most material to our business, our investors and our wider stakeholders.

The strategy spans both our corporate operations and our investment activities. At the corporate level, we seek to strengthen the resilience, inclusivity and governance of our platform while embedding responsible practices across our operations. Across our investment activities, we apply our responsible investing approach across all strategies to manage material ESG risks and support portfolio resilience, and through

our Impact Lending strategy we seek to support measurable environmental and social outcomes alongside competitive returns. As the market evolves, we also continue to integrate emerging areas of focus into how we operate and invest, including the responsible use of artificial intelligence.

This report sets out our approach, our progress during 2025 and our objectives for the year ahead.



2025 Sustainability Priorities





Corporate Operations



Talent attraction & employee wellbeing

Introduction

As Arcmont continues to grow and broaden its platform, attracting, developing and retaining talented people remains central to how we deliver for our clients and investors. Our performance depends on the expertise, judgement and collaboration of our teams, and we work to build a culture in which people are included, supported and enabled to perform at their best. Oversight of talent management and the employee experience sits with our dedicated Human Capital Committee. Last year we stated a 115 person team, nine new joiners would bring us to 124.

2025 Key Developments

Employee engagement:

- Established a Human Capital Advisory Group, with six members representing all levels of the firm, to provide insight into employees' experiences, challenges and aspirations. The Group reports into the Human Capital Committee and helps shape the firm's Human Capital agenda.

Culture and connectivity:

- Rotated the volunteer members of the Social Committee and formalised its responsibilities, with the aim of broadening the range of events and activities offered to employees. In 2025, activities included the monthly

Wine and Cheese Club; sports activities such as netball, golf, padel and five-a-side football; seven inter-team mixers and bi-annual firm-wide socials.

Mentorship and support:

- Encouraged participation in our Mentorship Programme open to all employees to support career development, cross-firm connectivity and knowledge sharing. During 2025, all existing mentor pairings were rotated and participation increased, with 34 mentors and 50 mentees taking part as at July 2026.

Performance development:

- Enhanced our approach to professional and personal development by introducing mandatory goal setting and peer feedback as part of the performance review process. These updates aim to provide clearer development objectives, encourage regular constructive feedback and support more consistent performance conversations across the firm.

Learning and development:

- Evolved the Human Capital Training Programme, introducing external speakers alongside internal hosts for the first time within the Lunch and Learn series. During 2025, the Programme delivered 45 sessions (28 external and 17 internal), including nine Lunch and Learn sessions covering

topics such as macroeconomic insights, valuations, private credit industry trends, Nordic market opportunities, employee benefits and community engagement through St Giles.

Early career development:

- Continued to support early access to the industry, hosting one participant (six to date) through our Work Experience Programme during the year. Our broader early-careers and social mobility activities, including the Investing Potential Programme and Classroom to Boardroom internships, are set out in the Diversity, equity & inclusion and Communities sections. Together, through these initiatives, we hosted six students during the year.

2026 Objectives

- Further structure our recruitment processes by introducing an applicant tracking system and an internal job board to support internal mobility.
- Implement a new learning management tool to provide access to a suite of online training courses and support the creation of individual training plans.
- Expand management training to help functional experts develop into effective people leaders.
- Issue a company-wide employee

satisfaction survey to gather feedback and inform future human capital objectives.

- Begin tracking and reporting broader attraction and retention metrics, with relevant data shared at board level.
- Continue to host interns and graduates, supporting longer-term career pathways where appropriate.

9

net new joiners in 2025

125

employees

84

participants in our Mentorship Programme

45

sessions delivered through the Human Capital Training Programme

6

students hosted

Spotlight

Our mission, values and culture

Our Mission:

We aim to deliver long-term value by partnering with businesses and investors, continuously seeking to improve and innovate so that we remain at the forefront of the industry. We are committed to exceptional standards, and this underpins everything we do.

Our values:



Energy

WE'RE DYNAMIC.

Our rigour and intensity ensure we deliver excellence for our partners and clients, and our energy and focus drive our continuous growth in the industry.



Agility

WE'RE NIMBLE

We move quickly and efficiently, adapting to changes in the market and to our clients' needs, supported by our history and expertise.



Innovation

WE'RE CURIOUS.

Our curiosity keeps us stimulated, inquisitive and engaged, generating fresh thinking and new ideas, and the flexibility to tailor what we do for our clients.



Collaboration

WE'RE ONE TEAM.

We work together across functions and geographies, building long-term relationships within the firm and with our partners and clients to help them achieve their goals.

Our culture:

In 2025, Arcmont released its Culture Film, giving employees the opportunity to share what Arcmont's culture means to them and how it is reflected in day-to-day ways of working. The film highlights the firm's focus on hard work, high standards, collaboration and commitment to people.

