

# Sustainable foundations, resilient returns

Responsible Investment Report 2024

EMK Capital



# Investing the EMK Way

Our guiding investment philosophy and approach remain consistent, but we innovate constantly in implementation so that over time we continuously improve and learn to execute ever more effectively. This enables us to support the management teams we back, and the entrepreneurs and founders we partner with, to achieve the transformational growth to which they aspire.

## Investing the EMK Way

We acquire and build businesses with a focus on unlocking unrecognised and/or hard to realise value. To do this, we adopt the EMK Way, our unique approach to private equity investing that we summarise through the letters of our name.

## The EMK Way



## Enterprise

We will relentlessly seek out new thinking, new opportunities and wider, deeper networks of relationships. We will act with conviction, decisively.

## Management

We will not rest until we have the most effective managers in every leadership position in our portfolio. We will give each of our leaders the best possible resources to develop even greater capability.

## Knowledge

We will earn the right to own our portfolio businesses by creating a deeper understanding of the markets, customers, competitors and operations than any other potential owner.

# Sustainable foundations, resilient returns

Strong sustainability principles lay the groundwork for enduring, high-performing investments.

## Inside this report

### Introduction

- 2 Welcome letter
- 3 EMK at a glance
- 4 Head of Responsible Investment's review
- 5 Highlights 2024
- 6 People and culture

### EMK's approach

- 7 EMK's approach
- 8 Integration into the investment process
- 9 Sustainable Business Transformation Programme

### Value protection

- 11 Climate and nature
- 12 Sustainability data management
- 13 Due diligence
- 14 Cybersecurity and preparing for AI

### Appendix

- 27 Calculating our emissions
- 28 Portfolio emissions
- 29 Summary of TCFD updates 2024
- 30 Disclaimer

### Value creation

- 16 Decarbonisation
- 18 Sustainability strategy
- 19 Sustainable innovation

### Net positive impact

- 22 Measuring our impact
- 23 Impact as opportunity
- 24 Spotlight: Bright Data
- 25 Spotlight: VDK



» Read about our new platform investments that are driving the energy transition on page 23.



» Read more about Bright Data on page 24.



» Read more about VDK on page 25.



## Welcome letter

# Unlocking financial value and creating lasting impact

**“We are entrusted by a diverse community of long-term investors whose capital serves meaningful purposes. The value we generate on their behalf is measured not only in returns, but in the broader positive outcomes we enable.”**

Managing Partners:  
Edmund Lazarus and Mark Joseph



**At EMK, we create long-term value for our investors by managing risk, driving operational performance, and identifying opportunities for transformative growth. Our ambition goes beyond financial returns; we aim to deliver outcomes that contribute meaningfully to the missions of the institutions we serve.**

From inception, EMK was founded with a shared vision, disciplined investment philosophy, and a long-term approach to value creation in mid-market companies. This approach – what we call the EMK Way – recognises that considerations often associated with sustainability are fundamental to long-term business strength and resilience. This insight has been consistently borne out across 50 platform investments and 328 add-on acquisitions since 2004.

The EMK Way of investing is demanding. It requires an abundance of expertise and shared experience. Across EMK's Partner team alone, there is 175 years of EMK Way investment experience, strengthened by 120 years of further experience investing the EMK Way across the rest of our team. This collective strength drives our ability to build stronger, more sustainable businesses.

Our responsible investment program is a cornerstone of this philosophy, helping us build strong foundations across our portfolio, future-proofing businesses, and positioning them to thrive in a changing world. In our second public Responsible Investment Report, we share the progress we've made, highlight milestones we've achieved, and set out the priorities guiding our path forward.

EMK's culture is defined by its people – their good judgement, curiosity, and commitment to shared

## >40%

of EMK's investable capital is provided by pensions, endowments, foundations, government and other non-profit organisations

## €3.0bn

EMK Fund III raised in 2023 (at hard cap)

In numbers

success through the EMK Way. We take pride in our meritocratic structure and culture of constructive challenge and collaboration, an environment that fosters accountability and empowers every voice to contribute. Learn more about our people and culture on page 6, and throughout this report, you'll hear directly from the EMK team shaping our approach.

We recognise that today, “ESG” has become a contested term, and we welcome informed debate. For us, responsible investment is a reflection of sound business fundamentals. Integrating sustainability into our investment process helps us mitigate risk, unlock opportunity, and build more resilient companies that are well positioned to deliver lasting value. We do not trade off financial returns against sustainability objectives. On the contrary, we know they underpin each other.

We take pride in the fact that our success translates not only into strong financial returns but into meaningful outcomes made possible by the institutions we support. Our global investor base includes pension funds, endowments, family offices, sovereign capital, charitable foundations, and other investors whose goals and priorities align with our values and long-term perspective. Together, they represent millions of individuals whose futures are shaped by the long-term capital we steward.



## EMK at a glance

# Local investment, global impact

### In numbers

**c. €8bn**

assets under management

**15**

global locations

**€4.2bn**

invested since 2004

**338**

management appointees

**328**

add-on acquisitions

**c. €5.7bn**

combined portfolio revenues

**17,700+**

FTEs employed by EMK  
portfolio companies

### Owner mindset and approach

**€350m+**

in value uplift

### Broad capabilities and expertise

**50+**

CXOs placed

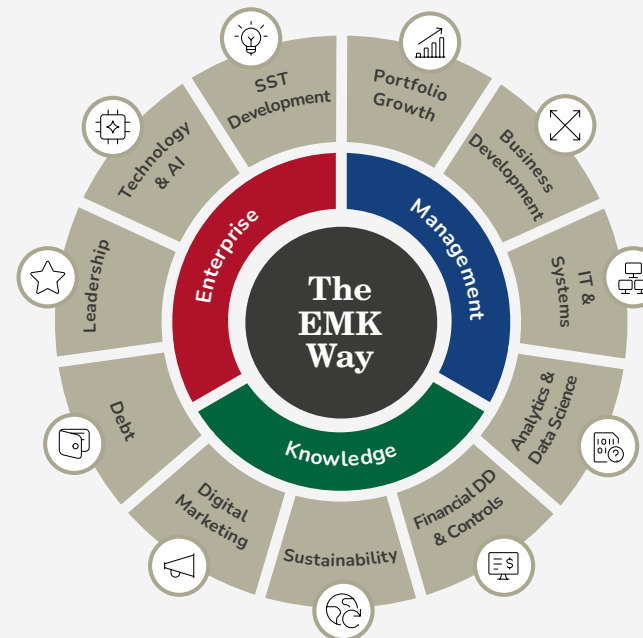
### Proprietary intelligence and IP

**26**

ongoing SSTs with 15 completed  
in H1 2025

Delivering the EMK Way requires world-class competencies. We invest heavily in our EMK Accelerate team, which operates alongside EMK's Investment team, comprising 11 strategic functions and supporting both EMK's sub-sector thesis development and growth initiatives at our portfolio companies.

### EMK Accelerate



Our sustainability practice forms part of EMK Accelerate – challenging, advising and coaching our portfolio companies to unlock value by applying a sustainability lens.

## Head of Responsible Investment's review

# Strong foundations for lasting growth

**“We continue to capitalise on opportunities to integrate sustainability performance targets into our financing structures, helping to lower our cost of debt.”**

Eva Vogt  
Partner and Head of  
Responsible Investment



**In 2024, we continued to strengthen our responsible investment programme, which serves as the foundation for enabling our portfolio companies to become sustainability leaders. By embedding sustainability at the core of their business models, we set them up to deliver resilient returns for our investors.**

This focus has never been more relevant. The external environment remains uncertain, and in the first few months of 2025, we have already seen shifting sustainability regulatory expectations. Against this backdrop, our structured and proactive approach to responsible investment helps us navigate complexity while enabling and creating value.

### Our engagement framework

Over the past two years, we have developed EMK's Sustainable Business Transformation Programme (SBTP) – a framework for driving sustainability across our portfolio. This programme defines a winning formula for integrating sustainability initiatives, setting minimum expectations, and guiding engagement from onboarding through to exit. We embedded these requirements into our fund strategy to ensure a consistent and high-impact approach. You can read more about the SBTP on page 9.

### Creating value through sustainability

This report highlights tangible examples of how sustainability initiatives are creating measurable value across our portfolio. In particular, we are seeing strong momentum from businesses whose revenues are linked to activities that support the transition to a low-carbon economy. You can explore sustainability-driven innovation on page 19.

### Lowering our cost of capital

We continue to capitalise on opportunities to integrate sustainability performance targets into our financing structures, helping to lower our cost of capital. In Fund III, we structured a sustainability-linked debt facility aligned with our SBTP, achieving significant savings in our first review cycle.

Companies with sustainability-linked loans are also realising financial benefits. For example, VDK met its 2023 sustainability targets for emissions and waste reduction, securing a discount of over €1 million on interest payments over the next 12 months.

### Our commitment

For three consecutive years, we have been a finalist in the Real Deals Private Equity Awards for ESG, publicly recognising our leadership in sustainability. This reflects our conviction that responsible investment is not just about doing the right thing and contributing to a more sustainable global economy – it is about being informed on sustainability-related risks and opportunities relevant to our portfolio companies for actioning on a commercial basis, to support delivering superior financial returns to our investors.



## Highlights 2024

# Performance in review

### Signatories of UN PRI



Policy, Governance and Strategy



Private Equity



Confidence Building Measures

### Science-based targets

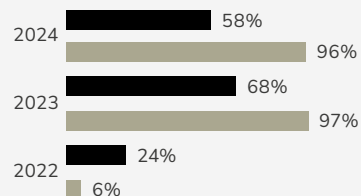


DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

# 96%

SBTi portfolio coverage

**Portfolio coverage: invested capital versus absolute emissions**



■ Invested capital ■ Absolute emissions

» Read more about our decarbonisation targets on page 16.

