ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT 2024

We are decent people
making a decent return
in a decent way

FSN
CAPITAL

TABLE OF CONTENTS

Please refer to the Disclaimer on *page 76* for important information regarding the contents of this report. Each recipient acknowledges that it has read and understood this information

CHAPTER 1
INTRODUCTION TO FSN CAPITAL

A Leader in Responsible Private Equity Ownership 4
Transforming Good Businesses into Great Businesses 5
A Founder's Reflections 6
Creating Welfare for our Ultimate Clients 7
A Year of Progress 8
The FSN Capital Investment Technology 9
Our Hands-On Model for Value Creation 10
Value Creation Award Winner 2024: Lobster 11

CHAPTER 2
OUR ESG APPROACH

FSN's ESG Approach 13

INVESTMENT PROCESS

Investment Approach 15
Impact Assessment Framework 16

OWNERSHIP APPROACH

ESG Priorities 17
– Case: ESG Priorities at InstallatørGruppen 18
Decarbonization 19
– Case: Decarbonization at ViaCon 20
– Climate and Biodiversity 21
People 22
– Case: Safety and Inclusion at Håndverksgruppen 23
Governance 24
– Case: Governance at Bäcker Görtz 26
– Cybersecurity Assessments 27
The Exit 28
Looking Ahead 29

CHAPTER 3
ESG DEVELOPMENTS IN FSN PORTFOLIO COMPANIES

ESG Award Winner 2024: Fellowmind 31
FSN Portfolio Company ESG KPIs 2024 32
Structure of the ESG Priorities 2-Pager 33
FSN Portfolio Companies' 2-pagers 34 – 61

CHAPTER 4
ESG DEVELOPMENTS AT FSN CAPITAL

Driving Industry Change 63
ESG Excellence 64
Decarbonization 65
Winning Together 66
Governance 67

APPENDIX

Sustainability-linked Financing Facility 69
Private Markets Decarbonization Roadmap (PMDR) 70
TCFD 71
FSN Capital's Responsible Investment Policy 72
FSN Capital's Code of Conduct 73
Disclaimer: FSN Capital Annual ESG Report Information Page 76

CHAPTER 1

INTRODUCTION TO FSN CAPITAL

A LEADER IN RESPONSIBLE PRIVATE EQUITY OWNERSHIP

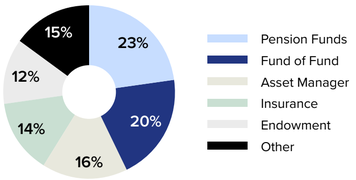
Established in 1999, FSN Capital Partners (FSN Capital) is a leading Northern European private equity firm and investment advisor to the FSN Capital Funds (FSN Funds), which have more than €4 billion under management.

FSN Capital Funds make control investments in growth-oriented Northern European companies, seeking to transform companies into more sustainable, competitive, international, and profitable entities. With our differentiated and repeatable model for value creation – we build growth.

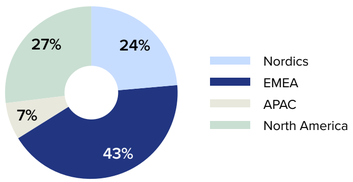
FSN Capital Funds are advised by FSN Capital's team of more than 90 professionals across Oslo, Stockholm, Copenhagen, and Munich, in addition to 11 executive and senior advisors with extensive industry experience.

Learn more about FSN Capital on our website

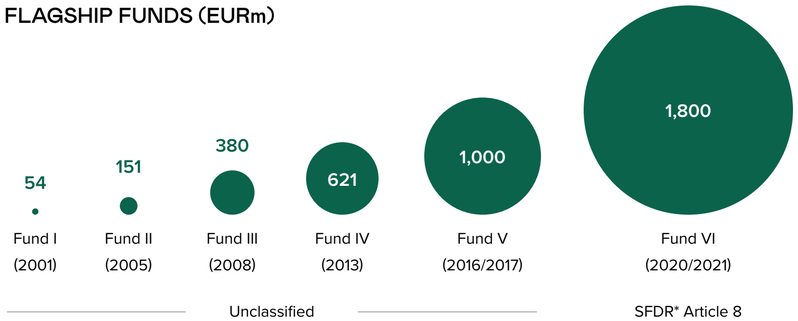
INVESTOR BY TYPE



INVESTOR BY GEOGRAPHY



FLAGSHIP FUNDS (EURm)



COMPASS FUNDS (EURm)

410 FSN Capital Compass Fund (2022)
SFDR Article 8+ Sustainable Investments

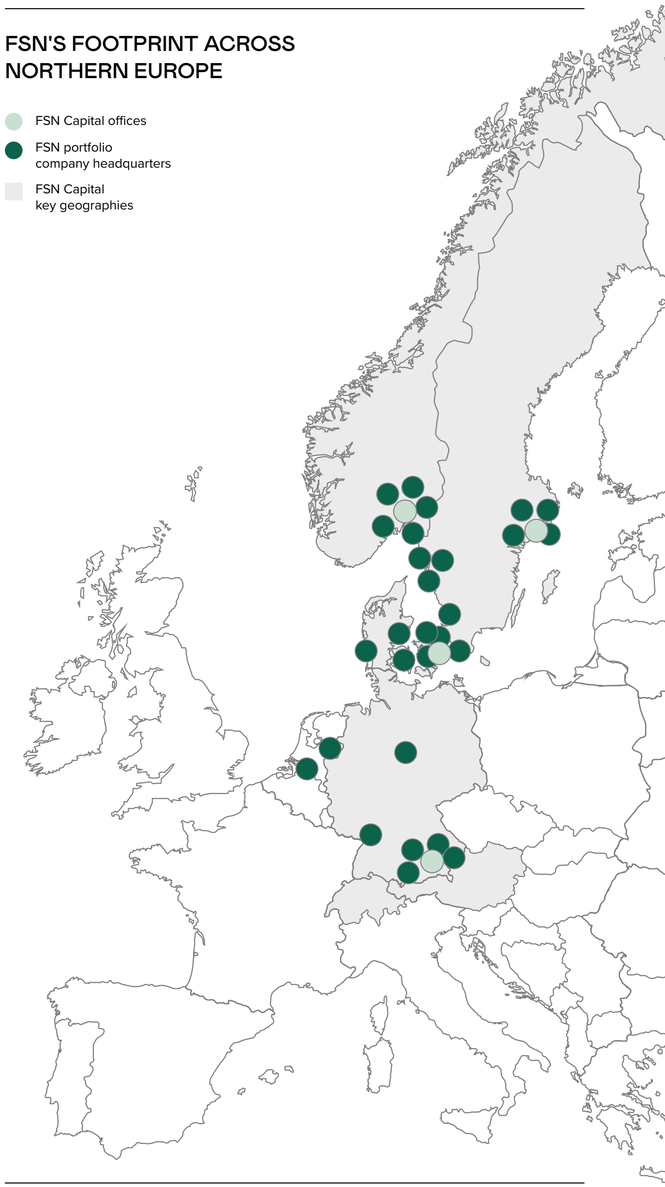
CONTINUATION FUND (EURm)

588 FSN Capital Confluence (2024)
SFDR Article 8

* SFDR refers to the EU Sustainable Finance Disclosure Regulation

4	87	60	300+
Offices	Employees	Platform investments to date	Add-on investments
28	24,366	113	80%
Active portfolio companies	People employed by FSN portfolio companies (FTEs)	Countries of operation	Proprietary deals in Flagship Fund VI

FSN'S FOOTPRINT ACROSS NORTHERN EUROPE



TRANSFORMING GOOD BUSINESSES INTO GREAT BUSINESSES

Our platform for active ownership and operational value creation builds growth.

FSN Capital Funds have been entrusted by our investors to invest responsibly and to deliver attractive returns to their beneficiaries, our Ultimate Clients.

We invest with two key criteria: first, to avoid beta risk that is outside of our control, and second, to seek to double EBITDA during the ownership period. We do this through a systematic and hands-on approach to value creation, which we call the FSN Execution Framework (FEF). Through FEF, we seek to build growth, creating stronger, more resilient, and future-oriented companies.

2024 brought several milestones for FSN Capital, including the closings of the Compass Fund, a small-cap thematic fund, and Confluence, a continuation fund that attracted strong interest from new and existing investors. 2024 was also a year where market conditions brought both challenges for some portfolio companies and strong growth for others. In both cases, FEF played a key role in steering companies through an exciting and dynamic year.

We believe the environment in 2025 continues to be one where active ownership drives outperformance. A well-resourced platform and team will be a key differentiator – led by pointpersons who are true partners to companies during the ownership period.