[Watch the film here](#)

Diversity, equity & inclusion

Introduction

Arcmont is committed to building a diverse, inclusive and respectful workplace in which employees are treated fairly and supported to contribute fully. We believe that bringing together a range of backgrounds, experiences and perspectives strengthens decision-making, collaboration and outcomes across the firm. Our dedicated Diversity, Equity and Inclusion (DEI) Committee oversees this work, driving initiatives, monitoring progress and championing a culture of inclusion, equity and respect.

2025 Key Developments

Respectful workplace practices and accountability:

- Updated the firm's internal DEI Policy to reinforce responsibilities including expectations for managers to lead by example, promote equal opportunities and ensure their teams understand and adhere to the policy. The updated policy was reinforced through mandatory anti-harassment training for all employees, delivered across two separate sessions: one in person and one virtual.

Industry advocacy:

- Employees attended and presented at a number of industry events promoting diversity within private markets, helping to increase the visibility of female leadership in private credit.

Social mobility:

- Hosted three students through the Investing Potential Programme and two through the Classroom to Boardroom Foundation. Further detail is provided in the case studies in the Communities section.

Transparency:

- Improved the visibility of our DEI approach on the Arcmont website, giving clearer external insight into the DEI Committee's role in championing inclusion, equity and respect.

2026 Objectives

- Strengthen alignment with recruitment partners by reviewing and updating terms of engagement to embed DEI principles across hiring and sourcing practices.
- Identify and participate in relevant external DEI collaborations and initiatives to benchmark progress against industry peers.
- Gather employee feedback on inclusion, belonging and experience through our planned employee survey, using the findings to inform future DEI priorities.
- Implement a new human resources information system to improve the quality, accessibility and analysis of workforce data, enabling more informed monitoring of DEI-related trends, including turnover and pay equity by gender and ethnicity.

Spotlight

Diversity Statistics⁶

All employees

2024

- Female 35%
- Ethnically Diverse 18%



2025

- Female 36%
- Ethnically Diverse 20%



Executive Committee⁷

2024

- Female 25%
- Ethnically Diverse 13%



2025

- Female 29%
- Ethnically Diverse 14%



Investment team

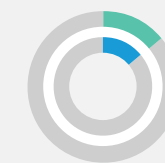
2024

- Female 15%
- Ethnically Diverse 9%



2025

- Female 14%
- Ethnically Diverse 14%



Spotlight

Increasing the visibility of female leadership

As part of our approach to diversity, equity and inclusion, Arcmont seeks to support employees' participation in external industry events and forums that contribute to broader representation and visibility across private credit. In 2025, two senior female colleagues represented the firm in industry discussions, helping to highlight female leadership in a market segment where senior representation remains limited.

In March 2025, Alice Cavalier, Co-Head of Capital Solutions, participated in Proskauer's Women in Private Credit: Talking Trends series, discussing capital solutions financing, flexible capital and developments in the European private credit market.

Read the full interview [here](#).

In December 2025, Amie Taylor, Principal, joined Proskauer's Talking Trends: The Annual Download and 2026 on the Horizon, sharing her perspective on private credit's role in European M&A and the outlook for renewed deal activity in 2026.

Read the full interview [here](#).

⁶ Figures are representative for employees who provided their consent to use their data in line with Arcmont's DEI notice. ⁷ Figures previously reported as "Key Functional Heads" are presented as "Executive Committee" from 2025. The underlying population is unchanged and prior-year figures are shown on the same basis for comparability.

Communities

Introduction

We are committed to supporting the communities in which we operate and to contributing positively beyond our business. Our DEI Committee oversees the firm's charitable giving strategy and community engagement, helping to ensure these activities reflect employee interests and our values.

2025 Key Developments

Charity partnership:

- Supported our charity partner, St Giles Trust, through charitable drives, employee donations, financial contributions and a ticketed external event, "Making Sense of Credit Markets," of which the proceeds were donated to the charity.

Employee fundraising:

- Hosted the Macmillan Coffee Morning for the third consecutive year at our London office, raising £890 for Macmillan Cancer Support.

Community donations:

- Redirected unused and expiring office and event items to community organisations, including donating surplus food to the Felix Project, passing expiring first-aid supplies to an animal-shelter charity, and giving unused branded event clothing to the local community.

Social mobility:

- Hosted three students through the Investing Potential Programme and two interns through the Classroom to Boardroom Foundation.

Employee giving and volunteering:

- Continued to match employee donations through our charity matching scheme and to provide every employee with a paid volunteering day.

2026 Objectives

- Continue our partnership with St Giles Trust, providing fundraising support through charitable donations, employee-led initiatives and events that raise awareness of its work.
- Continue hosting the annual Macmillan Coffee Morning as an accessible fundraising and community engagement opportunity.
- Review opportunities to expand employee-led community support beyond the existing charity matching scheme and volunteering day.