### 2024 recognition



- EMK named finalist for the Real Deals Private Equity Awards for ESG
- Portfolio company Reconomy awarded Top Recognition for the BVCA Excellence in ESG initiative
- Portfolio company Onebright shortlisted in the Real Deals Private Equity Awards for ESG

### Industry partnerships



## People and culture

# One EMK Way

**“Looking ahead to 2025 and beyond, our key priorities will be to enable a high-performance, high-engagement culture; be industry leading in our talent development; and embed our values more deeply into everyday practices.”**

Tina Houshmand  
Partner and Chief  
Talent Officer



# 16

nationalities  
represented  
on the EMK team

# 21

average years'  
partner  
professional  
experience

# 9

average years'  
partner experience  
in the EMK Way

In numbers

In 2024, EMK appointed its first Chief Talent Officer to lead our firm-wide people strategy, performance management, and talent development. As we grow, we remain intentional about maintaining a unified approach across the firm. “One EMK” means preserving the values, entrepreneurial mindset, and investment philosophy that underpin our success, while evolving our structures, behaviours, and processes to support scale, consistency, and long-term value creation.

### Partner performance

Our Partners are central to EMK's success. We provide clear expectations, individualised coaching, and regular feedback to support their growth into outstanding investors and leaders. We invest over 200 hours of coaching annually to strengthen leadership capabilities and long-term firm performance.

### Building the best investment talent

We are committed to growing talent from within, hiring at junior levels and developing new team members in the EMK Way. We complement hands-on private equity experience with a structured, bespoke learning programme tailored to each level. In 2025, we are expanding our Investment team by 28%, reflecting our continued growth while maintaining our proven investment philosophy. Our most recent Associate intake includes a broad mix of backgrounds across offices and geographies. Our centralised approach to hiring has also resulted in a 45% reduction in GP recruitment costs.

### Intentional staffing and development

We take a holistic approach to resourcing, balancing business needs with the long-term development of our people. We look beyond availability and language to ensure each Investment team is equipped with the right mix of skills, perspectives, and styles. 96% of our portfolio companies are staffed across borders – a model that facilitates shared learning and maximises performance and our “One EMK” ethos. At the same time, we ensure every team member gains broad and deep exposure across the full skillset needed to become a successful investor. Our goal is to maximise the probability of success of making it from Associate to Partner.



## EMK's approach

# Our approach to responsible investment

**EMK's approach to responsible investment is based on the principle that driving sustainability leadership across our portfolio companies maximises long-term returns.**

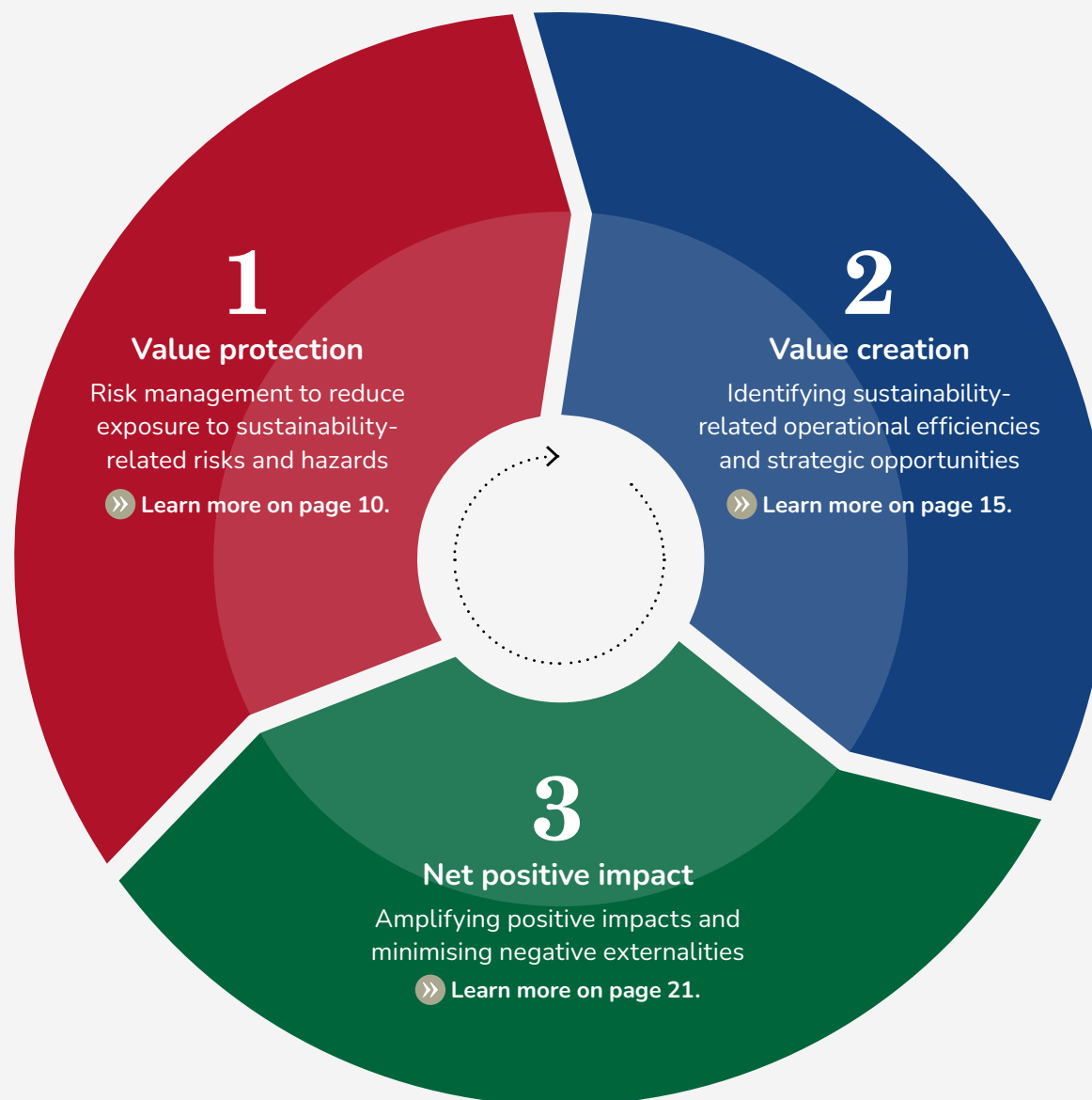
We unlock financial value for our investors by managing risks, enhancing operational sustainability, and seizing opportunities.

Our commitment to value protection, value creation, and net positive impact enables us to build resilient, competitive, and purpose-driven businesses that balance short-term performance with long-term success.

EMK does not typically invest in businesses with fully developed sustainability programmes. Instead, we add value through active ownership and engagement, working with portfolio companies to lay the foundations for a robust and mature sustainability leadership programme over time.

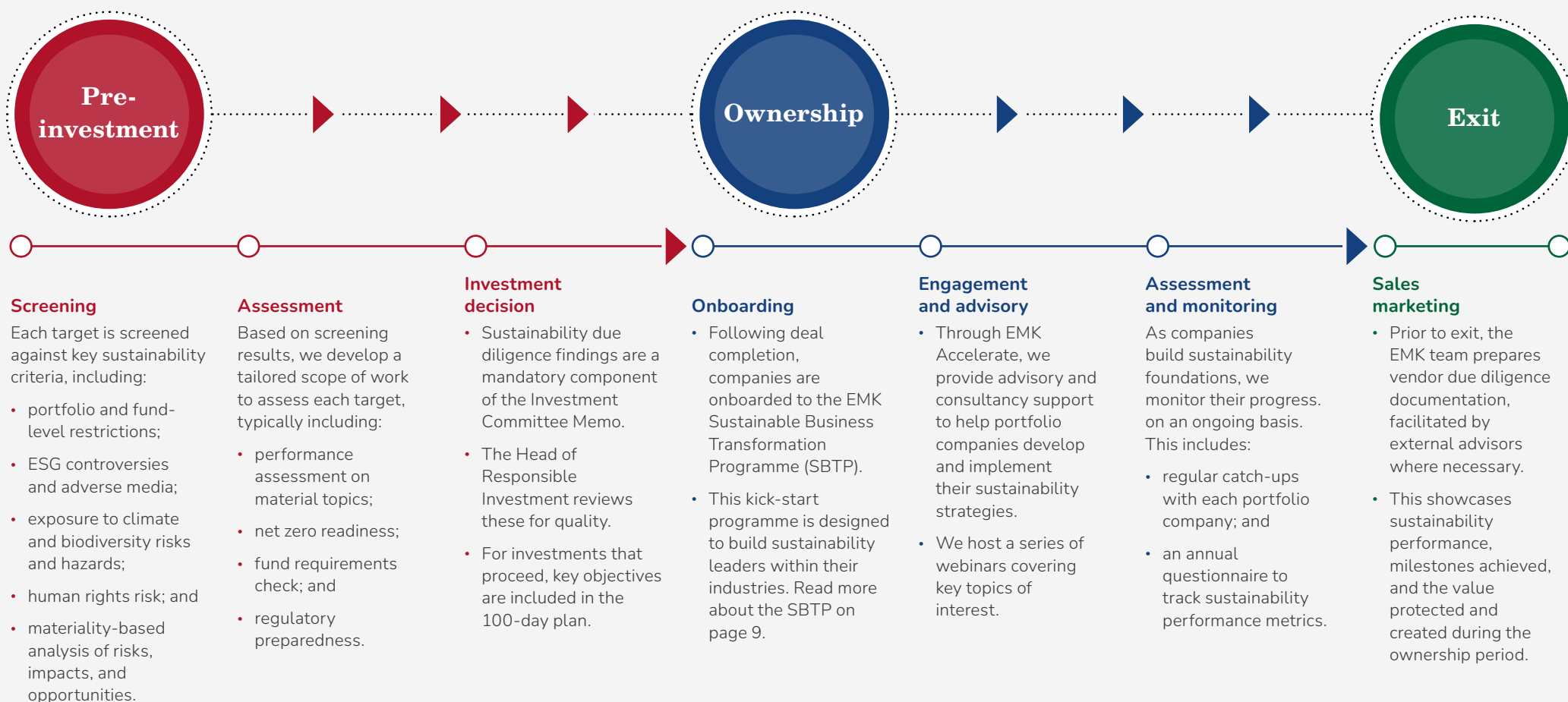
**“Our leadership in responsible investment is defined by action – integrating sustainability to drive impact, resilience, and returns across our portfolio.”**