Over the past year, we have strengthened our value creation team to support management teams from investment to exit. Today, we have one “FEF team” consisting of 23 operating professionals, bringing a diverse set of skills and talents to support portfolio companies, including strategy, finance, talent, and more. Our ESG team, which works hands-on with portfolio company management teams to meet stakeholder demands and enhance the value of each company, is an integrated part of this team and our active ownership toolkit.

We have been committed to responsible investing since we were founded 25 years ago. Over time, this commitment has crystallized into an industry-leading and commercially-oriented ESG approach, which we believe helps us make better investments and deliver stronger returns to our Ultimate Clients.

We hope you enjoy learning more about FSN Capital and our approach in this report for 2024, and as always, we welcome your feedback.

ULRIK SMITH AND ROBIN MÜRER
Co-Managing Partners

See video of Ulrik Smith and Robin Mürer on our website

ULRIK SMITH & ROBIN MÜRER
Co-Managing Partners

A FOUNDER'S REFLECTIONS

We believe that if ESG is done right, it will both drive alpha returns and benefit society overall.

FRODE STRAND-NIELSEN
Founder & Chairperson

When I founded FSN Capital 25 years ago, I was committed to building a firm led by a clear ethos. That ethos is: “We are decent people making a decent return in a decent way.”

Our belief in responsible investing is anchored in doing good business. We believe that if ESG is done right, it will both drive alpha returns and benefit society overall.

Successfully steering a business through transformative growth goes hand in hand with being a responsible owner. We need to deeply understand the factors that drive value and destroy value in our portfolio companies. Among these are environmental, social, and governance issues – whether it is the safety of workers or the climate commitments of customers.

This is how we have always done business, before it was even called ESG. Back in the early 2000s at Kongsberg Automotive (FSN Capital I), Health and Safety was the first item on the board agenda. Our obsession with worker safety was also an obsession with quality. If you have a highly motivated workforce in safe working conditions, then a “zero defect” culture follows naturally. For a manufacturing company, this is the ticket to win.

In Northern Europe, where we invest, market and regulatory demands make environmental, social, and governance factors not just a ticket to win, but a ticket to play. Today, our portfolio companies are responding to ESG criteria in public tenders, decarbonization requirements from multinational customers, and sustainability expectations from employees. That is why ESG is an integrated part of how we seek to create value and deliver returns.

We believe that not only does a responsible ownership approach drive returns in our portfolio – it also helps us win as a firm. FSN Capital competes in 3 arenas: for talent, deals, and capital. In all of these arenas, we believe our leadership in responsible investing and our culture of integrity are differentiators. Integrity is about staying true to your values, even in testing times. If you radiate integrity and trust, and you build it into your foundation, you attract employees, founders, and investors.

I formally retired as a partner at the start of 2025, continuing in my role as Chairperson. I am very proud of how far we have come in the last 25 years, and the strong team we have built. The Firm is in the safe hands of the next generation. The foundation of our firm, our Block of Granite, remains strong, and we remain committed to delivering alpha returns to our Ultimate Clients.

FRODE STRAND-NIELSEN
Chairperson

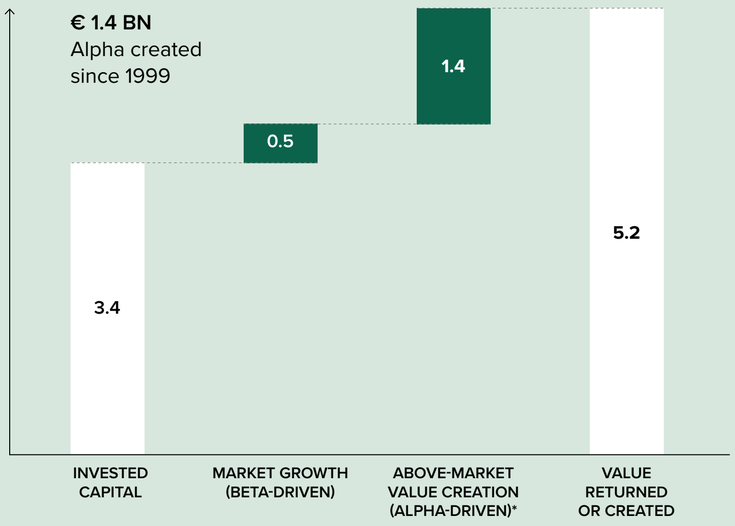
See video of Frode Strand-Nielsen on our website

CREATING WELFARE FOR OUR ULTIMATE CLIENTS

Our purpose is to contribute to the welfare of everyday people. We serve our investors, whose underlying beneficiaries constitute millions of people around the world. These are our Ultimate Clients.

We believe that our Ultimate Clients are best served when we create returns in a responsible way — with focus on sustainable growth for the benefit of both our investors and society at large.

FSN NET VALUE CREATION SINCE 1999 (FIGURES IN €BN)



* Alpha as based on performance compared to representative public markets. Includes realized and unrealized investments in the FSN Funds from 1999 to 2024 as of September 2024.

Please note that the numbers above may not add up due to rounding.

Past performance is not necessarily indicative, or a guarantee, of future results. Indices and other market comparisons are included to show general market trends during the period indicated and are not intended to imply that any FSN Fund's portfolio or any individual portfolio company is similar to the companies included in the relevant index or market comparison in either composition or risk. The investment characteristics and risk/return profile of an index differ materially from any FSN Fund, and it should not be assumed that correlations with any index based on historical returns will continue.

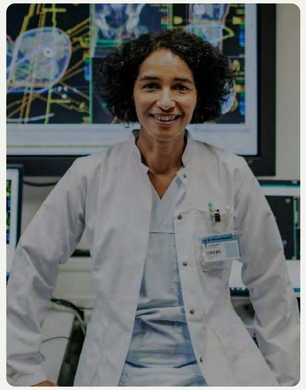
OUR ULTIMATE CLIENTS

PUBLIC EMPLOYEES

PENSIONERS

STUDENTS

FAMILIES



RESEARCHERS

References to value creation on this page refer to value created in respect of portfolio companies of the FSN Funds. No claim is made as to financial or other value created for any other stakeholder as a result of investments by the FSN Funds.

A YEAR OF PROGRESS

Always with a growth mindset, we continued to develop as a firm in 2024, as we closed our small-cap strategy, launched our first continuation fund, and invested significantly in operational value creation.

Q1

Our decarbonization capabilities were strengthened when **Decarbonization Director** Frederik Juhl Dagø joined our team.

Compass Fund, a small-cap SFDR Article 8+ Sustainable Investments fund, closed. The €410m fund focuses on smaller Nordic and DACH companies in 4 megatrend-driven themes: Green Transition, Knowledge Economy, Health & Well-being, and ESG Leaders.

Q2

Nearly 200 attendees joined our **FSN Leadership Conference** in Copenhagen in March, with the theme “Focus Builds Growth”.

We announced **3 new partner promotions**, welcoming Niclas Thiel, Eskil Koffeld, and Knut Røsjorde to the FSN Capital partnership. During 2024, we made 7 new hires and 13 promotions in total.

Q3

In July, 2 Fund V portfolio companies (Saferoad and Nordlo) were divested to **FSN Capital Confluence**, a €588m continuation fund, attracting many new and existing investors.

FEF Finance and Digital teams launched 2 initiatives to be rolled out across the portfolio: a **net working capital improvement project** and an **IT cost optimization initiative,** generating significant savings.

Q4

ESG factors were added to the standard incentive scheme recommended to FSN portfolio company management teams.

In August, nearly 60 FSN portfolio company leaders joined the FSN Capital team at our **FSN Executive Seminar** in Munich, led by Executive Advisors Das Narayandas and Krishna Palepu, professors at Harvard Business School.