Spotlight

Student Work Experience - Investing Potential Programme

In 2025, Arcmont participated in the Investing Potential Programme for the fifth consecutive year, hosting three students at its London office through a three-day rotation across the firm and bringing the total hosted to date to 12. The programme seeks to increase diversity within financial services and support social mobility by giving high-achieving sixth-form

students, from backgrounds where a career in finance may seem less accessible, direct exposure to the sector. During their placement, students were introduced to careers in finance and private debt, gained exposure to different teams and functions, and had the opportunity to meet professionals from a range of backgrounds. Arcmont

was a founding member of the programme, which has since expanded to include more private capital firms and support a greater number of students. Our employees have also contributed to related events, engaged with hundreds of students and maintained connections with alumni as they progress through university and into careers in finance.



Spotlight

Making Sense of Credit Markets

Arcmont welcomed alumni of the Wharton School at the University of Pennsylvania for an on-site discussion on the evolving credit markets. David Brooks, Partner and Co-Head of Capital Solutions, led a panel alongside private credit specialists from CVC Credit, Signal Capital Partners and MeDirect Bank Malta. The panel shared insights on the growth of private credit as a core limited partner allocation, the impact of artificial intelligence on borrowers and the investment process, and broader market trends. The event was attended by 30 participants, and all proceeds from ticket sales, amounting to £600, were donated to St Giles Trust, our charity partner.

St Giles
Turning a past into a future

Spotlight

Summer Internship Programme - Classroom to Boardroom Foundation

In June 2025, Arcmont welcomed summer interns through a social-mobility-focused internship programme with the Classroom to Boardroom Foundation. The nine-week programme provided two alumni of the Foundation with direct exposure to the private credit industry through rotations across Client Services, Infrastructure and the Investment Team. It was designed to support the interns' development through structured on-the-desk experience, mentoring and exposure to different parts of the business.

**Classroom
to Boardroom
Foundation**

Climate-related risks & emissions

Introduction

We are focused on understanding and reducing our own environmental footprint and on integrating climate considerations into our governance, operations and decision-making. We measure our operational emissions each year and are developing plans to reduce them, and seek to measure the emissions associated with our investment portfolio^a, our most material emissions category. Climate-related matters are overseen by the Arcmont Board, for which ESG is a standing agenda item at each quarterly meeting, with detailed oversight delegated to the ESG Committee.

2025 Key Developments

Emissions measurement:

- Measured our operational carbon footprint (Scope 1, 2 and operational Scope 3) for the fourth consecutive year, with support from our climate consultant, improving data consistency and the basis for future reduction planning. Operational emissions data can be found in our [TCFD Entity Report](#).

Operational emissions planning:

- Began working with a consultant to identify the emissions categories most material to our operations and the key levers to reduce them, providing the foundation for an operational emissions reduction plan.

Borrower data:

- Onboarded a sustainability data collection and management platform to support the collection of borrower data, including GHG emissions data. Subsequently, in 2026, we issued our annual ESG questionnaire through it.

Borrower engagement:

- Continued to encourage borrowers to reduce their GHG emissions through our sustainability-linked margin ratchet programme, where relevant and material, addressing material climate risk in the portfolio and supporting a reduction in our Scope 3 Category 15 (financed) emissions.

Financed emissions:

- Estimated the financed emissions associated with the funds' investments (Scope 3 Category 15), leveraging a data solution to source proxy ESG data to fill portfolio company data gaps, providing full portfolio coverage.

Climate reporting:

- Published our FY2024 TCFD Entity Report during the year, setting out how we consider climate-related risks and opportunities in managing and administering the funds' investments. Our FY2025 report followed in 2026. Please find the 2025 report [here](#).

2026 Objectives

- Develop a practical operational emissions reduction plan, informed by the material categories and levers identified during 2025.
- Improve the coverage and quality of borrower GHG emissions data through continued engagement with portfolio companies and sponsors.
- Deepen borrower engagement on climate risk and emissions management, with a focus on measurement and practical reduction actions.
- Continue enhancing climate-related reporting through future TCFD-aligned disclosures.