Edmund Lazarus and Mark Joseph  
The Managing Partners



## Integration into the investment process

# Stewardship across the investment lifecycle





## Sustainable Business Transformation Programme

# Our engagement platform

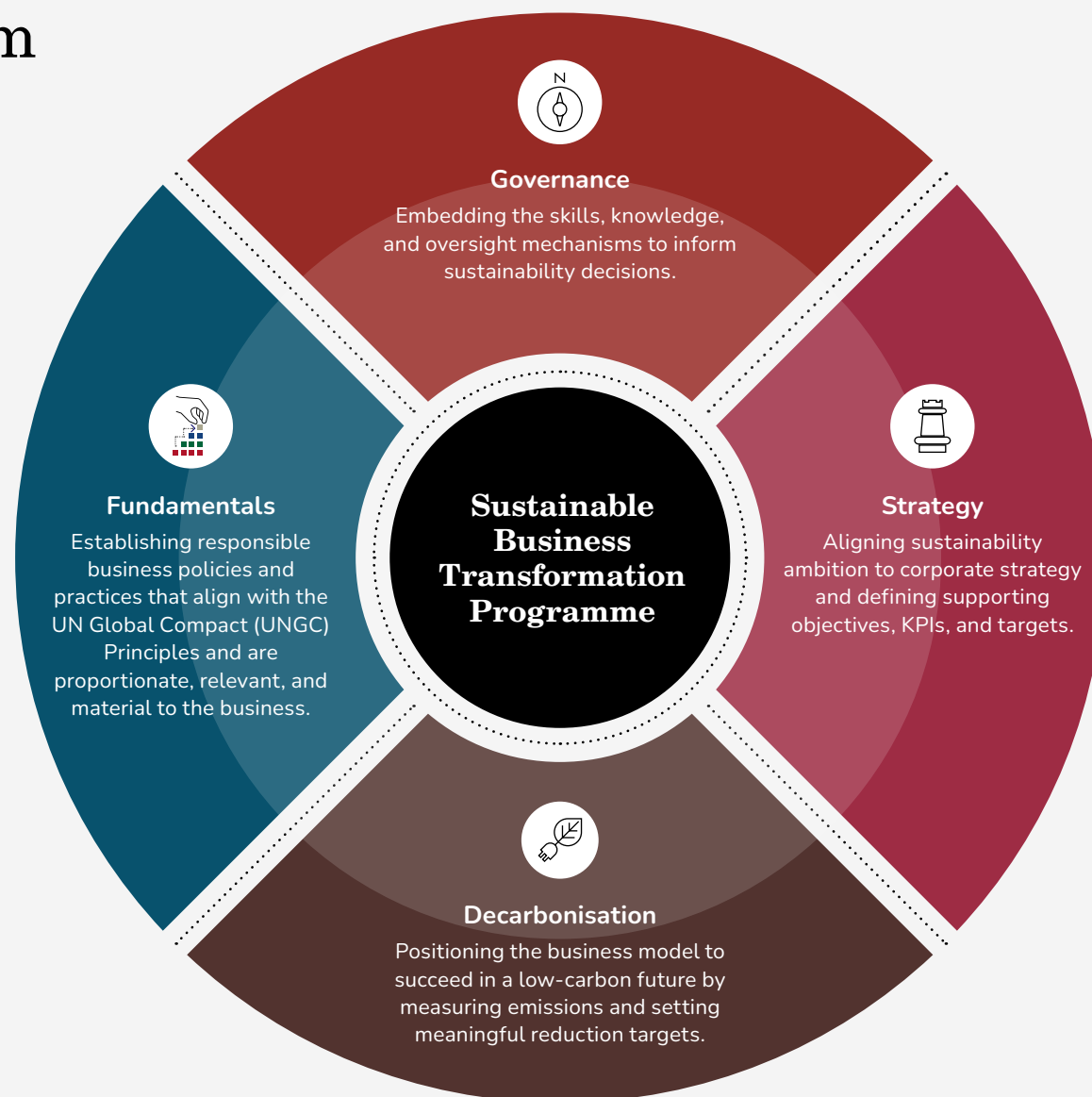
**EMK partners closely with its portfolio companies to integrate material sustainability considerations into their businesses as a core element of their value creation plans.**

Our Sustainable Business Transformation Programme (SBTP) is launched at the start of the investment hold period as a structured engagement framework. It aims to put in place the foundations for sustainability leadership at our portfolio companies.

The SBTP is built around four core themes that guide our engagement with portfolio companies and provide a basis for tracking performance metrics. We review the programme annually to ensure it remains aligned with evolving sustainability standards, industry best practices, regulatory developments, and insights from our materiality assessment.

In 2024 we streamlined the SBTP by integrating EcoVadis scores as a way to assess our companies' approach to the 'fundamentals' of a sustainable business management system, including environment, human rights, business ethics, and sustainable procurement. EcoVadis' tailored approach, which adjusts assessments based on a company's size and sector, aligns well with our sector-agnostic investment strategy. We are actively working to onboard our portfolio companies onto the EcoVadis platform.

The SBTP accommodates diverse industries and recognises that each organisation faces distinct sustainability risks, opportunities, and impacts. It provides the flexibility for companies to develop bespoke strategies that reflect their priorities while maintaining a high standard of sustainability excellence.



# Value protection

**To mitigate risks, ensure compliance, and protect our financial interests, we proactively implement safeguards to reduce our exposure to sustainability-related risks and hazards.**

In an increasingly complex world, companies must anticipate and address sustainability-related challenges. As investors, we recognise their growing financial implications and consider risk identification, assessment, and mitigation as core parts of our fiduciary duty.

Rigorous tracking is essential to driving progress. A key principle of our approach is collecting high-quality data on our portfolio's sustainability performance. We also engage with stakeholders and our peers to strengthen our understanding of emerging challenges and opportunities. Reporting on our performance to relevant stakeholders fosters a culture of transparency and accountability.

Effective risk management starts and ends with strong governance. We continually refine our internal systems and procedures to uphold robust governance in our sustainability approach.

- » 11 Climate and nature
- » 12 Sustainability data management
- » 13 Due diligence
- » 14 Cybersecurity and preparing for AI

## EMK in conversation

**Q** Can you provide some examples of how EMK integrates safeguards against sustainability-related risks into its overall risk management and compliance framework?

**A** Strong governance structures are at the core of our approach, ensuring compliance with evolving regulatory and industry standards. We have embedded accountability for sustainability at the highest levels of the firm. Eva Vogt, our Head of Responsible Investment, is part of the EMK Accelerate team, which provides expert guidance and oversight throughout the investment process. For example, she evaluates the rigour of sustainability due diligence conducted on every platform deal.

This commitment extends to our portfolio companies as well. In Fund III, we have made it a priority to ensure that a board member in each portfolio company takes clear ownership of sustainability. Additionally, we link executive remuneration to key sustainability objectives, reinforcing accountability and aligning incentives with long-term value creation.

**Q** How does EMK assess the potential risks posed by evolving sustainability regulations in Europe?

**A** We have been closely monitoring regulatory developments in Europe, particularly the shifts introduced by the EU Omnibus in early 2025. While these changes have created some uncertainty, we never viewed the introduction of these regulations solely in terms of risk. Instead, we work closely with our portfolio companies to ensure compliance while also identifying ways to turn regulatory requirements into value-creating opportunities. This approach helps us mitigate potential risks while making the most of the resources invested in sustainability preparedness.



Graham Lunn  
CFO and Partner



## Climate and nature

# How EMK addresses climate risk



**Climate change represents one of the most significant sustainability challenges of our time. At EMK, we acknowledge that it presents both material risks and strategic opportunities for our portfolio companies and the markets in which they operate. We further recognise our fiduciary duty to incorporate climate-related risk considerations into our investment practices to ensure the preservation and enhancement of long-term investor value.**

As such, we integrate climate-related considerations across all stages of the investment cycle – from the development of our sub-sector theses (SSTs) and through to due diligence, ownership, and exit.

Our approach to climate is governed by EMK's Managing Partners and overseen by the Responsible Investment team. In 2024, we further embedded climate risk into our investment process by:

- enhancing our due diligence procedures to systematically screen for physical and transition climate risks, as well as nature and biodiversity risks;
- conducting a portfolio-wide climate risk heatmapping exercise using a digital platform that combines geospatial, meteorological, and financial data; and
- engaging a third-party consultant to run climate scenario analysis, modelling the potential financial impacts of various transition pathways on portfolio company EBITDA.

Our findings to date indicate that EMK's portfolio is relatively well-insulated from climate-related risks over our investment horizon, with limited exposure to high-risk sectors or geographies. However, we remain vigilant to evolving regulatory, market, and environmental conditions.

In parallel, we see upside potential linked to climate-related opportunities – particularly in energy-efficient services, low-emission technologies, and support for client decarbonisation. You can read more about our recent investments in portfolio companies that tap into the opportunities of the energy transition on page 23.

We are also actively supporting our portfolio companies to develop science-based targets (SBTs), transition to renewable electricity, and establish costed decarbonisation plans. Our own SBTi-approved target commits us to reaching 100% portfolio coverage of SBTi-validated targets by 2030, based on absolute emissions. Read more about our approach to decarbonisation on page 17.

While our primary focus is climate, we recognise the growing importance of nature-related risk and opportunity. In 2025, we are beginning to explore how ecosystem dependencies – such as water stress or land use – may shape risk profiles across sectors and intend to align with emerging frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD).



» Read our TCFD-aligned disclosure on our website for more details about our priorities and performance.