Håndverksgruppen acquired 6 companies during Q4. In total, the FSN portfolio companies acquired **53 add-ons in 2024.**

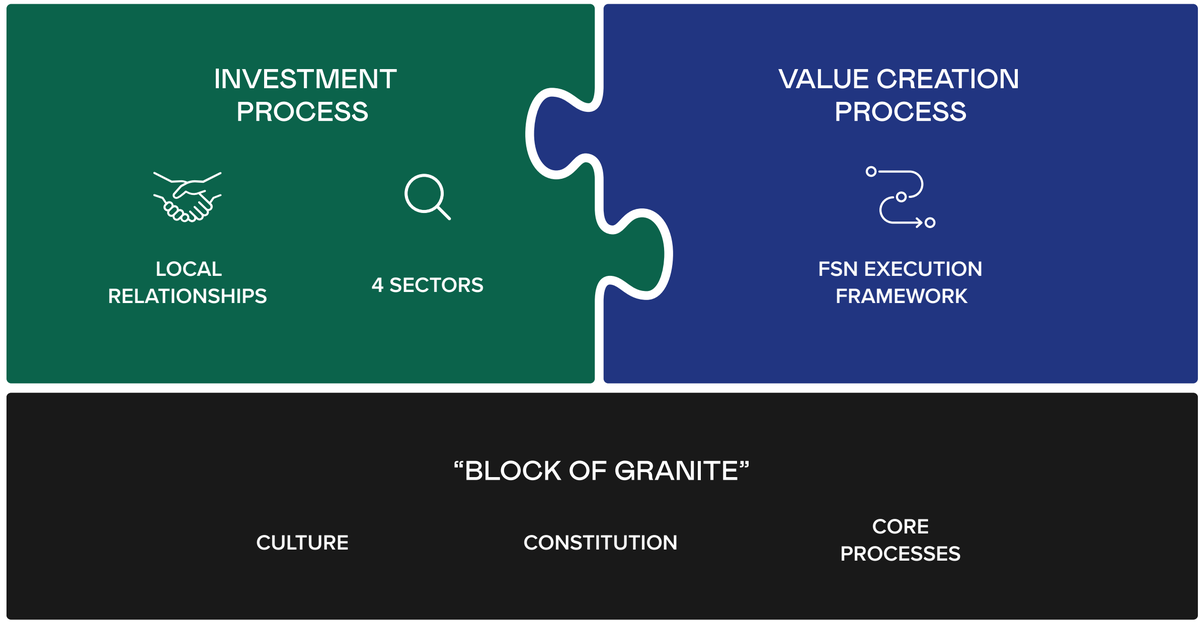
The **FSN Execution Framework (FEF) team** at year-end reached 23 people across 6 functions.

7 portfolio companies committed to setting **science-based targets** (SBTs), bringing the number of portfolio companies committed to the SBTi or with validated SBTs to 16.

THE FSN CAPITAL INVESTMENT TECHNOLOGY

Learn more about FSN Capital's Investment Technology on our website

What drives the FSN Funds' returns is a repeatable model for delivering top-tier performance, built on strong local relationships, dedicated sector focus, and the FSN Execution Framework (FEF). The foundation of this is our "Block of Granite," a culture and ethos that enables our success as one team.



INVESTMENT PROCESS

LOCAL RELATIONSHIPS

Our investment process is anchored in deep and exclusive local relationships in the Nordics and DACH. We are a trusted partner for owners and entrepreneurs, with local investment and value creation teams in each of our four offices.

FOUR SECTORS

Each investment professional is part of a sector team. We focus on four sectors: Technology, Services, Industrials, and Green Transition – a theme that cuts across the other sectors.

VALUE CREATION PROCESS

FSN'S VALUE CREATION FRAMEWORK - FEF

The FSN Execution Framework (FEF) is our repeatable model for value creation during the ownership period. FEF systematically drives transformation and supports several value creation drivers, including ESG.

FSN Capital supports management teams with an in-house team of 23 operating professionals and functional specialists. *See p. 10* for more information about FEF.

BLOCK OF GRANITE

OUR CONSTITUTION

Since the establishment of FSN Capital, our constitution has outlined the guardrails for how we run our Firm. We are and will remain a Firm owned exclusively by active partners, creating strong alignment with investors and stability for our team.

OUR CORE PROCESSES

Over 25 years, we have institutionalized our Firm to enable continuous improvement and growth. We develop our people and processes, creating a unique "one team firm" working seamlessly across the platform.

OUR CULTURE

Our culture is anchored in our ethos: "We are decent people making a decent return in a decent way." Our values are Growth Mindset, Integrity, and Team First.

OUR HANDS-ON MODEL FOR VALUE CREATION

With a platform that brings a large-cap approach to the mid-market, we are an active partner to portfolio companies on their growth journey.

The FSN Execution Framework is how we seek to drive successful strategy and execution in portfolio companies, while building the structural capital needed for long-term sustainable growth.

Today, the FEF team includes 23 in-house operating professionals with functional experience, who work closely on company onboarding, strategy development and execution, and targeted value creation initiatives in areas such as ESG, Digital, Finance, and more. Including ESG in FEF ensures that management integrates it into the commercial strategy and adheres to FEF's strong execution structure.

Learn more about FSN Capital's Execution Framework on our website

STRATEGY

Using the FEF strategy process, FSN portfolio companies build a strategy, define the capabilities needed to deliver on it, and develop a plan for how to do so, with clear responsibilities and disciplined follow-up.

This methodology is driven by the "troika" (CEO, Chairperson, and FSN pointperson), who are supported by the FEF team. See the key steps that make out the strategy process to the right.

Strategy Development
Develop an ambitious and prioritized strategy based on market and customer insights

Target Setting
Align financial targets and budget to the strategy and underwriting

Strategy Execution Planning
Turn strategy into action plans, defining critical capabilities and setting KPIs

Organizational Review
Identify and address gaps in team capabilities or capacity

Monthly Operating Reviews
Follow up on operational performance each month to track strategy execution

Root Cause Analysis ("A3")
Analyze deviations and take the right countermeasures

HIGHLIGHTS FROM 2024

OPERATIONS

- Hosted 5 FEF webinars for portfolio company executives
- Conducted operational deep dives to identify process improvements
- Supported operational efficiency initiatives, with a focus on improving cash conversion cycles, optimizing costs, and enhancing processes

"Deep dives into operations help us understand how to accelerate change, as well as uncover potential blockers."

Awais Shafique
FEF Director
Copenhagen

TALENT

- Filled 57 key leadership positions in 2024, including 8 CEOs and 9 CFOs
- Worked with 19 portfolio companies to strengthen leadership and organizational capabilities
- Implemented board and CEO assessments across 100% of portfolio companies

"It's not just about recruiting the best talent. It's also about having a fact-based view on whether we have the right people in the right roles."

Jesper Isaksen
Partner & Head of Talent
Copenhagen

ESG

- Supported 9 companies with decarbonization plans, with 7 new companies committing to the Science Based Targets initiative (SBTi)
- Supported all portfolio companies in making outcome-oriented ESG plans
- Hosted 4 ESG webinars for portfolio company executives and ESG Officers

"ESG initiatives should be calibrated to the needs of each industry. We work with each company to identify the material topics to focus on."

Mia Sørli Wikborg
ESG Manager
Oslo

FINANCE

- Helped CFOs strengthen financial transparency, reporting quality, and Finance capabilities to drive performance improvements
- Supported portfolio companies on cash and cost optimization
- Brought together portfolio company Finance professionals to share best practices, including training on ChatGPT for Finance

"This year we focused on growing EBITDA on the cost side. Even after the quick wins are gone, we can help most companies on structural savings, which can be more challenging."

Johannes Brunner
Finance Director
Munich

DIGITAL

- Mapped risks with 18 cybersecurity reviews and 22 external penetration scans across the portfolio
- Partnered with IT company Crayon to unlock €1M+ in recurring software savings through price negotiations, subscription optimization, and strengthening cloud usage

"This year our team helped a portfolio company develop an advanced IoT software, which quickly attracted customers."

Vincent Wahl
Digital Manager
Oslo

LOBSTER IS THE 2024 VALUE CREATION AWARD WINNER

The FSN Execution Framework (FEF) is our value creation approach. For the first time, we are introducing the FSN Capital Value Creation Award to recognize a portfolio company that has demonstrated exceptional performance driven by strong and diligent FEF implementation.

This year's winner is Lobster, a leading European software company dedicated to connecting people and data for a better future. The Lobster Data World is a global data ecosystem that provides a 360° data view and empowers teams to solve challenges effectively by unlocking the full potential of their data.

Since becoming an FSN Capital VI portfolio company in February 2023, Lobster has consistently followed the FEF process, with a collaborative approach to strategy and execution. They have set clear strategic priorities and have created detailed action plans for how to reach these targets.

In 2024, Lobster made strong progress on its strategic priorities, resulting in remarkable growth. It distinguished itself through digital innovation, particularly in artificial intelligence (AI). By integrating AI into its platform and operations, Lobster has significantly enhanced efficiency and customer experience. AI-driven automation has improved in-platform customer support effectiveness by 20%, reducing ticket response times, increasing personalized engagement based on previous user interactions, and enabling proactive support that anticipates customer needs before a request is submitted.

Additionally, AI has accelerated Lobster's software development processes by streamlining workflows through automated code generation, intelligent bug detection, and AI-driven testing.