14%

reduction in Scope 1, 2 and 3 operational emissions

27%

reduction in operational emissions revenue intensity

20%

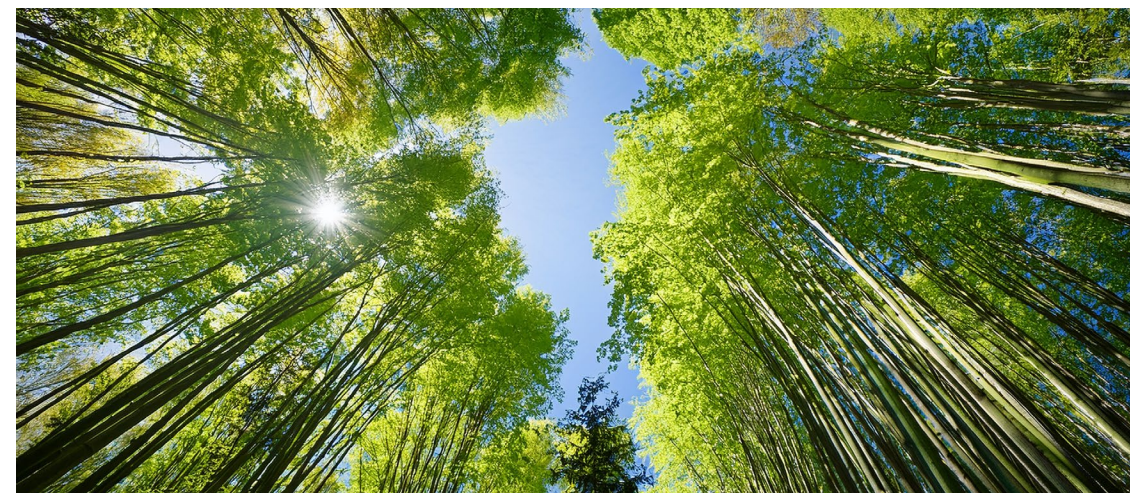
reduction in operational emissions FTE intensity

Spotlight

Developing our operational climate roadmap

In 2025, we began working with an independent climate consultant to develop an operational climate roadmap, deepening our understanding of where our operational emissions arise and how we can reduce them. The work confirmed that business travel and purchased goods and services are our two most material operational emissions sources, together accounting

for the large majority of our operational Scope 3 emissions. We have also identified proportionate, practical reduction levers within our control, spanning travel policy, supplier engagement, and improved data and governance. The roadmap provides the foundation for the operational emissions reduction plan we intend to develop in 2026.



^a Covers direct lending and equivalent investments managed by Arcmont. Excludes liquid investments in certain vehicles managed by Nuveen Asset Management.

Data & systems

Introduction

As the firm grows, maintaining robust data security, privacy and technology resilience is essential, as is the responsible adoption of automation, enhanced data infrastructure and emerging technologies to support efficient, scalable operations. Our approach balances protecting our systems and data with investing in innovation that strengthens decision-making and productivity. Oversight of data security, privacy and technology risk sits with the firm's Operational Risk Committee, supported by our Technology and Enterprise Risk teams.

2025 Key Developments

Cybersecurity and data protection:

- 100% of employees completed data protection and cybersecurity training, and quarterly phishing simulations returned a negligible click-through rate.
- Completed annual vendor security due diligence, with findings integrated into our risk management processes.
- Strengthened our privacy governance framework to keep pace with evolving regulation, including European and UK data protection guidance, with risks monitored by our Operational Risk, Technology and Compliance teams.

Process automation and infrastructure:

- Expanded automation across key operational processes and systems, improving data quality, efficiency and scalability.
- Added automated risk management modules for real-time stress testing and credit risk monitoring within our bespoke end-to-end portfolio management platform.
- Increased the granularity of our investment data to more than 1,100 data points per transaction, enriching investor and regulatory reporting.
- Implemented a Customer Relationship Management system and integrated data warehouse for new strategies, and introduced workflow automation across Operations and Finance to reduce manual effort and operational risk.

Artificial intelligence and innovation:

- Following the groundwork laid by the AI Steering Committee and the selection of a preferred generative AI vendor in 2024, we deployed generative AI into production in 2025 while maintaining a strong commitment to data ethics and security.
- Rolled out an enterprise AI platform to our Investment and Compliance teams to support research, data extraction

and compliance checks, and launched pilots across other functions.

- Began deploying Microsoft 365 Copilot to automate routine tasks and enhance productivity.
- Following the implementation of our bespoke AI risk framework, we integrated an AI-driven Red/ Amber/Green tool into portfolio monitoring to help assess AI-related risks across the portfolio.

Data and reporting enhancements:

- Improved reporting and analytics by automating data aggregation and calculation, building interactive dashboards for risk management and fund performance to replace static reports, and integrating market data feeds into origination and portfolio reporting.

2026 Objectives

- Continue strengthening cybersecurity and data privacy controls, including employee training, phishing simulations, enhanced monitoring and a dedicated cybersecurity resource.
- Complete the redesign of our core deal and portfolio management platform to support growth and enable more scalable monitoring and reporting.
- Expand the use of generative AI and automation across functions where they can deliver meaningful efficiency gains, supported by appropriate governance and controls and collaboration with Nuveen's AI Center of Excellence.
- Implement a firm-wide data governance framework and continue improving reporting infrastructure, including migrating internal risk reporting to interactive dashboards and broader use of AI-enabled data query tools.