## Partnering to tackle the climate crisis



### Initiative Climate International

EMK is a participating member of a global community of private equity investors who seek to better understand and manage the risk associated with climate change.



### UK Sustainable Investment and Finance Association (UKSIF)

EMK is part of a coalition of financial institutions representing £1.5 trillion in AUM calling for clearer, more consistent UK policymaking in support of net zero commitments.



### The Institutional Investors Group on Climate Change (IIGCC)

In 2022, 2023, and 2024 EMK signed the IIGCC's Investor Agenda statement to global governments as a call for action on the climate crisis.

## Sustainability data management

# Strategic advantage through high-quality sustainability data



### Why it matters

One of the fundamental criteria we assess as part of the Governance module of our Sustainable Business Transformation Programme (SBTP) is a portfolio company's ability to capture, manage, and report high-quality sustainability data. This is more than a compliance exercise – it is about ensuring long-term competitiveness and resilience based on decision-useful information.

Regulation is an undeniable driver, particularly in Europe, where despite being currently overhauled, the Corporate Sustainability Reporting Directive's (CSRD) European Sustainability Reporting Standards (ESRS) has driven businesses to consider a broad range of sustainability-related data more than ever before. However, regulatory compliance is only part of the equation. Increasingly, customers, investors, and business partners demand robust sustainability disclosures. Companies that cannot provide high-quality, verifiable data risk not only compliance penalties but also lost commercial opportunities.

In contrast, companies that proactively manage and leverage their sustainability data gain a competitive advantage. Accurate, transparent data can unlock commercial partnerships, differentiate a company in procurement processes, and attract investment. It can also highlight cost-saving efficiencies, particularly in areas like carbon emissions, energy use, and supply chain optimisation.

### Supporting our portfolio companies

To ensure our portfolio companies are positioned for success, EMK's Responsible Investment team has established partnerships with leading sustainability data management platforms, securing preferential rates for best-in-class tools. Given the rapid evolution of AI-driven data solutions, we continuously assess emerging technologies to ensure our companies stay ahead of the curve.

Beyond technology enablement, we also play a direct role in data validation. Each year, we conduct a structured sustainability data collection exercise across our portfolio, covering key metrics – including those aligned with the ESG Data Convergence Initiative (EDCI). Through this process, we validate reported data, ensuring accuracy and consistency. This helps our companies meet customer expectations, enhance investor confidence, and safeguard enterprise value.



### Strengthening carbon emissions data

Carbon emissions data is one of the most frequently requested sustainability metrics from customers. It is also a critical lever for cost savings and operational efficiencies.

In 2024, we undertook a comprehensive data quality assessment of our portfolio companies' GHG emissions reporting in order to identify where our portfolio companies could improve data quality, completeness and accuracy.

The result was the development of a practical framework which can be leveraged for assessing emissions data integrity and promoting industry best practices.

The results revealed a broad spectrum of data quality and coverage across the portfolio. For instance, while some companies had robust activity-based data for categories like mobile combustion or electricity use, others relied on estimates or had no data at all for material categories such as purchased goods and services or use of sold products. These insights were presented using a colour-coded matrix, highlighting where improvements could yield the greatest impact on data accuracy and portfolio emissions coverage.

To complement the emissions mapping, EMK conducted a detailed data quality evaluation using both standard and proprietary tools. While the PCAF standard offers a helpful scoring system ranging from 1 (most accurate) to 5 (least accurate), it does not fully capture the nuances of the underlying data sources.

To address this limitation, EMK applied a more granular scoring system with a scale ranging from A+ to D. The A+ rating signifies direct measurement from primary sources, such as fuel volumes or metered electricity, while lower ratings reflect indirect estimates or cost-based calculations. A 'D' rating indicates an absence of data or unverifiable methodologies. This proprietary scale enabled EMK to identify and prioritise the most material and improvable data gaps within its portfolio.

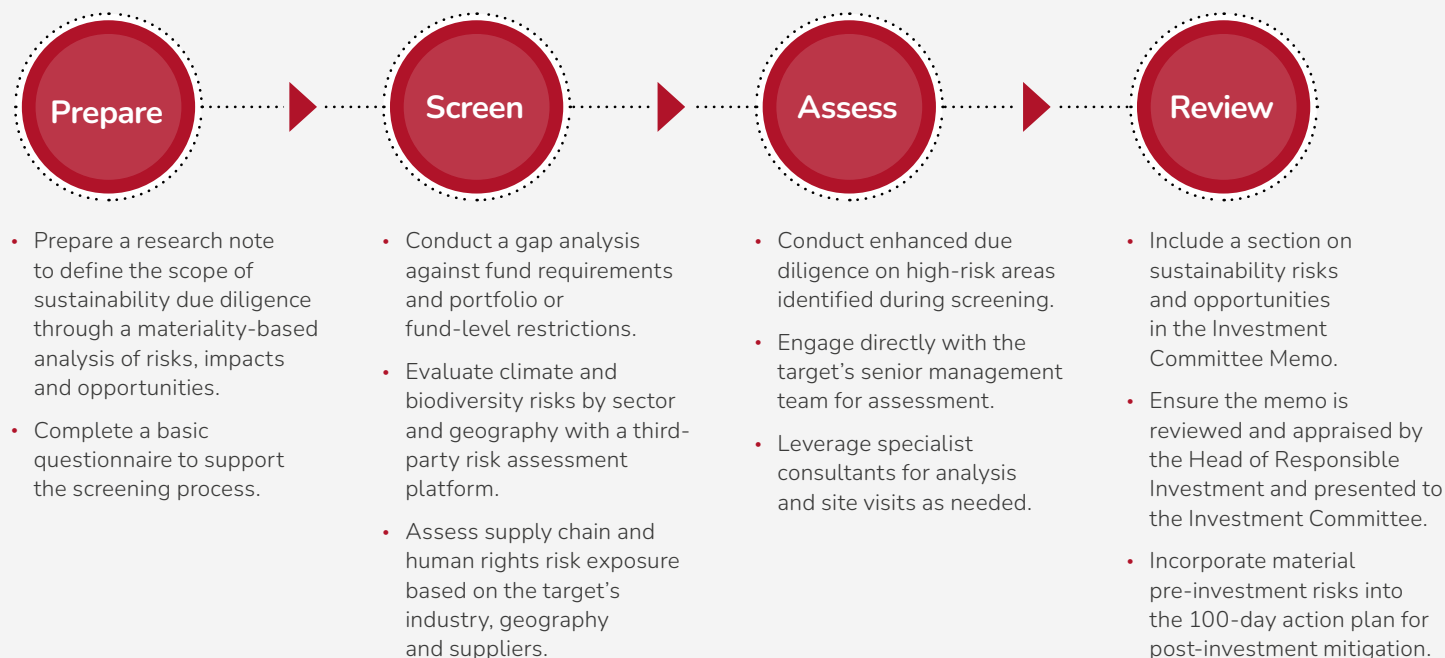
## Due diligence

# Embedding sustainability into investment decisions



**By thoroughly assessing the sustainability risks, impacts, and opportunities of a potential investment, we support informed decision-making that aligns with our risk appetite and policy commitments.**

We follow a structured due diligence process for each investment. However, we remain flexible and routinely tailor our approach to align with the specific characteristics and risks of each investment opportunity.



### Due diligence that drives investment decisions

In 2024, our enhanced sustainability due diligence framework played a critical role in shaping investment decisions. In one instance, we identified material risks related to human rights within a prospective investment target's supply chain. Leveraging our newly implemented screening platform, we assessed the target's key suppliers and identified a significant red flag – one supplier appeared on a US sanctions list due to links to human rights violations.

Further analysis revealed that a core aspect of the target's business was highly dependent on a region where human rights risks are both prevalent and challenging to mitigate. This raised concerns not only about legal and reputational exposure but also about the broader sustainability of the company's operating model.

Through several discussions with the target's management team, we explored potential mitigation strategies. However, given the systemic nature of the risk and the limited ability to implement meaningful safeguards, we ultimately decided not to proceed with the investment. Importantly, we shared our findings with the company, which acknowledged the concerns and has taken steps to address the issues we highlighted to them.



## Cybersecurity and preparing for AI

# Future-proofing our business

At EMK Capital, we recognise that cybersecurity is a cornerstone of responsible governance and strategic planning. As a leading private equity firm, we are committed to protecting not only our own operations, but also the security and resilience of our portfolio companies. Cybersecurity is more than a protective measure – it is a strategic priority that strengthens trust, drives value, and ensures long-term success.

By embedding cybersecurity into our decision-making processes, we ensure that our organisation and portfolio companies are well positioned to address both current and future challenges. We work to integrate cybersecurity into every aspect of our operations and investment practices to build resilient companies that thrive in an interconnected world.

The private equity sector operates in a rapidly evolving technological landscape, where cyber risks can disrupt operations and erode value. For EMK Capital, cybersecurity is a key driver of business continuity, operational excellence, and investor confidence.



## EMK in conversation

**Q** How is EMK preparing and future-proofing the firm for the rapidly evolving AI space?

**A** AI presents a significant opportunity for businesses, but we also recognise the associated risks and challenges. To navigate this evolving landscape, we have established a dedicated task force focused on two key areas: (1) identifying AI tools that can enhance EMK's internal operations and decision-making, and (2) assessing how AI may impact the industries in which our platform investments operate. This ensures that we remain proactive in both leveraging AI's potential and mitigating its risks.

**Q** How do you think AI can best be leveraged in the context of sustainability?

**A** AI has the potential to be a powerful tool in advancing sustainability by improving data analysis, optimising resource efficiency, and enhancing risk management. In investment decision-making, AI can help identify sustainability risks and opportunities more effectively through predictive analytics and real-time data monitoring. Within our portfolio, AI-driven insights can support companies in reducing emissions, improving supply chain transparency, and enhancing reporting accuracy. However, responsible AI adoption is key – we are mindful of ethical considerations, data privacy, and the need for robust governance to ensure AI is used in a way that aligns with long-term sustainability goals.