As part of implementing FSN's FEF expectations, Lobster has also integrated ESG into its core operations and commercial strategy. With an ESG Officer who also serves as the strategy officer, the company aligns ESG topics with its business strategy. Lobster supports its customers on their sustainability journeys by providing advanced data integration solutions that streamline ESG reporting and capture emissions data in real time. Meeting market demands, Lobster has also committed to the Science Based Targets initiative (SBTi).

By leveraging FEF and unlocking key value creation levers, Lobster is positioning itself for long-term success.

See Lobster's ESG Priorities

The Lobster team accepting the FSN Capital Value Creation Award at the annual FSN Leadership Conference in Copenhagen, Denmark.

FSN'S VALUE CREATION AWARD IS PART OF SETTING THE TONE FROM THE TOP.

Portfolio companies are assessed according to the following criteria:

- Shown strong value creation, measured by value uplift
- Demonstrated operational action
- Achieved organic growth
- Driven EBITDA through strategic countermeasures and diligent tracking
- Executed strategy effectively and successfully

CHAPTER 2

OUR ESG APPROACH

Our differentiated ESG approach to value creation applied across all investments

FSN'S ESG APPROACH

At FSN Capital, our purpose is to create welfare for our Ultimate Clients. We achieve that by applying our Investment Technology, of which ESG is an integral part.

For the past 25 years, we have refined how we work with ESG to align with market expectations and meet the needs of investors, portfolio companies, and regulators. Over time, this has crystallized into a set of standard ESG tools and processes applied throughout the entire investment lifecycle, which we will detail further in this chapter.

Characteristics of FSN's ESG approach include:

Integration: ESG is fully integrated throughout the investment lifecycle

Materiality: We support portfolio companies in identifying and addressing ESG topics of financial materiality *(see ESG Priorities p. 17)*

Standard tools: The ESG topics Decarbonization, People, and Governance are relevant across portfolio companies, and we have therefore developed standard tools and processes for these *(see p. 19-26)*

Structured execution: ESG is integrated in FSN's value creation approach, FEF, which includes an execution structure designed to drive change

Support: The FSN ESG team provides hands-on technical ESG expertise and support to all portfolio companies

Transparency: We focus on transparency to ensure accountability

ESG INTEGRATION

We have built standard processes to identify and manage material ESG topics from investment stage to exit which we apply to all investments and portfolio companies.

ESG INTEGRATED IN FULL LIFECYCLE →

INVESTMENT PROCESS

- Sourcing and screening
- ESG Due Diligence
- Impact Assessment (for select investments)
- Investment Decision material

See p. 15

OWNERSHIP PERIOD

Support portfolio companies in mitigating risks and capitalizing on opportunities

See p. 17-27

EXIT

Reduced risk and improved competitiveness through strong ESG management

See p. 28

OUR ESG FOCUS AREAS

Decarbonization, People, and Governance consistently emerge as material ESG topics driving value creation in both the investment process and ownership period across the portfolio companies and FSN Capital as a Firm. Targets and progress towards these are displayed on the next page.

DECARBONIZATION	Reduce emissions in a cost-efficient manner
PEOPLE	Identify and build engaged and diverse organizations that foster enhanced decision-making
GOVERNANCE	Identify and build organizations with good governance and high ethical business conduct

PERFORMANCE ON OUR ESG FOCUS AREAS

FSN FUNDS

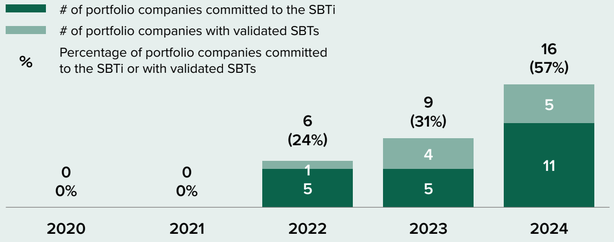
FSN CAPITAL

DECARBONIZATION

See p. 19-21 and 65

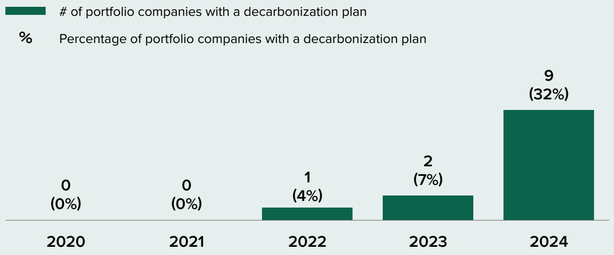
PORTFOLIO COMPANIES COMMITTED TO THE SBTI AND WITH VALIDATED SBTs

TARGET: 100% of portfolio companies have validated SBTs by 2030



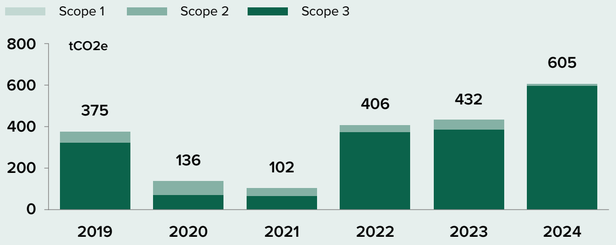
PORTFOLIO COMPANIES WITH A DECARBONIZATION PLAN

TARGET: 100% of portfolio companies have a decarbonization plan by 2030



SCOPE 1, 2, AND 3 GHG EMISSIONS AT FSN CAPITAL

TARGET: Reduce scope 1 and 2 by 60% and scope 3 by 29% by 2026, from a 2019 baseline

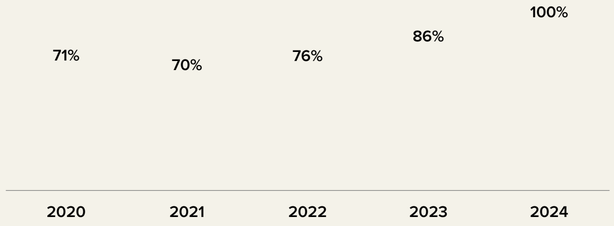


PEOPLE

See p. 22-23 and 66

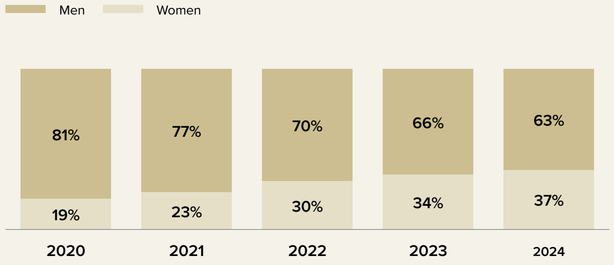
PORTFOLIO COMPANIES MEASURING EMPLOYEE NET PROMOTER SCORE (eNPS)

TARGET: 100% of portfolio companies measuring eNPS

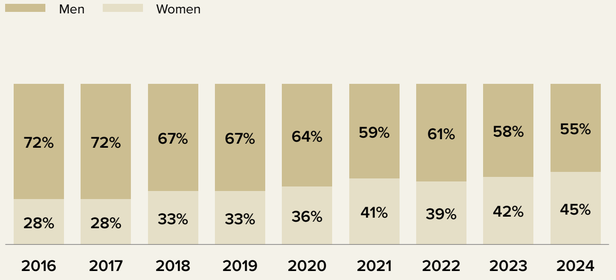


GENDER DIVERSITY IN FSN PORTFOLIO COMPANY BOARDS

TARGET: 40% female board members across portfolio companies



GENDER DIVERSITY AT FSN CAPITAL

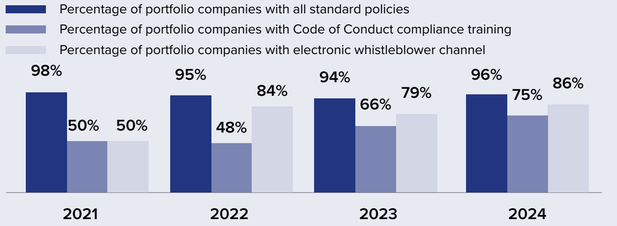


GOVERNANCE

See p. 24-27 and 67

GOVERNANCE POLICIES AND PROCESSES

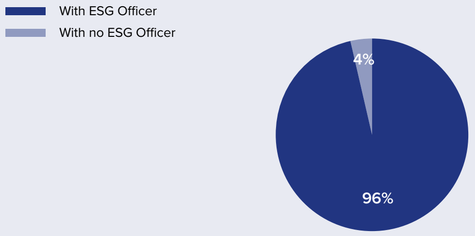
TARGET: 100% of portfolio companies implementing FSN's standard governance policies* and processes



* Standard policies refer to: Code of Conduct, Supply Chain Code of Conduct, and Whistleblower Policy

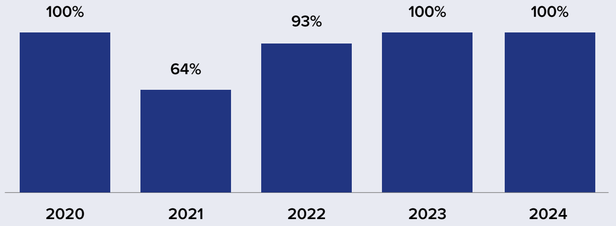
PORTFOLIO COMPANIES WITH ESG OFFICER

TARGET: 100% of portfolio companies have an ESG Officer



NEW FSN CAPITAL EMPLOYEES TRAINED ON CODE OF CONDUCT

TARGET: 100% of new employees completed e-learning on Code of Conduct



Data provided by portfolio companies has not been assured by FSN Capital or any third party.