>60,000

impersonation attacks prevented

>45,000

simulated URL phishing emails sent to employees

≥1,100

data points captured for each transaction

0.04%

Failure rate of simulated URL phishing emails

Spotlight

Governing our use of AI responsibly

As we scale generative AI, we are equally focused on using it responsibly. In April 2025 we introduced a firm-wide Acceptable Use of Artificial Intelligence Policy, reviewed annually, that sets clear guardrails for its use. Only tools approved by our Chief Technology Officer and Operational Risk Committee may be used, and employees may not enter personal or confidential information into AI tools unless they have been specifically approved for that purpose. Underpinning the policy is a simple principle: AI supports our people's work rather than replacing professional judgement, with human oversight retained over decisions that matter. As adoption scales in 2026, we will continue to strengthen this framework.

Governance, compliance & ethics

Introduction

Our approach is underpinned by effective governance and a strong culture of integrity. We uphold high standards of corporate governance, regulatory compliance and ethical conduct across the business. Our governance framework, which includes the Arcmont Board, its specialist committees and our enterprise risk framework, supports robust decision-making, risk management and accountability. Our Compliance Programme supports adherence to applicable legal and regulatory requirements, while our position within Nuveen and the wider TIAA group provides additional group-level oversight.

2025 Key Developments

Compliance and ethics training:

- All employees completed Nuveen's global training programme covering business ethics topics including anti-money laundering and counter-terrorist financing, tax evasion, anti-corruption, code of business conduct, market abuse and conflicts of interest.

Regulatory monitoring

- Enhanced our regulatory monitoring activities through participation in Nuveen's regulatory forum, providing additional insight into relevant

UK and European regulatory developments. This engagement complements Arcmont's established processes for monitoring and assessing regulatory change.

Internal controls

- Completed our second Type 2 internal controls assurance report, which concluded with an unqualified opinion, and our first internal audit under TIAA's audit cycle, covering areas including governance, remuneration, vendor management and investment due diligence, with no material adverse findings.

Third-party monitoring

- Reviewed in-scope suppliers through our risk-based supplier management framework, focusing due diligence on higher-risk relationships. The 2025 reviews identified no material issues, with one supplier requiring a follow-up. We also enhanced third-party cybersecurity oversight by implementing a system that provides continuous monitoring of externally facing sites.

Disclosures:

- Submitted our fourth Stewardship Report to the Financial Reporting Council and maintained our status as a signatory to the UK Stewardship Code 2020. Please find the report [here](#).

We also published our FY2024 Modern Slavery Statement, with our FY2025 statement published in 2026. Please find the FY2025 statement [here](#).

2026 Objectives

- Continue to ensure employees are well versed in their professional responsibilities through Nuveen's global training programme, supplemented by Arcmont-led training targeting our specific regulatory environment.
- Continue to review and update our policies and procedures to incorporate regulatory change.
- Continue to participate in Nuveen's EU and US regulatory development forum.
- Prepare and submit our fifth Stewardship Report to the FRC, with the objective of maintaining our signatory status to the UK Stewardship Code 2020.
- Identify where AI can be used further within the Compliance function to enhance efficiency and further increase monitoring volumes.
- Integrate vendor due diligence and monitoring into our finance system to provide a more holistic view of supplier relationships.

Spotlight

Enterprise Risk Framework

Risk is owned at every level of the organisation and actively monitored against defined appetite and tolerance. This accountability is underpinned by a consistent risk management lifecycle of identify, assess, mitigate, monitor and report, applied across our operations and investment activities.

Risk accountability

THE BOARD

Risk appetite & tone from the Board

SENIOR MANAGEMENT

Risk appetite, limits & KRIs

FUNCTIONAL TEAMS

(Oversight from risk & compliance)
Day-to-day risk ownership, RCSA & incident management

Risk management



Spotlight

Vendor Risk Management

Arcmont operates an effective vendor management programme that applies a proportionate, risk-based approach across the supplier lifecycle.

Criticality Assessment

All new suppliers undergo an assessment (reviewed periodically) based on the data they will have access to, and how essential they are to a part.

Initial Due Diligence

Level of due diligence undertaken proportionate to criticality rating. This includes review of policies, business continuity plans operational resilience, and external assurances.

Cyber Due Diligence

Cyber security consultant undertakes periodic due diligence on key suppliers.

Ongoing Due Diligence

Due diligence is refreshed annually for suppliers rated Highly critical, and every two years for Moderate vendors.

Performance Monitoring

Business owners. Critical vendors undergo formal performance monitoring on an annual basis.



Investment Activities



Responsible Investing

Introduction

Responsible investing is foundational to Arcmont and central to how the firm invests. We established our responsible investment focus in 2013, embedding environmental, social and governance (ESG) factors into the investment process and becoming a signatory to the UN Principles for Responsible Investment (PRI)⁹. In 2021, we strengthened our approach through active engagement, introducing sustainability-linked margin ratchets to incentivise stronger management of material ESG risks amongst our portfolio companies. We now offer a ratchet to every new primary borrower in our Direct Lending and Capital Solutions strategies. We further strengthened our commitment to active ownership by becoming a signatory to the UK Stewardship Code 2020 in 2023.