**Q** What are the potential ethical and regulatory concerns for EMK portfolio companies and how do you plan to address them?

**A** As the technology is advancing rapidly, it is critical to be a step ahead of the emerging challenges. Data privacy, copyright, energy consumption, plagiarism, etc. are legitimate concerns. While we believe the benefits far outweigh the potential downsides, addressing these proactively is far cheaper and simpler than doing so later.

Bala Parthasarathy  
Senior Advisor



# Value creation

**Sustainability is a powerful lens to optimise cost structures, strengthen stakeholder relationships, and unlock new revenue streams aligned with the transition to a sustainable economy.**

Businesses that fail to embed sustainability into their core strategy risk eroding value and falling behind. By integrating sustainability from acquisition through to exit, we enhance resilience, unlock opportunities, and future-proof our portfolio companies.

Our Sustainable Business Transformation Programme (SBTP) lays the groundwork for sustainability leadership, embedding it as a core driver of long-term value. EMK Accelerate, our in-house team of experts, provides tailored, hands-on support – from strategy development to communication and reporting – ensuring our portfolio companies translate ambition into measurable financial impact.

Through active engagement during ownership, our Responsible Investment team aims to enhance financial performance, strengthen competitive positioning, and maximise investor value.

- » 16 Decarbonisation
- » 18 Sustainability strategy
- » 19 Sustainable innovation

## EMK in conversation

**Q** How does sustainability factor into your value creation strategy for new portfolio companies?

**A** From the outset, we work closely with the Responsible Investment team to integrate sustainability into the value creation plan by identifying sustainability factors that align with the portfolio company's core strategy. We work closely with management teams to develop a roadmap that integrates our fund requirements alongside material sustainability priorities relevant to the business. This ensures that sustainability is not just a compliance exercise but a lever for operational efficiency, risk management, and competitive differentiation. This process is initiated at the sub-sector thesis stage and continued throughout due diligence, ensuring we are well prepared to hit the ground running post-acquisition.

**Q** Can you provide an example of how this approach has been applied in a recent investment?

**A** In 2024, we invested in March, a multidisciplinary critical engineering services provider. One of the key sustainability opportunities we identified early on was the decarbonisation of March's vehicle fleet, a major contributor to its operational emissions. By transitioning to a lower-emission fleet and optimising logistics, we expect to not only achieve cost savings but also enhance March's value proposition to customers which are increasingly prioritising sustainability in their supply chains. This initiative strengthens the company's brand equity and market positioning while making it more attractive to future investors and acquirers.



**“We view sustainability as a competitive differentiator and a driver of value creation through enhanced operational excellence.”**

Helena Stylianou  
Investment Manager

## Decarbonisation

# Delivering on our science-based targets










EMK is on track to meet its science-based emission reduction target, covering EMK's Scope 1 and 2 emissions as well as its portfolio company coverage target. Unlike most private equity firms, which define portfolio coverage based on invested capital, EMK has set a science-based portfolio coverage target based on absolute emissions – an approach recognised by the SBTi as ambitious.

### Why absolute emissions?

Measuring portfolio coverage by absolute emissions ensures that we prioritise decarbonisation where it matters most – focusing on higher-emitting companies rather than ownership share or investment size. As our companies reduce emissions and our portfolio evolves, performance against the target will fluctuate accordingly. We have embraced this “sliding target” because we believe it drives the most meaningful real-world impact.

» For more details on our methodology and underlying data, see pages 27 and 28 in the appendix.

### EMK's performance against its science-based targets

Target	Unit	Baseline (2021)	2024	Status as of 31/12/2024
 <b>50%</b> reduction in Scope 1 and 2 emissions by 2030, from a 2021 base year	Tonnes of CO <sub>2</sub> equivalent (tCO <sub>2</sub> e)	<b>8.75</b>	<b>0</b>	On track 
 <b>100%</b> active annual sourcing of renewable electricity by 2025 and to continue through 2030	% electricity from renewable sources	<b>91%</b>	<b>100%</b>	On track 
 <b>50%</b> of eligible <sup>1</sup> private equity investments by GHG emissions to set SBTi-validated targets by 2026	% of portfolio covered by SBTi-validated targets by absolute GHG emissions	<b>0%</b>	<b>96%</b>	On track 
 <b>100%</b> of eligible <sup>1</sup> private equity investments by GHG emissions to set SBTi-validated targets by 2030				

1 Portfolio companies are “in scope” of portfolio coverage calculation if criteria 1 and either of criteria 2 or 3 are met:

- 1 EMK holds at least one board seat and ownership is greater than 25%.
- 2 The company has been in EMK's portfolio for more than 24 months.
- 3 The company has been in EMK's portfolio for less than 24 months but has set science-based targets before the 24-month threshold.



## Decarbonisation continued

## Aligning our portfolio to a low-carbon future



**Decarbonisation isn't just a responsibility – it's a strategic advantage.**

The Carbon Compass is EMK's strategic framework for guiding portfolio companies through the net zero transition, by progressing their decarbonisation while continuing to scale their businesses. As pressure to cut carbon intensifies across sectors, we are encouraging our companies to leverage their own decarbonisation efforts to position themselves as preferred partners to help customers meet their own commitments. Through targeted initiatives, we equip them with the tools to turn sustainability into a competitive edge.

## The Carbon Compass

## 1. Measurement

All portfolio companies must measure their Scope 1, 2, and 3 emissions. We connect them with a leading carbon accounting platform to track emissions and uncover actionable insights. To ensure data accuracy and completeness, we have created a scoring system and continually promote improved data accuracy and completeness.

**90%**

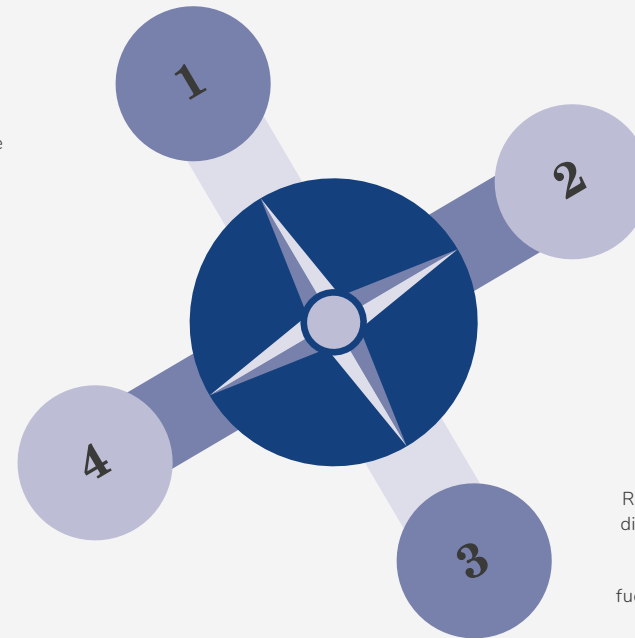
of portfolio companies measure their emissions

## 4. Decarbonisation plan

We support our portfolio companies in developing decarbonisation plans to achieve their targets. Understanding the financial viability of emissions reduction initiatives allows companies to prioritise high-impact actions, plan budgets, and embed sustainability into business strategy.

**29%**

of portfolio companies have a decarbonisation plan



## 2. Target setting

Setting targets validated by the Science Based Targets initiative (SBTi) is part of understanding how to drive meaningful decarbonisation. The process encourages companies to set a clear roadmap for emissions reduction, accountability, and net zero alignment. Our goal is for 100% of our portfolio companies (by absolute emissions) to set SBTi-aligned targets by 2030. We acknowledge that this target is challenging, but it is one we continually strive to meet.

**7 out of 14**

eligible portfolio companies have SBTi-validated targets

## 3. Renewable energy

Renewable energy is a key lever for decarbonisation, directly reducing Scope 2 emissions while enhancing resilience. We encourage our portfolio companies to transition to renewable electricity, cutting fossil fuel reliance and aligning with the net zero transition. We actively track, drive, and facilitate increased renewable electricity adoption across the EMK portfolio.

**71%**

of portfolio companies source >50% renewable electricity

2024 alignment with industry decarbonisation frameworks<sup>1</sup>

## Net Zero Investment Framework (NZIF)



## Private Markets Decarbonisation Roadmap (PMDR)



<sup>1</sup> % of portfolio companies by invested capital.

## Sustainability strategy

# Outlining a vision for value creation



**A well-defined sustainability strategy is essential for aligning corporate and sustainability priorities, establishing a measurable action plan, and ensuring clear stakeholder communication. It serves as the foundation for creating tangible business value – enhancing operational efficiency, mitigating risks, and strengthening long-term competitiveness.**

As a core component of the Sustainable Business Transformation Programme (SBTP), a strong sustainability strategy must meet key criteria, including:

- grounding in a materiality assessment to ensure relevance and impact;
- clearly defined focus areas supported by ambition statements that align with business objectives;
- an action plan with measurable goals within a defined timeframe to drive accountability; and
- supporting KPIs and targets to track progress and demonstrate tangible results.

Our aim is for all our portfolio companies to develop a strategy that meets these standards. Beyond enabling more effective sustainability management and reporting, a well-structured strategy strengthens brand reputation, attracts investors, enhances operational resilience, and unlocks new market opportunities. Ultimately, it serves as a catalyst for performance improvement and value creation, making the company more competitive both during ownership and at exit.



Service Key  
Group

### Case study

### Supporting with strategy development

Service Key, an integrated facilities management business, had a strong track record in sustainability. However, its approach was historically initiative driven and lacked a unifying vision that connected sustainability to its corporate purpose.

In 2024, the EMK Responsible Investment team partnered with Service Key to develop a tailored sustainability strategy that aligned with its long-term objectives. The outcome was *Seminiamo il Cambiamento* ("Act Now") – a strategy that prioritises improving workplace quality of life by

creating safe and sustainable spaces. This vision is supported by a deep commitment to environmental stewardship, a culture of inclusion, and strong responsible business practices.