INVESTMENT PROCESS > OWNERSHIP PERIOD > EXIT

INVESTMENT PROCESS

We have developed a three-step approach for integrating ESG into the investment process. The objective is to ensure a well-rounded understanding of the risks and opportunities for each potential investment and assess how these can be addressed.

Learn more about how we integrate ESG into the investment process on our website

SOURCING AND SCREENING

In the first step of the investment process, FSN's investment professionals screen the target company against the exclusion criteria outlined in FSN Capital's Responsible Investment Policy *(see p. 72)* and are supported by FSN's ESG team to conduct a climate change and biodiversity assessment.

FSN'S RESPONSIBLE INVESTMENT POLICY

FSN's Responsible Investment Policy stipulates that we shall not invest in companies that:

- Have contributed to systematic denial of human rights
- Demonstrate a pattern of non-compliance with environmental regulations
- Show a pattern of engaging in child labor or forced labor
- Have an unacceptably high greenhouse gas footprint and have failed to take reasonable steps to reduce these
- Produce weapons that through their normal use may violate fundamental humanitarian principles (e.g., antipersonnel landmines, production of cluster munitions, production of nuclear arms)
- Are directly related to adult entertainment, tobacco, gambling or alcohol

CLIMATE AND BIODIVERSITY ASSESSMENT

We also conduct a climate change and biodiversity assessment to identify financially material climate change and biodiversity risks and opportunities, and to avoid investing in companies with high stranded asset risk *(see p. 21)*.

ESG DUE DILIGENCE

During the due diligence phase, external sustainability experts conduct a double materiality-aligned ESG due diligence. This analysis assesses the company's impact on the world, and the world's impact on the company, and ranks the topics according to impact, risks, and opportunities compared to financial materiality. An assessment of governance, EU Taxonomy eligibility, Principal Adverse Indicators, sanctions, and anti-corruption risks is included as part of the due diligence scope. This thorough analysis identifies material ESG topics, offering actionable recommendations for improvement during the FSN Funds' ownership.

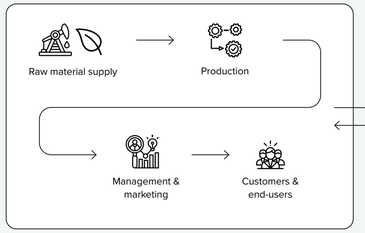
The external experts also analyze i) the company's material sources of greenhouse gas (GHG) emissions, ii) how to reduce those emissions, and iii) the costs and level of effort of doing so. The experts also document the assumed commercial value of decarbonizing the company.

Further, we always conduct an integrity due diligence of the target company, its management and the seller(s), enabling us to partner with companies and founders whose values align with ours.

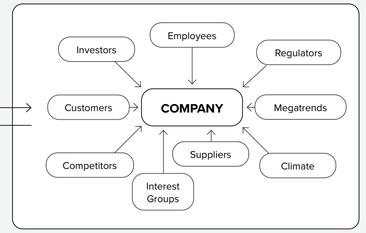
For select investments, FSN Capital conducts an Impact Assessment to determine whether an investment is a Sustainable Investment as defined by the Sustainable Finance Disclosure Regulation (SFDR) *(see p. 16)*.

DOUBLE MATERIALITY-ALIGNED ANALYSIS

COMPANY'S IMPACT ON THE WORLD



WORLD'S IMPACT ON THE COMPANY



INVESTMENT DECISION MATERIALS

The final stage of the investment process integrates findings from the sourcing and due diligence phases into three components of the investment decision materials.

The first component draws on the materiality analysis conducted during the ESG due diligence and summarizes financially material ESG topics for the target company. These are then translated into strategic and operational improvements that inform the company's ESG Priorities during the ownership period *(see p. 17)*.

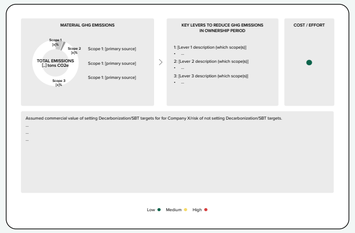
The second component presents an overview of the company's GHG emissions, potential decarbonization levers, and the commercial value of decarbonizing. Combined, this provides a starting point for developing a decarbonization plan with the target company post-acquisition.

Finally, information from the early-stage screening and ESG due diligence is also used as input for FSN's Risk Framework.

ESG SLIDES IN INVESTMENT DECISION MATERIALS

MATERIAL ESG TOPICS

DECARBONIZATION FEASIBILITY AND DRIVERS



INVESTMENT PROCESS > OWNERSHIP PERIOD > EXIT

IMPACT ASSESSMENT FRAMEWORK

Together with Bridgespan Social Impact, we developed our own Impact Assessment Framework. The framework bridges regulatory criteria under the SFDR and traditional impact assessment methods such as the Operating Principles for Impact Management and Impact Frontier's Five Dimensions of Impact.

FSN investment professionals apply the Impact Assessment Framework in the due diligence phase for potential FSN Compass Fund investments, as well as on select portfolio companies during the ownership period.

COMPANIES THAT SATISFY THE FOLLOWING CRITERIA ARE CONSIDERED SUSTAINABLE INVESTMENTS:

ASSESS AND DEMONSTRATE IMPACT

1. SOCIETAL NEED
2. COMPANY CONTRIBUTION
3. EVIDENCE OF EFFECTIVENESS
4. DO NO SIGNIFICANT HARM

> SUSTAINABLE INVESTMENT

CASE: IMPREG

We have applied our Impact Assessment Framework to FSN portfolio company iMPREG, a global leader of fiberglass reinforced liners for trenchless pipe rehabilitation.

See iMPREG's ESG Priorities

ASSESS AND DEMONSTRATE IMPACT

1. SOCIETAL NEED

Aging wastewater infrastructure is deteriorating and can lead to leakage, water loss, environmental contamination, public health issues, and system failures.

Urbanization and climate change further accelerate infrastructure deterioration and contribute to a growing repair backlog.

In the US – one of iMPREG's core markets – around 6 billion gallons of water (equivalent to 9,000 swimming pools) are lost daily due to leaking pipes and failing infrastructure.[1]

2. COMPANY CONTRIBUTION

iMPREG's UV-CIPP technology rehabilitates deteriorated pipelines and prevents both wastewater from leaking out and groundwater or stormwater from seeping in.

By extending a pipeline's lifespan by up to 50 years, iMPREG reduces the risk of sewer overflows. In addition, the company's technology enables a trenchless method for rehabilitation that is significantly faster and less disruptive – environmentally and socially – than traditional open-cut methods.

3. EVIDENCE OF EFFECTIVENESS

Case studies and research confirm the effectiveness of iMPREG's technology.

Case studies in Italy, California, and Ireland show substantial improvements in pipeline integrity, reducing both service disruption and ecological damage.

Based on the most commonly installed pipe diameter, UV-CIPP technology emits approximately 25-65% less CO_2 emissions, depending on alternative applicable repair methods.[2]

4. DOES NO SIGNIFICANT HARM

iMPREG does not significantly harm any other environmental or social objective as set out in the SFDR.

iMPREG's ESG Priorities and initiatives are focused on minimizing any negative environmental or social impact in own operations and supply chains and on ensuring that iMPREG meets minimum safeguards and operates with good governance.

SUSTAINABLE INVESTMENT

iMPREG's UV-CIPP technology satisfies the four requirements of our Impact Assessment Framework, and as such can be classified as a Sustainable Investment.

1. Source: ASCE's 2021 Infrastructure Report Card
2. Source: Fraunhofer Study "Ecological assessment of repair of wastewater pipes by glas inliner technology" (not publicly available); Karkhanis et al., 2025, Appl. Sci. 15(3), 1268, highlight an even higher emission reduction potential of CIPP by 78–100%.