Today, ESG factors are systematically considered at every stage of the deal lifecycle and form the cornerstone of our engagement, supported by a robust framework and more than a decade of responsible lending. This section covers direct lending and equivalent investments managed by Arcmont and excludes liquid investments in certain vehicles managed by

Nuveen Asset Management. Please refer to our Responsible Investing Policy on our website for further information.

2025 Key Developments

Framework and due diligence:

- Reviewed all ESG-related policies to ensure they remain aligned with our approach, evolving regulation and market best practice, and enhanced our pre-investment ESG assessment tools, adding Responsible Business Practices and Diversity, Equity & Inclusion as specific risk areas within our Universe of ESG Issues and expanding due diligence questions.

- Developed an ESG Exit Checklist for the Restructuring team to support consideration of material ESG factors during exit and restructuring scenarios, and designed a responsible investment process for Net Asset Value (NAV) transactions.

Artificial intelligence:

- Implemented an AI tool within the pre-investment ESG assessment process to support document review and the initial identification of potential ESG risk exposure, with all outputs reviewed and validated through human judgement. Separately, we worked with a specialist AI

consultancy to assess AI-related risk across the portfolio, concluding that the majority of portfolio companies are well positioned to navigate AI-driven disruption, and developed an AI risk assessment framework, upskilled our investment professionals and embedded AI risk assessment into our investment process.

ESG training:

- Delivered targeted ESG training to relevant teams, including refreshers on our pre-investment responsible investment process, training on marketing communication standards covering ESG and greenwashing, and a session on integrating sustainability in distressed and restructuring situations.

Borrower engagement:

- Continued to engage primary borrowers through sustainability-linked margin ratchets, focusing on measurable improvements including climate risk management and GHG emissions reduction where relevant and material.

Data and reporting:

- Onboarded a portfolio company data collection and management platform and issued our 2025 ESG questionnaire through it, seeking EDCI-aligned metrics to support standardisation. We

also enhanced product-level ESG reports to give investors clearer, more standardised disclosure on ESG risk drivers.

Industry contribution:

- Arcmont's Chief Operating Officer contributed to the development of the UN PRI's technical guidance on stewardship in private credit through his participation in the UN PRI Private Debt Advisory Committee.

2026 Objectives

- Issue a portfolio company ESG questionnaire to collect updated ESG data, with the objective to increase the response rate.
- Continue engaging borrowers through sustainability-linked margin ratchets to encourage improved management of material ESG risks.
- Enhance ESG reporting to better meet investor requirements.
- Continue strengthening our ESG due diligence tools and processes in response to emerging ESG themes, evolving regulation and market best practice.
- Deepen engagement with responsible investment working groups and industry initiatives to contribute to the development of best practice across private credit.

Spotlight

Responsible Investing Framework



Integration

We embed financially material ESG risks throughout the investment lifecycle to support resilient, risk-adjusted returns for clients.



Engagement

We actively engage with portfolio companies and transaction parties to encourage stronger ESG risk management, better disclosures and more sustainable business practices.



Advocacy

We champion higher ESG standards in private credit through market engagement, external commitments and industry collaboration.

⁹ Arcmont became a signatory in its own name in December 2019 and, following its affiliation with Nuveen in 2023, its responsible investment activities are now reported under Nuveen's UN PRI signatory status. This change was administrative only and did not affect Arcmont's responsible investment policy or approach.

Responsible Investing

Spotlight

ESG screening and exclusions

Every investment opportunity is screened against an ESG Exclusions Policy and assessed for broader ESG risks, informing capital allocation decisions. Please see below examples of Direct Lending and Capital Solutions transactions that were declined on ESG grounds during the period.

BUSINESS DESCRIPTION	DECISION	REASON	REASON
Producer of tobacco and nicotine products	Decline	Non-compliance with ESG Exclusions Policy	Our policy prohibits investment in companies generating any revenue directly from the production of tobacco products or material physical components exclusively designed for such products.
Aerospace manufacturing specialist	Decline	Non-compliance with ESG Exclusions Policy	The company produces components and subassemblies for commercial and defence aircraft, including combat aircraft. Our policy prohibits investment in companies that produce, store or trade components specifically designed for conventional weapons.
Bulk fuel and gas logistics provider	Decline	Wider ESG concerns	The company transports refined petroleum and other fossil fuel-related products. While not strictly prohibited under our policy, we seek to limit exposure to companies with significant fossil fuel involvement.
IT services provider	Decline	Wider ESG concerns	The company's CEO had been arrested for bribery, and there were challenges in assessing the company's culture and organisational integrity.
Medical cannabis company	Decline	Wider ESG concerns	The company faced a range of ESG-related concerns, including legal and regulatory risks, social and ethical considerations, and issues related to governance and transparency.