This strategic shift has provided Service Key with a clear, purpose-driven framework for sustainability, embedding it at the core of its operations and long-term value creation. Each pillar of the strategy is supported by clear goals and corresponding KPIs. Service Key will establish baseline data for each KPI and set aligned targets.

#### 1. Enhanced facilities

Improving the quality of life in workplaces by continuously innovating to create safe and sustainable spaces.

Material topics:

- Attention to service quality & customer satisfaction
- Service innovation and process efficiency
- Provision of services with low environmental impact

#### 2. Environmental advocates

Reducing our impact on the planet by embracing green processes and practices.

Material topics:

- Emissions management
- Waste management

#### 3. Culture of inclusion

Cultivating a corporate culture based on inclusion, that prioritises employee health, wellbeing and satisfaction.

Material topics:

- Health & safety
- Employee welfare
- Employee stability & job creation
- Training & human resource
- Gender diversity, fair pay & equal opportunity

#### 4. Responsible business practices

Committing to rigorous policies and principles that promote fairness, transparency, and accountability

Material topics:

- Risk management
- Responsible purchasing practices
- Responsible business conduct



## Sustainable innovation

# Unlocking value through sustainable innovations



### Driving sustainable IT procurement with carbon data insights

As climate regulations tighten, companies face growing pressure to measure, report, and reduce greenhouse gas emissions. Scope 3 emissions – spanning the entire value chain – remain particularly challenging.

To address this, Egiss, a global IT logistics specialist, has launched a carbon data platform providing detailed insights into emissions from purchasing, transferring, and using electronic equipment. This service helps businesses measure, track, and reduce their IT-related carbon footprint with greater precision.

Beyond the platform, Egiss offers workshops to help clients interpret emissions data and develop decarbonisation strategies. By tackling Scope 3 emissions, Egiss promotes sustainable procurement and empowers clients to reduce their environmental impact.

**“Equipping customers with carbon insights builds trust – and drives commercial advantage.”**

Adam Frahm  
Partner



### Unlocking growth through a circular economy strategy

Consumers are increasingly drawn to refurbished products for their affordability, sustainability, and reliability. For businesses, refurbishment creates new revenue streams, improves margins, and strengthens brand reputation while reducing waste and enhancing customer loyalty.

Recognising this potential, Cardo, a leading provider of wireless mesh communication systems, launched a product repair and refurbishment initiative to drive revenue and introduce recurring sales opportunities. In 2024, the company piloted local repair centres, allowing customers to send in damaged products – beyond warranty coverage – for a paid repair service. Additionally, Cardo introduced a line of refurbished products, offering discounted, high-quality devices in markets where affordability had previously been a barrier to entry.

By embracing refurbishment, Cardo not only extended product lifecycles and reduced environmental impact but also tapped into new customer segments and strengthened brand loyalty.

**6,000+**

units set to have their lifecycle extended in 2025

**\$165,000**

in potential cost savings per annum

**1 tonne**

expected reduction in electrical waste per annum



## Sustainable innovation continued

### Reconomy

#### Expanding sustainability solutions with technology partners

Reconomy, a global leader in sustainability solutions, helps businesses achieve zero waste, environmental compliance, and emissions reduction through intelligent reverse logistics.

In 2024, Reconomy partnered with Fabacus, a data technology company, to integrate Digital Product Passports (DPPs) into its textile Extended Producer Responsibility (EPR) solution. This supports producers in meeting the Ecodesign for Sustainable Products Regulation (ESPR), in effect since 2024.

Under ESPR, DPPs will become mandatory for certain product categories, starting with batteries in February 2027 and textiles later that year. These passports digitally store key product lifecycle data, including material composition, weight, origin, carbon footprint, maintenance, and care instructions.

This initiative forms part of Reconomy's comprehensive textile EPR solution, launched in April 2024, which helps producers navigate global regulations with services including regulatory monitoring, consultancy, data management, environmental compliance, material returns, and end-of-life treatment.



#### Innovating new products to meet customer demands

Garda Group, a leader in security solutions, is responding to growing customer demand in the Nordic region for more sustainable and environmentally responsible products. Driven by the need to address pressing sustainability challenges, Garda Group has developed three new offerings that integrate eco-conscious design with practical, high-impact functionality:

##### 1. ECO-series mobile security

The ECOpanel and ECOfoot base offer a greener alternative in mobile security. Made from recyclable materials and part of a deposit return system, they combine functionality with circular design principles.

##### 2. Granulate collectors

To combat microplastic pollution from artificial turf, Garda Group now produces granulate collectors that help prevent rubber granules from spreading into the environment.

##### 3. Flood protection

Developed in partnership with Haawal Engineering, these portable flood barriers provide a simple, effective way to reduce flood damage – supporting communities facing extreme weather.

Together, these innovations reflect Garda Group's commitment to embedding sustainability into its product development strategy while continuing to meet the evolving security needs of its customers.

**“Public sector clients are driving demand for sustainable solutions – Garda Group's product innovation is seizing the moment and turning this into a strategic advantage.”**

Patrik Johnson  
Partner





# Net positive impact

**We believe in continuously striving to generate a net positive social, environmental, and economic impact through our investments, amplifying positive outcomes while minimising negative effects.**

While impact is not the primary investment approach for any of our funds, we see impact as an opportunity – both in identifying businesses aligned with sustainability megatrends and in understanding and mitigating risks that could affect long-term value.

Our approach focuses on assessing both the positive and negative impacts of our investments to ensure they align with our strategy. We leverage various tools and frameworks to assess impact and create a composite profile of our portfolio companies. This includes tools such as materiality analysis and a third-party platform to evaluate potential risks, opportunities, and impacts across our portfolio, which you can read more about on page 22. We use the principle of net positive impact as a guiding “North Star” in decision-making and strategic direction.

## EMK in conversation

**Q** Reconomy is one of EMK's most successful portfolio companies. What has driven this transformational growth?

**A** Reconomy's extraordinary success is based on three key trends: the growing emphasis on waste recycling and landfill avoidance, increasing regulatory pressures driving compliance outsourcing, and the rise of e-commerce requiring enhanced pre-retail solutions. Since partnering with EMK Capital, Reconomy has executed a highly effective buy-and-build and organic growth strategy, strengthening its management and leadership, and relentlessly innovating to become the leader in the “Recycle” vertical while expanding into “Comply” (compliance services) and “Reuse” (materials reuse). Today, the company is a global leader in sustainable waste management, enabling businesses to transition towards circular economy models while achieving their net zero and zero-waste ambitions.

**Q** How does Reconomy drive measurable impact and help its customers achieve positive sustainability outcomes?

**A** Reconomy drives innovation in the circular economy by harnessing data and technology to optimise resource efficiency and minimise waste. Its end-to-end solutions span the entire value chain, from sustainable product design to post-industrial resource management, ensuring businesses comply with evolving waste and packaging regulations. By integrating compliance, recycling, and reuse solutions, Reconomy empowers its customers to reduce environmental impact, meet sustainability commitments, and unlock long-term value through enhanced operations.

**Zachary Freud**  
Investment Director

- » 22 Measuring our impact
- » 23 Impact as opportunity
- » 24 Spotlight: Bright Data
- » 25 Spotlight: VDK



## Measuring our impact

# Understanding the impacts of our portfolio companies



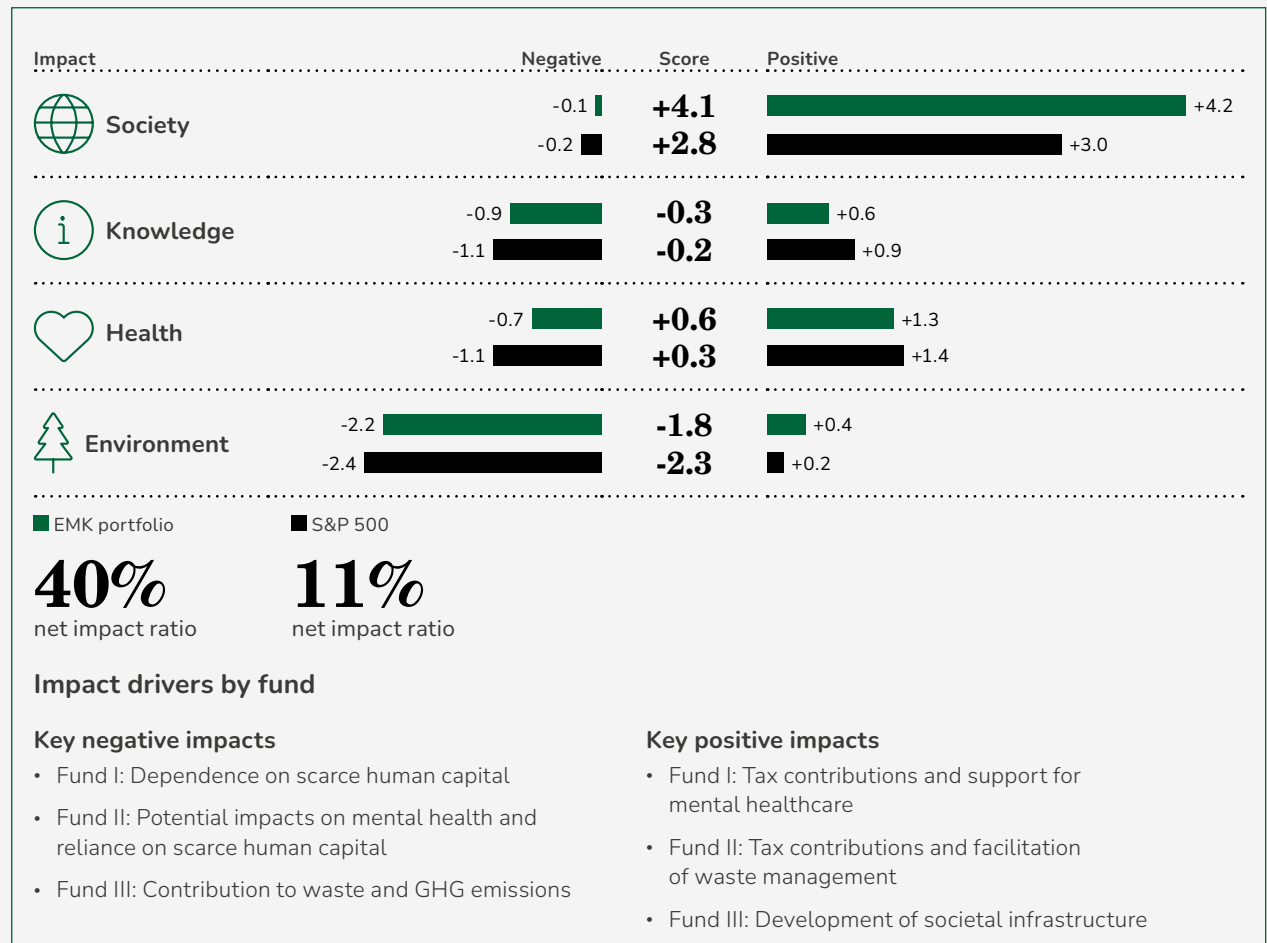
To better understand the positive and negative impacts across our portfolio, we leverage a range of analytical tools, including a third-party platform that quantifies the net sum of our portfolio companies' costs and benefits, including externalities.