INVESTMENT PROCESS > **OWNERSHIP PERIOD / ESG PRIORITIES** > EXIT

ESG PRIORITIES

We seek to integrate ESG in the strategy and operations of portfolio companies to drive sustainable growth and long-term value.

FOCUS ON WHAT MATTERS

All ESG topics are not equally important across companies. Since 2013, we have supported portfolio companies in focusing their resources on the material ESG topics that create value.

At the start of the ownership period, we discuss the ESG due diligence findings with the portfolio company management team and board *(see p. 15 for our ESG due diligence methodology)*. Based on financially material impacts, risks and opportunities, portfolio company management determines the company's ESG Priorities. Decarbonization, People, and Governance are topics included in all portfolio companies' priorities. Remaining topics are company-specific and will depend on the industry and market. Please see Chapter 3 for the ESG Priorities of each FSN portfolio company.

FEF – STRUCTURED EXECUTION

Alignment on action steps and accountability is crucial for successful execution. We use the process outlined to the right, and support portfolio company teams in setting targets and creating action plans. Progress towards the annual targets is monitored by the portfolio company in Monthly Operating Review meetings (MORs) and in every board meeting as part of FSN's standard board agenda.

In relation to the annual commercial strategy and ESG Priorities update, we assess the key drivers and risks/ opportunities of material ESG topics, and determine whether the topics are strategic or operational in nature (see illustration to the right). This is to ensure that we each year focus on the topics that matter, and integrate ESG in the commercial strategy to the extent relevant.

THE COMMERCIAL VALUE OF ESG PRIORITIES

Across industries and geographies, we see that executing on ESG Priorities presents opportunities for value creation.

One way this is materializing is through introducing new products and services that cater to customers' demand for more sustainable solutions. Ilionx, for example, has launched four new ESG services helping their customers collect and analyze ESG data, with one of their first customers saving 20% on their energy bill. Another example is Fellowmind, which helps clients manage and address emissions more cost-efficiently by implementing Microsoft's Sustainability Manager. By meeting customer demand and expectations for more sustainable products and services, new commercial opportunities emerge.

Another value creation opportunity is access to better financing terms through sustainability-linked financing. ViaCon and ilionx, for example, both secured facilities that reduce the financing margins based on performance against targets set in their ESG Priorities.

PROCESS

PURPOSE: Strategic focus on and execution of ESG priorities

1. ONBOARDING: ALIGN ON ESG PRIORITIES

- Discuss ESG due diligence findings with management and board
- Determine ESG Priorities, i.e., which 3-5 ESG topics to focus on

2. SET TARGETS AND DEVELOP ACTION PLAN

- Set long- and short-term targets for each ESG Priority
- Develop action plan (what, who, when)
- Include ESG KPIs in incentive plans (recommended)

3. EXECUTION TOWARDS TARGETS

- Monitor progress in MOR and board meetings
- Annual review and update of annual targets
- Transparency: annual report on progress

ILLUSTRATIVE: INPUT TO ESG PRIORITIES AND COMMERCIAL STRATEGY DISCUSSIONS

KEY TOPIC	DRIVER	RISK / OPPORTUNITY	STATUS	GAP
DECARBONIZATION				Medium
PEOPLE				Low
GOVERNANCE				Low
[COMPANY SPECIFIC]				

IMPLICATION	RECOMMENDATION
STRATEGIC OPPORTUNITY	
OPERATIONAL IMPROVEMENT	

Low ● Medium ● High ●

PERFORMANCE

Portfolio companies developing ESG Priorities since 2017

100%

Portfolio companies supported with ESG Priorities in 2024

100%

CASE: ESG PRIORITIES AT INSTALLATØRGRUPPEN

INSTALLATØR GRUPPEN

See InstallatørGruppen's ESG Priorities

For decentralized organizations like InstallatørGruppen (IG), successfully executing group initiatives requires all companies to be onboard. To implement IG's ESG Priorities across the group, the company's ESG Officer helps integrate them into each company's daily operations.

Established in 2023, IG has rapidly grown into a market-leading group of 31 companies specializing in electrical, plumbing, fiber, ventilation, and cooling systems. The group has operations across Denmark and employs over 1,500 people. IG has emerged as a sustainability leader in its industry and is actively working to become the customers' preferred partner in the green transition. Since the group's establishment, IG has made significant progress meeting the targets set out in their ESG Priorities.

IG began developing ESG Priorities already during the investment process when external consultants conducted a due diligence based on FSN's standard scope *(see p. 15)*. This analysis identified the company's most material topics and laid the groundwork for developing the company's ESG Priorities. Upon establishing the group, IG's management team identified four ESG Priorities:

- Sustainable products & services to enable customers' green transition
- Minimize our own environmental impact
- A healthy and rewarding work life
- Transparency and responsibility in everything we do – for us and for customers

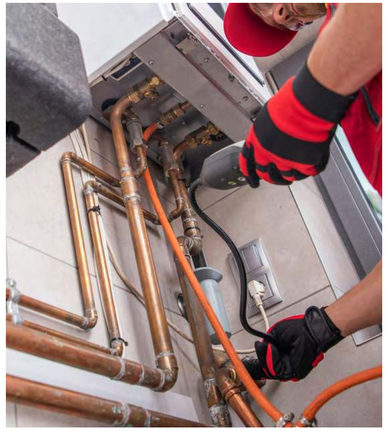
For each focus area, the company developed KPIs with quantifiable short-term and long-term targets and created an action plan outlining how to reach these. Achieving these goals required strong local engagement across IG's operating companies.

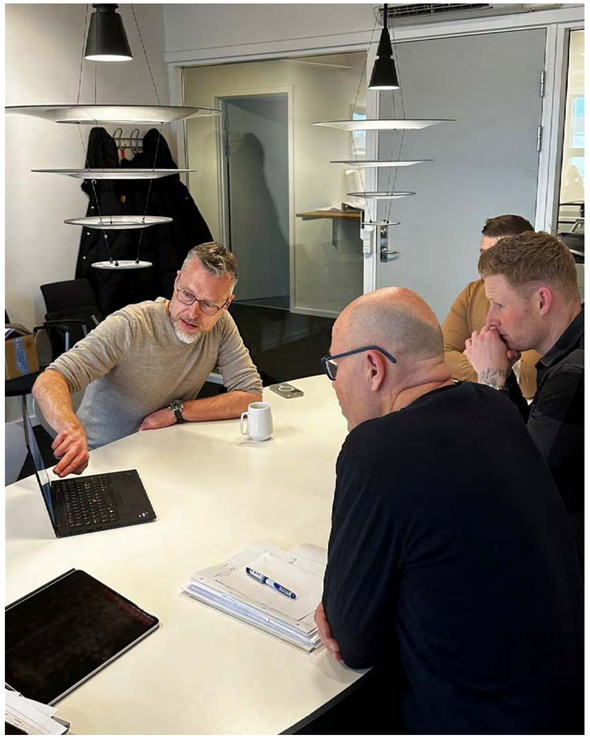
To facilitate engagement, IG's ESG Officer, Morten Kjellev, onboards newly acquired operating companies by introducing them to the company's ESG Priorities and translating these into actionable steps for their daily operations. This includes guidance on implementing waste management systems, transitioning to renewable electricity agreements, and encouraging the replacement of company car fleets with electric vehicles. By working closely with operating companies, IG fosters a shared understanding of ESG priorities and drives effective implementation across the group.

Beyond local anchoring, ESG is also firmly embedded at the management and board levels. ESG is a standing first agenda item in every board meeting and is incorporated in the company's Monthly Operating Reviews (MORs). This structure ensures active board and management oversight, reinforcing a strong tone from the top.

At IG, ESG extends beyond compliance to create real business value. The company strategically leverages its sustainability leadership to gain commercial advantages, securing new contracts and establishing itself as the preferred partner in the green transition. This approach has proven that strong ESG performance directly contributes to business success and competitive differentiation.

For example, committing to setting science-based targets with the SBTi has opened doors for potential contracts, demonstrating how ESG has evolved into a competitive advantage, playing a critical role in winning new business and delivering commercial success for portfolio companies.





Head of ESG, Morten Reedtz Kjellev (left), onboarding a new company in InstallatørGruppen to the group's ESG approach.

INVESTMENT PROCESS > **OWNERSHIP PERIOD / DECARBONIZATION** > EXIT

DECARBONIZATION

Limiting global warming to 1.5°C above pre-industrial levels requires significant cuts in global emissions. FSN supports portfolio companies in reducing their emissions cost-efficiently and meeting stakeholder expectations.