Spotlight

Sustainability-linked margin ratchets

Since April 2021, Arcmont has offered sustainability-linked margin ratchets (SLMR) to eligible primary borrowers in its Direct Lending and Capital Solutions strategies as a key stewardship tool to promote stronger management of material ESG risks. While participation is voluntary, where a borrower adopts a ratchet, it gives the firm a practical mechanism to influence ESG risk management. In practice, the majority of eligible facility agreements now include ratchet provisions, with the relevant KPIs and targets agreed subsequently. In 2025, six new ratchets were documented with KPIs and targets agreed, bringing the today signed as of year end to 36.

Case study

Encouraging the use of recycled raw materials at a plastic-packaging manufacturing group with operations in the UK and Europe.

Risk / opportunity addressed

The borrower was a manufacturer of polyethylene flexible packaging for the food and hygiene industries, formed through the combination of two businesses. Arcmont provided 100% of the acquisition financing in March 2021. At underwriting, diligence flagged the environmental profile of plastic packaging as a material ESG risk in the credit: negative news flow and potential consumer backlash against single-use plastics threatening demand; regulatory pressure from the EU's €800/tonne charge on non-recycled plastic packaging waste and the UK's £200/tonne Plastic Packaging Tax on packaging with below 30% recycled content; and margin risk, given polymer resin represented a significant share of sales for each business. The same diligence saw the shift to recycled materials as an opportunity as much as a risk. "Green" credentials were already a commercial differentiator. However, at the start of Arcmont's investment only the acquired business used and tracked recycled raw materials to any meaningful degree, with a share of c. 20% in 2020. As recycled content could not practically be used in the group's food packaging, Arcmont sought to use a

sustainability-linked margin ratchet to encourage the formalisation of group-wide measurement and accelerate the transition to recycled inputs across the group's non-food packaging.

Activity

Arcmont collaborated with the company to incorporate a sustainability-linked margin ratchet into the facilities agreement. It offered a progressive 2.5 basis point discount for each of three group-wide targets on the share of recycled raw material in non-food packaging: roll out measurement across the group and reach 23% for the 12 months to 31 March 2022; reach 30%; and reach 37.5%, for a maximum 7.5 basis points.

Outcome

The company met the first target in 2022, earning a 2.5 basis point reduction, and subsequently achieved the second and third targets, increasing the discount to the full 7.5 basis points. Beyond lowering borrowing costs, the ratchet established group-wide measurement and tracking where these had previously been partial and accelerated the shift towards recycled material inputs, ultimately reducing the borrower's exposure to environmental, reputational and regulatory risks.

Status and next steps

Arcmont's debt was repaid in 2025.

Impact Investing

Introduction

Through our Impact Lending strategy, we seek to provide private credit to businesses positioned to deliver clearly defined, measurable environmental or social outcomes alongside targeting competitive financial returns. The strategy focuses on four themes: Climate, Health, Education and Sustainable Economic Growth.

Developed with Bridgespan Social Impact¹⁰, a specialist impact adviser, our approach is grounded in recognised frameworks: our investment-level impact assessments draw on Impact Frontiers' Five Dimensions of Impact¹¹, and our impact management process aligns with the Operating Principles for Impact Management¹² and has been independently verified by BlueMark.

2025 Key Developments

Training and firm-wide awareness:

- Delivered impact investing training to all investment team members, led by Bridgespan Social Impact, covering our impact framework, assessment

methodology and the practical application of impact principles in private credit, and educated all employees on the Impact Lending strategy, its objectives and four themes.

Market education and thought leadership:

- Supported market education on impact investing in private credit through external content and investor-focused sessions, including a webinar in April 2025 and several Impact Lunch & Learn sessions for asset owners and other professionals.

- In December 2025, we published the whitepaper "Impact Investing in Private Credit:

Capturing Opportunity Through Purpose-Driven Lending", setting out how impact investing in private credit has evolved over time and why private credit remains an underdeveloped but growing part of the impact market. The paper highlights the potential opportunity for scaled impact private credit strategies in developed markets, particularly in Europe, and explains Arcmont's approach to impact lending.

[Please fill out a content request form to access the whitepaper](#)

Advocacy and industry engagement:

- Contributed to industry dialogue through events and forums, including leading a session on impact via direct lending in Europe at Pensioen Pro's Investor Council in Rotterdam, attending the GIIN Impact Forum in Berlin, contributing to Nuveen's npowered25 panel on impact measurement, and participating in the Nordsip Private Capital Impact roundtable in Sweden.

2026 Objectives

- Continue building awareness of impact investing in private credit through investor education, thought leadership and participation in relevant industry forums.
- Deepen engagement with portfolio companies on impact measurement and reporting, including by refining impact KPIs, strengthening data collection processes and monitoring progress against defined impact objectives.
- Continue strengthening the Impact Lending strategy's impact management approach, including through independent verification.