Net impact is assessed across four dimensions: environment, health, society, and knowledge. Costs (negative impacts) may include things like GHG emissions, the opportunity cost of employing individuals with scarce skills, or harm to human health. Benefits (positive impacts) can include effects such as improved health outcomes, knowledge generated through a company's products, or pollution removal enabled by its services.

The platform uses advanced natural language processing (NLP) to analyse over 200 million scientific articles, extracting insights into the impacts of various products and services. It evaluates a company's entire value chain – upstream, internal, and downstream – ensuring a comprehensive assessment of both direct and indirect impacts. This holistic approach provides a useful view of our portfolio's overall effect on the world, as well as individual profiles for each of our portfolio companies.

# +40

net positive impact across our portfolio





## Impact as opportunity

# Impact-driven value: harnessing sustainability megatrends



**Sustainability megatrends are driving transformative opportunities across industries, creating both impact and long-term value. Through our sub-sector thesis (SST) approach, EMK actively identifies, researches, and subsequently invests in these high-potential areas. Here, we highlight key additions to EMK's portfolio in 2024.**



March is a multidisciplinary critical engineering services provider, delivering design, installation, maintenance, and renewal solutions. By enhancing energy efficiency and water management, March helps clients achieve their net zero goals, supporting the transition to a more sustainable built environment.



Aureos is a leading infrastructure engineering services provider, playing a key role in the UK's green energy transition. The company supports the maintenance, upgrade, and expansion of power, renewable energy, and rail networks, ensuring critical infrastructure is resilient and future-proofed for a low-carbon economy.



Pinerock is a Swedish renovation, maintenance, and improvement (RMI) services provider, helping customers enhance building sustainability and energy efficiency. By modernising and maintaining infrastructure, Pinerock enables resource-efficient, low-carbon buildings, aligning with Europe's push for green renovation.

## EMK in conversation

**Q How does EMK originate investments, and what role does sustainability play in this?**

**A** EMK's approach to origination is rooted in the development of sub-sector theses (SSTs), which is a rigorous, long-term process focused on gaining proprietary knowledge in narrowly defined sub-sectors. From the outset of SST development, we collaborate to assess risks and opportunities, including sustainability-related factors.

More broadly, sustainability megatrends are often key drivers of our investment thesis research. These megatrends often represent compelling investment opportunities by driving demand for innovative solutions, regulatory tailwinds, and shifting consumer and corporate preferences.

**Q Can you give us an example of an SST that was driven by sustainability megatrends?**

**A** The built environment is a major contributor to global emissions, accounting for 35–40% of the total. With the increasing focus on decarbonisation, we explored sub-sectors critical to reducing emissions across the built environment, uncovering diverse opportunities throughout the value chain. This research informed investments such as VDK, which enables more sustainable buildings through proven installation technology, leveraging its expertise in CO<sub>2</sub> reduction and energy efficiency. We have since deepened our proprietary knowledge in the field, developing adjacent SSTs that have led to further investments, such as March, Aureos, and Pinerock.

**Giacomo Rotigliano**  
Partner – EMK Accelerate



## Spotlight: Bright Data

# Advancing web transparency and ethical data use



**Bright Data, an EMK portfolio company, is a leading web data collection platform committed to enhancing internet transparency.**

By ensuring open and ethical access to public web data, Bright Data supports legitimate use cases while setting industry standards for responsible data collection.

## The Bright Initiative: harnessing data for positive impact

In April 2021, Bright Data launched The Bright Initiative, a programme dedicated to amplifying the positive impact of public web data across five core areas:

- **public wellbeing and social justice** – supporting efforts to combat inequality and discrimination;
- **environmental action** – leveraging data to address climate change and sustainability challenges;
- **web transparency and a trusted digital ecosystem** – promoting ethical data practices and accountability;
- **data-driven research and professional expertise** – empowering researchers and professionals with high-quality data; and
- **economic and societal benefits** – driving informed decision-making for business and policy.



Digital innovation, transparency and regulation	26.7%
Environment and sustainability	6.9%
Gender equality	12.9%
Hate and discrimination	18.8%
Health and wellbeing	6.9%
Human rights	1.0%
Labour, economy and growth	24.8%
Other	2.0%

In 2024, The Bright Initiative provided Bright Data's technology free of charge to 90 new partners, including 55 academic researchers and 29 impact-driven non-profits, NGOs, and environmental organisations. By equipping these partners with best-in-class public web data collection tools, Bright Data is providing data-driven solutions to some of the world's most urgent challenges.

### Case study

#### Driving policy and regulation in data and AI

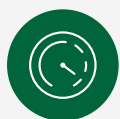
In 2024, Bright Data helped launch the Alliance for Responsible Data Collection (ARDC), uniting leaders across sectors to promote ethical data practices. As a founding member, Bright Data supported the development of draft guidelines submitted to the Internet Engineering Task Force and engaged in global forums including the GPAI and OECD. ARDC aims to set best practices and provide assurance for responsibly sourced, publicly accessible data.



Learn more about the important work of The Bright Initiative in its latest Impact Report.

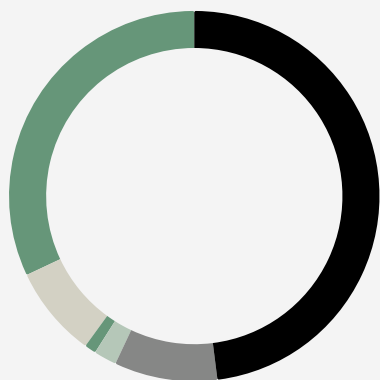
## Spotlight: VDK

## Installing the future of energy efficiency



**VDK is accelerating the low-carbon transition by delivering sustainable building solutions focused on CO<sub>2</sub> reduction, energy efficiency, sustainability, and health and safety.**

VDK is a group of technical installation and maintenance companies providing end-to-end solutions, including installation, servicing, maintenance, inspection, and monitoring. Increasing regulatory and customer demands for energy efficiency and low-carbon technologies are driving strong growth in the technical installations market.

EU Taxonomy eligibility<sup>1</sup>

# 69%

of activities are EU Taxonomy-eligible

More energy-efficient equipment	47%
Heat pumps	9%
Renewable energy	2%
Installations for charging electric vehicles	1%
Energy management systems	10%
Other measures (not eligible)	32%

<sup>1</sup> The analysis is based on a high-level review of activities and does not include an evaluation against the Do No Significant Harm (DNSH) criteria.



## Case study

## Future-proofing homes with hybrid heat pumps

In 2024, Blankespoor (VDK) partnered with Sweco and NL Vastgoed to upgrade 123 rental homes as part of a broader plan to future-proof a 2,500-home portfolio. Each home received a hybrid (air-to-water) heat pump, often with a new boiler. Smit Elektrotechniek installed solar panels on 35 homes, and energy-efficient ventilation units replaced outdated models.

The results are compelling: at least 50% energy savings per home. Following the success of this pilot (Phase 3), Blankespoor has been selected for Phase 4, which will upgrade another 570 homes across the Netherlands with support from other VDK companies.

## At a glance

- 123 homes upgraded
- 35 homes fitted with solar panels
- New energy-efficient ventilation
- Avg. energy savings: ≥50% per home

## Circular sanitation: reusing ceramic fixtures

P. de Vries has developed a circular approach to reusing ceramic sanitary ware from housing renovations. In collaboration with business students, they created a process to dismantle, professionally clean, and reinstall toilets, sinks, and washbasins – without packaging and transported using electric vans. Each item undergoes five quality checks and comes with the same warranty as new.

This cost-effective solution (up to 30% cheaper than new products) cuts significant CO<sub>2</sub> emissions – 173 kg saved per toilet – and demonstrates the potential of smart reuse at scale.

## At a glance

- 5 quality checks per item
- 2-year warranty (same as new)
- Cost: ~70% of new
- CO<sub>2</sub> saved per item:
  - Toilet: 173 kg
  - Sink: 104 kg
  - Washbasin: 55 kg



## Smart energy management at PLUS IJsselmuiden

Faced with limited grid capacity, PLUS IJsselmuiden supermarket implemented a smart energy system developed by Waterman Installatietechniek (VDK) and partners Brenergie, Kieszon, and Greenchoice. The solution combines solar panels, a refurbished battery energy storage system (BESS), and an energy management system (EMS).

The system ensures business continuity by covering peak demand with stored solar energy. In March alone, 5,363 kWh of renewable energy was drawn from the battery. The approach helps the store remain operational while reducing its environmental footprint.