Decarbonization is a cornerstone of FSN's ESG approach. To achieve FSN's science-based target ("SBT") of having 60% of invested capital set their own SBTs by 2026, we support portfolio companies to 1) measure their scope 1, 2, and 3 GHG emissions, 2) develop a decarbonization plan and SBTs with the SBTi, and 3) reduce emissions in line with the decarbonization plan developed.

To assist FSN portfolio companies, we have created a decarbonization guide on how to measure scope 3 emissions pragmatically, set SBTs, explore decarbonization initiatives, assess cost-effectiveness with a Marginal Abatement Cost Curve tool, and implement and commercialize their initiatives. By providing hands-on support to portfolio companies, we enable them to move beyond GHG emissions reporting and into value creation.

PERFORMANCE

To assess decarbonization progress across FSN portfolio companies, we use a combination of indicators, recognizing that no single metric can capture all developments.

The first set of indicators tracks portfolio companies with validated SBTs and the share of invested capital they represent. 11 portfolio companies have committed to setting SBTs with the SBTi, and 5 have received validated targets. These 5 represent 21% of invested capital by the FSN Funds. Further, 9 portfolio companies have developed decarbonization plans outlining how to reach their SBTs and what the financial implications of doing so are.

The second set of indicators includes the total scope 1, 2, and 3 emissions and the scope 1+2 carbon intensity of FSN portfolio companies. In 2021, we started asking portfolio companies for more comprehensive scope 3 emissions data, which resulted in higher reported total emissions. This increase does not necessarily reflect an actual rise in emissions but rather indicates improvements in the accuracy and scope of the portfolio companies' GHG emissions inventories. While the data has improved significantly, it remains incomplete, particularly for scope 3 emissions. As a result, the scope 3 emissions in the performance section should be interpreted with caution, as they may not fully capture actual changes or progress.

THE COMMERCIAL VALUE OF DECARBONIZATION

The progress outlined to the right does not just help reduce emissions, it also creates financial value. Increasingly, we observe that customers and suppliers of the FSN portfolio companies require them to report on emissions and set emission reduction targets.

An example of this is OptiGroup, a B2B distributor of business essentials across Europe. By helping OptiGroup commit to the SBTi and develop a decarbonization plan, we support them in retaining key customers – some of which even have setting SBTs as a prerequisite for all suppliers.

Similar approaches to incentivize decarbonization across the value chain are being introduced. For example, one North American customer of Active Brands charges a fee for suppliers who have not yet set SBTs. Active Brands' SBTs position the company as a more attractive partner for retailers who are also actively working to decarbonize their value chains.

PROCESS

PURPOSE: Reduce emissions cost-efficiently

1. MEASURE GHG EMISSIONS

- Access to GHG accounting system
- Scope 1, 2, and 3 emissions reporting workshops

2. DEVELOP PLAN AND SET SBTs

- Workshops resulting in detailed decarbonization plan
- SBT development

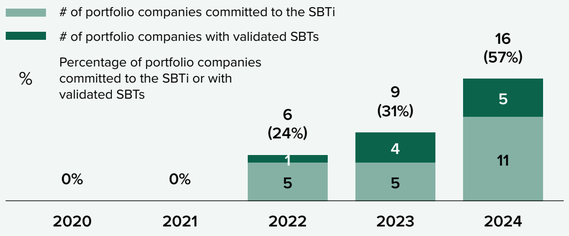
3. EXECUTION TOWARDS TARGETS

- Monitor progress in MOR and board meetings
- Implementation guidance
- Annual review

PERFORMANCE

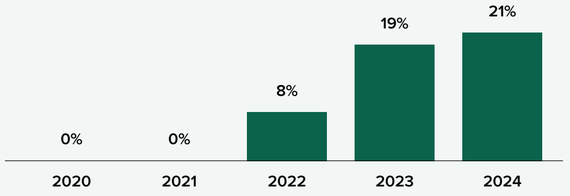
PORTFOLIO COMPANIES COMMITTED TO THE SBTI AND WITH VALIDATED SBTs

TARGET: 100% of portfolio companies have validated SBTs by 2030



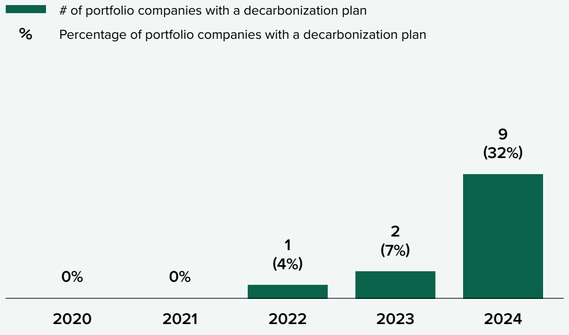
INVESTED CAPITAL BY THE FSN FUNDS WITH VALIDATED SBTs

TARGET: 60% of invested capital by the FSN Funds have validated SBTs by 2026

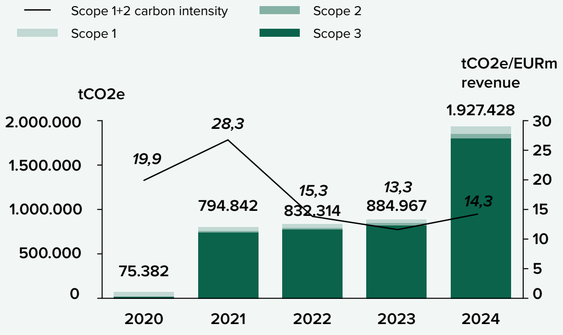


PORTFOLIO COMPANIES WITH A DECARBONIZATION PLAN

TARGET: 100% of portfolio companies have a decarbonization plan by 2030



AGGREGATED SCOPE 1, 2, AND 3 GHG EMISSIONS AND SCOPE 1+2 CARBON INTENSITY ACROSS PORTFOLIO



Data provided by portfolio companies may include estimates and has not been assured by FSN Capital or a third party.

INVESTMENT PROCESS > **OWNERSHIP PERIOD / DECARBONIZATION** > EXIT

CASE: DECARBONIZATION AT VIACON

DEVELOPING DECARBONIZATION PLANS

In 2024, FSN's ESG team supported 9 portfolio companies in developing decarbonization plans. The team facilitated cross-functional workshops to help companies identify decarbonization initiatives across scope 1, 2, and 3 emissions, quantify the potential emissions reductions and associated costs, and prioritize initiatives using a Marginal Abatement Cost Curve (MACC).

One of the companies FSN worked closely with was ViaCon. By leveraging the MACC, ViaCon is now able to evaluate which suppliers provide the best value in terms of GHG emissions reductions per euro spent and how to price the green premium to customers.

DECARBONIZATION AT VIACON: A DATA-DRIVEN PATH TO SCIENCE-BASED TARGETS

ViaCon is the European market leader of engineered corrugated steel structures and pipes used to build culverts, bridges and tunnels. After having set a near-term SBT with the SBTi in 2023, the company wanted to develop a clear roadmap of how to reach the target and the potential financial impact of doing so. The MACC analysis indicated that scope 1 and 2 emissions could likely be reduced in line with the company's target without any additional costs. However, addressing scope 3 emissions – which make up the majority of ViaCon's carbon footprint and primarily stem from steel production – proved more expensive.

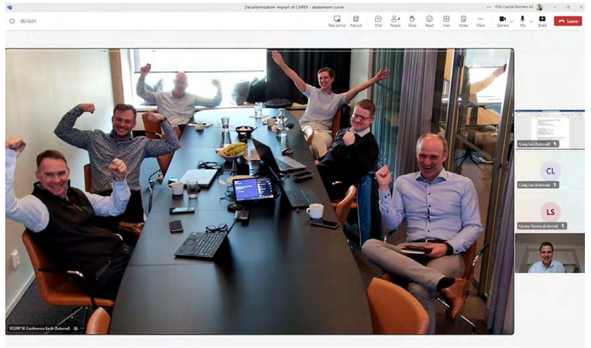
In light of customer demand for lower-carbon products, ViaCon has taken a strategic step toward product differentiation. The company is introducing a low-carbon steel alternative for its bridges and culvert solutions, allowing customers to reduce their emissions by paying a green premium. This initiative aims to ensure margins are maintained while enabling ViaCon to serve an emerging customer need.

Beyond commercial opportunity, this initiative also serves as a risk mitigation strategy. By preparing this offering, ViaCon is proactively addressing regulatory changes, ensuring it is positioned to pass on carbon costs associated with the EU Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM).

ViaCon is a prime example of how industrial companies can use decarbonization to drive value, by strengthening their commercial offerings and mitigating risk, with profitability in mind.