Developed in collaboration with the **Bridgespan Social Impact**

Anchored in **best practice** frameworks

Leverages Arcmont's established **platform and origination network**

Targeting **competitive** financial returns

Impact management **process** independently verified by BlueMark



Spotlight

Impact Investment Case Studies

Below we provide case studies on two investments that were executed by the Impact Lending strategy in 2025.

1 Climate investment, promoting effective management and reduction of waste and pollution

The company is an environmental risk reduction specialist in the UK, where land and water pollution present increasing environmental and regulatory challenges. Across operational field services, response and remediation, technical advisory, and

monitoring, it helps prevent, contain and remediate pollution incidents. Its scale, responsiveness and technical expertise enable more effective pollution management and environmental protection than smaller local providers typically deliver on a standalone basis.

2 Climate investment, reducing greenhouse gas emissions

The company produces premium organic biostimulants through a circular business model that converts animal-based residues from the leather industry, together with seaweed and plant-based ingredients, into biostimulants, plaster retardants and animal fat for biofuel. By repurposing tannery waste, it avoids the

emissions associated with landfill and incineration, while its biostimulants support 14–20% crop-yield improvements and 20–30% reductions in fertiliser use, reducing soil degradation and emissions from synthetic fertilisers while improving agricultural productivity.

¹⁰ Services to the institutional impact investing industry are provided by Bridgespan Social Impact, Inc., a wholly owned subsidiary of The Bridgespan Group.

¹¹ Impact Frontiers: Five Dimensions of Impact. [Click here.](#)

¹² Operating Principles for Impact Management: The 9 Principles. [Click here.](#)

Disclaimer

This report is issued on a confidential basis by Arcmont Asset Management Limited (the "Sponsor"), a firm authorised and regulated by the Financial Conduct Authority.

By accepting delivery of this presentation, you agree that you will keep confidential all information contained within it, and will not disclose any such information to any person without the prior consent of the Sponsor (provided that you may disclose this presentation on a confidential basis to your legal, tax or investment advisers (if any) for the purposes of obtaining advice).

This report does not itself constitute an offer of interests in, nor is it a solicitation of an offer to purchase, any security or investment product in any jurisdiction. A private offering of interests in any security or investment product of the Sponsor will only be made pursuant to a confidential private placement memorandum, which will be furnished to qualified investors on a confidential basis at their request, and which will supersede the information contained in this presentation in its entirety. This presentation is intended only for "professional clients" and "eligible counterparties" (as defined by the FCA) or in the U.S. by "accredited investors" (as defined in the Securities Act of 1933) and "qualified purchasers" (as defined in the Investment Company Act of 1940) as applicable and should not be relied upon by any other category of customer. This report has not been

submitted to or approved by the securities regulatory authority of any state or jurisdiction.

Unless expressly indicated otherwise, the information contained in this report is current as at the date set forth on the cover page, and it will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after that date. No undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of the Sponsor or any of its respective directors, officers, partners, members, agents or advisers or any other person as to the accuracy or completeness of the information or opinions contained in this report, including any information or opinions that have been obtained from published sources prepared by third parties, and no responsibility or liability is accepted by any of them for any such information or opinions.

Any statements regarding market events or projections are subjective views only of the author. Such statements should not be relied upon as they may be subject to change without notice due to a variety of factors, including changing portfolio characteristics and fluctuating market conditions that may not be known at the time such statements are made. As a result, there can be no assurance that any forward looking statements are now accurate or will prove to be such.

Any opinion or score in relation to environmental, social and human rights, or governance factors included in this report is private, confidential, not intended for publication or distribution, and used exclusively for internal purposes. The inclusion of such opinion or score in this document does not imply that opinion or score is a characteristic, indicator or has any other function for the purposes of Regulation (EU) 2019/2088 ("SFDR"), except as specified in disclosures made in accordance with that Regulation. Where applicable, please refer to the methodological statement included in the Responsible Investment Policy published on Arcmont's website for further details in relation to such opinion or score.

This report is provided for information purposes only and the contents herein do not constitute legal, tax or investment advice. You are not entitled to rely on this report and no responsibility is accepted by the Sponsor or any of its directors, officers, partners, members, agents or advisers or any other person for any action taken on the basis of the content of this presentation.

Copyright 2026 © Arcmont, registered office 3rd Floor, 5 Hanover Square, London W1S 1HE, is a limited company registered in England and Wales with registered number 12029504 and is authorized and regulated by the UK Financial Conduct Authority with firm reference number 845535. All rights reserved.



Arcmont Asset Management Limited
5 Hanover Square
London W1S 1HE
+44 (0)20 3761 0700
contact@arcmont.com

arcmont.com