## At a glance

- Technology: Refurbished BESS + EMS
- Solves: Grid congestion
- 15,000 kWh of renewable energy from battery per quarter



# Appendix

- 27 Calculating our emissions
- 28 Portfolio emissions
- 29 Summary of TCFD updates 2024
- 30 Disclaimer



## Calculating our emissions

Measuring and mitigating the emissions associated with our business activities and investments is a key area of focus for us. Since 2021, we have collected and reported on Scope 1, 2, and 3 emissions across our portfolio companies.

We believe that measuring emissions across all three scopes is essential for effective business planning at the portfolio company level. It also enables us to assess progress against the science-based targets (SBTs) we have committed to (see page 16 for further detail on our targets and performance).

Assessing our performance against the SBT portfolio coverage target requires extensive and granular emissions data, which presents a number of challenges. In this note, we outline our approach to calculating emissions and the methodologies we use to address some of these challenges.

### Defining in-scope companies

As per the SBTi Private Equity Guidance, portfolio companies are “eligible” for inclusion in portfolio coverage calculation if criteria 1 and either of criteria 2 or 3 are met:

1. EMK holds at least one board seat and ownership is >25%.
2. The company has been in EMK's portfolio for >24 months.
3. The company has been in EMK's portfolio for <24 months but has set science-based targets before the 24-month threshold.

As of the date of this report, 14 out of 21 portfolio companies meet these criteria and are included in our portfolio coverage calculation. A breakdown of absolute emissions by portfolio company can be found on page 28.

### Data quality

We use the GHG Protocol to calculate our own emissions and strongly encourage our portfolio companies to adopt the same framework. Emissions data from portfolio companies is self-reported, and we track the methodology used to generate this data across each scope – whether it is based on activity data, spend-based estimates, or direct measurement.

We recognise that portfolio companies are at varying stages of maturity in their emissions reporting. To support them, we collect emissions data annually as part of our sustainability review and validation process. This process includes internal review and is further strengthened by our participation in the ESG Data Convergence Initiative (EDCI). In 2024, we engaged external carbon experts to undertake a detailed validation and assurance exercise on our 2023 data, with the aim of enhancing the accuracy, reliability, and consistency of our emissions data over time.

We communicate the quality of emissions data from each portfolio company using a scoring methodology. We actively encourage portfolio companies to improve the robustness of their GHG inventories over time. Enhancing data quality not only strengthens the accuracy of our firm-wide emissions reporting, but also equips portfolio companies with a more comprehensive understanding of their carbon footprint – supporting better-informed strategic and operational decisions.

### EMK Scope 1, 2 and 3 emissions (tCO<sub>2</sub>e)

Category	2021	2022	2023	2024
<b>Scope 1</b>				
Natural gas for heating office	5.1	5	5.1	0
<b>Scope 2</b>				
Electricity for offices	3.7	6.2	1.1	0
<b>Scope 3</b>				
Business travel	47.8	1,140	1,025	1,792
Capital goods	0.1	0	0	0
Fuel and energy-related activities	10	12.7	16.5	17
Purchased goods and services	1,850	1,028	3,960	4,736
Upstream transport and distribution	2.2	1.2	1.4	0
Investments (Scope 1–3) – by allocation to EMK funds	178,518	303,816	539,744	1,183,468
<b>Total emissions</b>	<b>180,437</b>	<b>306,009</b>	<b>544,753</b>	<b>1,189,996</b>

## Portfolio emissions

Portfolio company	Year of EMK acquisition	PCAF score	2024 percentage of eligible portfolio by absolute GHG emissions	2024 percentage of eligible portfolio by invested capital	2024 GHG emissions Scope 1,2 and 3 (tCO <sub>2</sub> e)
Reconomy Group	2017	1	18%	24%	224,163
Bright Data	2017	2	1%	4%	7,822
Onebright	2019	2	1%	3%	16,236
Covidence	2019	2	0%	4%	2,159
Trustonic	2020	2	0%	3%	1,338
The Digital Neighbourhood	2020	2	1%	10%	12,196
VDK	2020	2	69%	13%	854,611
Cardo	2021	2	1%	3%	7,405
Egiss	2021	2	7%	1%	84,978
Outright Games	2021	2	1%	9%	11,151
Eyecare Groep	2021	4	1%	6%	9,012
Future Group	2021	4	0%	5%	1,518
Bark	2022	2	0%	10%	5,774
Service Key	2022	2	1%	5%	6,951
Garda Group	2023	4			88,558
Servion	2023	2			22,606
L&S	2024	2	Not yet in scope of target (<24 months in portfolio)	Not yet in scope of target (<24 months in portfolio)	1,129,719
Pinerock	2024	2			61,536
Aureos	2024	2			58,100
March	2024	4			16,756
Arctic Seafarm	2024	NA			no data

Key	Attributed PCAF score
Reported by company with third-party validation	1
Reported by company with help from an expert external advisor for calculation but no third-party validation	2
Estimation using EEIO calculation	4
Estimation based on prior year's emissions intensity by revenue	4



## Summary of TCFD updates 2024

	Key updates	Read more
<b>Governance</b>	<ul style="list-style-type: none"> <li>Developed a governance playbook to guide investment teams on their roles and responsibilities, including those related to managing climate-related risks and opportunities</li> <li>Designed a training curriculum for investment professionals, incorporating analysis of climate-related risks, opportunities, and regulatory expectations (launching 2025)</li> <li>Incorporated climate-related objectives into executive remuneration structures and select debt agreements, including EMK's Fund III subscription facility</li> </ul>	<p><b>TCFD Statement 2023</b> – Governance structures for managing climate-related risks and opportunities (pages 4–6)</p> <p><b>Responsible Investment Report 2024</b> – Partnerships to tackle the climate crisis (page 11)</p>
<b>Strategy</b>	<ul style="list-style-type: none"> <li>Completed a portfolio-wide assessment of climate-related risks and opportunities, resulting in a heatmap highlighting areas of potential exposure and resilience</li> <li>Undertook climate scenario analysis to evaluate the potential impacts of transition risks on the portfolio under different future pathways</li> </ul>	<p><b>TCFD Statement 2023</b> – Methodology and outcomes of climate-related risk and opportunity assessment, including scenario analysis (pages 7–12)</p>
<b>Risk management</b>	<ul style="list-style-type: none"> <li>Invested in a software platform to screen potential investments, assess acquisition targets, and monitor portfolio exposure to climate-related risks</li> <li>Enhanced integration of climate risk considerations into the due diligence process for new investments</li> <li>Embedded climate-related performance reporting into EMK's bi-annual internal Responsible Investment reporting cycle</li> </ul>	<p><b>TCFD Statement 2023</b> – Risk identification and assessment processes across the investment lifecycle (pages 13–16)</p> <p><b>Responsible Investment Report 2024</b> – Climate risk management summary (page 11); due diligence process overview (page 13); engagement approach with portfolio companies (page 17)</p>
<b>Metrics and targets</b>	<ul style="list-style-type: none"> <li>Undertook a comprehensive data quality assessment of our portfolio companies' GHG emissions reporting</li> <li>Developed a framework aligned with industry reporting standards to support portfolio companies in setting and progressing towards SBTi-validated targets, enabling structured engagement and oversight</li> </ul>	<p><b>TCFD Statement 2023</b> – Climate-related metrics and targets (pages 17–20)</p> <p><b>Responsible Investment Report 2024</b> – Decarbonisation targets and performance (pages 16–17); emissions data quality assessment (page 12); portfolio emissions performance (page 28)</p>

## Disclaimer

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Responsible investment or sustainability goals are aspirational and not guarantees or promises that all goals will be met. There is no guarantee that any sustainability measures, targets, programmes, commitments, incentives, initiatives, or benefits will be implemented or applicable to the assets held by any EMK fund and any implementation of such sustainability measures, targets, programmes, commitments, incentives, initiatives, or benefits may be overridden or ignored at the sole discretion of EMK at any time and in accordance with relevant sectoral legislation unless otherwise specified in the relevant fund documentation or regulatory disclosures made pursuant to Regulation (EU) 2019/2088. Any sustainability measures, targets, programmes, commitments, incentives, initiatives, or benefits referenced are not promoted to investors and do not

bind any investment decisions or the management or stewardship of any EMK fund for the purpose of Regulation (EU) 2019/2088 unless otherwise specified in the relevant fund documentation or regulatory disclosures.

There is no guarantee that EMK will successfully implement and make investments that create positive sustainability impacts while protecting and creating value. There is no guarantee that any of the steps taken by EMK and/or third parties to mitigate, prevent or otherwise address material sustainability topics will be successful, completed as expected or at all, or will apply to or continue to be implemented in the future. To the extent that EMK engages with portfolio companies on sustainability-related practices and potential enhancements thereto, such engagements may not achieve the desired financial or sustainability results or outcomes, or the market or society may not view any such changes as desirable. There can be no assurance that the list of material sustainability topics is exhaustive and additional topics may be identified as material on an investment-by-investment basis. The act of selecting and evaluating material sustainability factors is subjective by nature, and there is no guarantee that the criteria utilised or judgement exercised by EMK will reflect the beliefs or values, internal policies or preferred practices of any particular limited partner or other asset managers or reflect market trends. Successful sustainability engagement efforts will depend on EMK and/or third-party advisors' skill in properly identifying and analysing material sustainability and other factors and there can be no assurance that the strategy or techniques employed will be successful. Additionally, sustainability factors are only some of the many factors that EMK expects to consider in making an investment. Although EMK considers the application of its responsible investment framework to be an opportunity to enhance or protect the performance of its investments over the long term, while also potentially producing beneficial impacts for both society and the environment, EMK cannot guarantee that its responsible investment framework, which depends in part on qualitative judgements, will positively impact the financial, climate or sustainability performance of any individual investment or EMK's funds as a whole.

As set out in this Report, EMK is primarily reliant on the relevant portfolio companies in gathering and providing data. Such a reliance is mitigated through due diligence at the outset, partial internal validation and regular iterative reporting throughout the lifecycle of an investment. Estimations may be used where there is a lack of available data and will aim to reflect the true economic reality as closely as possible.

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