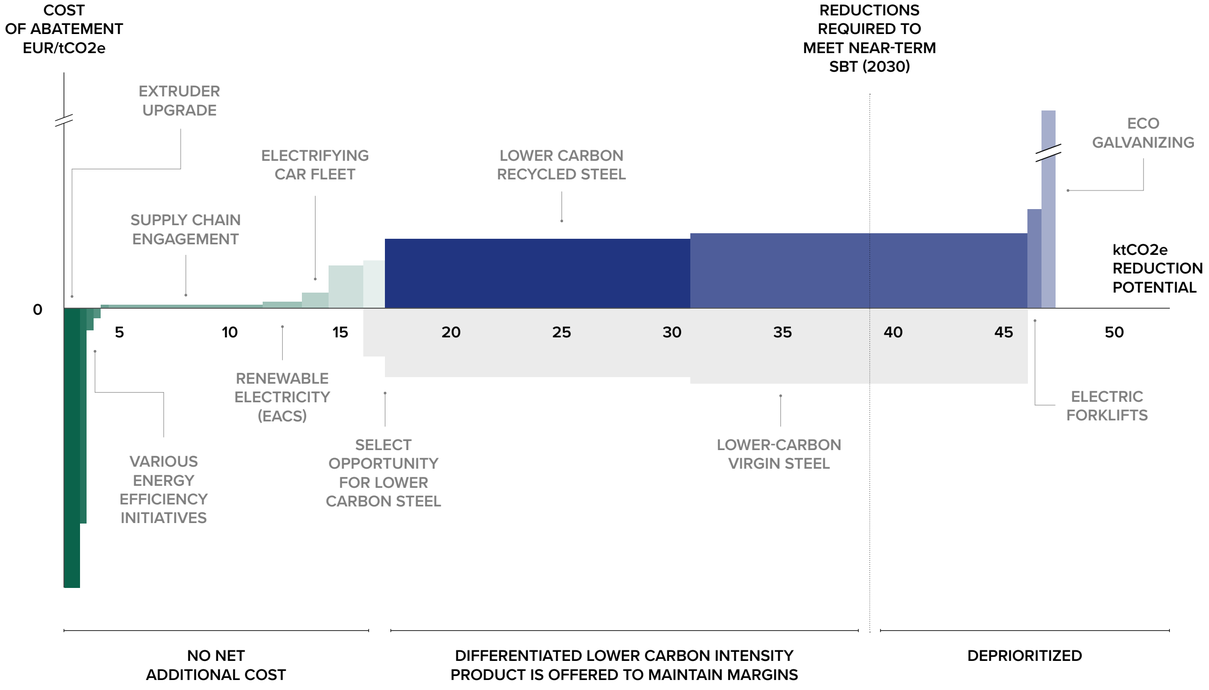
See ViaCon's ESG Priorities

FSN's Decarbonization Director Frederik Juhl Dagø collaborating in-person and online with ViaCon's working group to develop the company's decarbonization plan.



MARGINAL ABATEMENT COST CURVE (MACC)

The Marginal Abatement Cost Curve (MACC) is a tool used to evaluate potential emissions reduction solutions, based on cost and cost savings. On the vertical axis, it displays the cost per tonne of CO2e reduced. On the horizontal axis, it displays the cumulative CO2e impact of the initiatives. The MACC enables companies to prioritize cost-effective and high-impact initiatives to reduce carbon emissions.



CLIMATE AND BIODIVERSITY

In 2024, we expanded our approach on how we consider climate risks and biodiversity. Together with AXA Climate, we identified climate and biodiversity risks and opportunities that can financially impact the FSN portfolio companies.

CLIMATE & BIODIVERSITY RISKS AND OPPORTUNITIES

Investors, governments, large corporates, and NGOs are increasingly focusing on climate and biodiversity, and are starting to manage and address these topics actively. Climate change, nature degradation and biodiversity loss pose both physical and transition risks to businesses and society. At the same time, opportunities may emerge in how we respond to these changes.

CLIMATE AND BIODIVERSITY IN THE INVESTMENT PROCESS AND OWNERSHIP PERIOD

Since 2019, a standard requirement in the FSN investment process has been that investment teams conduct an early-stage climate change screening. This analysis is complemented by a more detailed assessment performed by external experts in the ESG due diligence as part of the double materiality-aligned analysis, identifying how climate change may impact the target company and its value chain. In 2024, we partnered with AXA Climate to further improve the quality and the output of this process. Their Altitude tool allows us to – across different time horizons and scenarios – understand both climate change and biodiversity risks and opportunities for all prospective investments and current FSN portfolio companies.

An assessment of current portfolio companies indicates that the FSN portfolio has low to medium levels of climate and biodiversity risks. These findings are based on available data and modeling assumptions and have not been independently verified. Going forward, we will further explore the findings from the analysis and work with portfolio companies on how to manage the identified risks and opportunities.

INVESTMENT PROCESS > OWNERSHIP PERIOD / PEOPLE > EXIT

PEOPLE

People are at the heart of any business. By fostering environments where employees are engaged and diversity of thought flourishes, we seek to enable better decision-making and performance.

Research demonstrates a correlation between an engaged, diverse workforce and increased productivity and profitability*. Therefore, we work with the management and boards of all portfolio companies to promote these topics.

EMPLOYEE ENGAGEMENT

FSN measures employee engagement yearly at all portfolio companies using the Employee Net Promoter Score (eNPS), and support them in developing initiatives targeted at enhancing employees' wellbeing, sense of inclusion, and psychological safety. By focusing on employee engagement, we seek to build high-performance cultures that attract top talent, enable collaboration, and allow the best ideas to win.

DIVERSITY AND INCLUSION

We believe that, among other factors, the most successful teams reflect functional, national, and gender diversity. These attributes are important because they can:

- Enable informed decision-making, based on relevant functional expertise and career experience
- Strengthen global competitiveness, by supplementing local market knowledge with international perspectives
- Broaden the range of diverse viewpoints, driving more robust discussions and ultimately, better decisions

We track diversity at different levels of the organization. At board level, we have sustainability-linked financing facilities for FSN Capital Fund VI and FSN Capital Compass Fund, where one of the KPIs is tied to gender diversity in the portfolio company boards *(see p. 69)*. For further details on how we collaborate with portfolio companies on this topic, please visit our website.

THE COMMERCIAL VALUE OF ENGAGED EMPLOYEES

Across FSN portfolio companies, we have seen that higher employee engagement – among other factors – often correlates with strong financial performance. During FSN Capital V's ownership period, TASKING's eNPS has increased from 16 in 2021 to 31 in 2024, while revenue grew by 217%. A similar trend can be seen at Epista, where eNPS rose from 57 in 2022 to 63 in 2024, accompanied by an 83% increase in revenue.

Recognizing this link, we will continue to focus on enhancing employee engagement by identifying and sharing best practices on how to measure and improve it across our portfolio.

PEOPLE IN THE VALUE CHAIN

Risk of breach of human rights varies across industries and geographies. However, people in the value chain are important for all FSN portfolio companies. We expect all portfolio companies to implement a Supply Chain Code of Conduct and to conduct a risk-based due diligence on their suppliers.

* Source: Spector, P. E. (2008). Theories of employee motivation. In *Industrial and organizational psychology: Research and practice* (5th ed.). John Wiley & Sons.

PROCESS

PURPOSE: Build engaged and diverse organizations that foster enhanced decision-making

1. MAP ENPs AND DIVERSITY

- Set up system to measure employee engagement
- Measure diversity across organization

2. SET TARGETS

- Identify improvement opportunities
- Create action plan

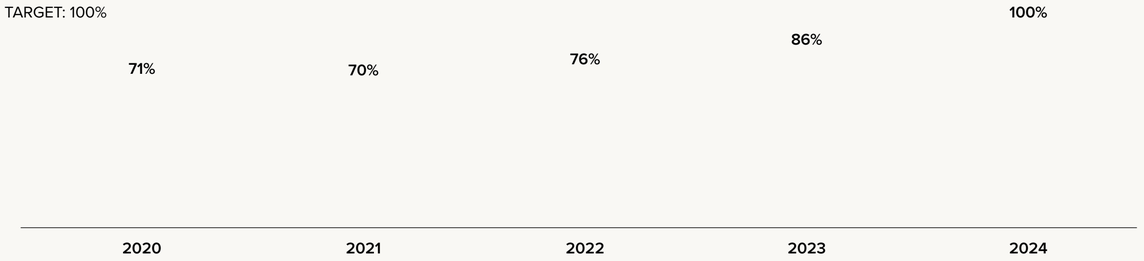
3. MONITOR

- Measurement and review at least once annually
- Enact countermeasures

PERFORMANCE

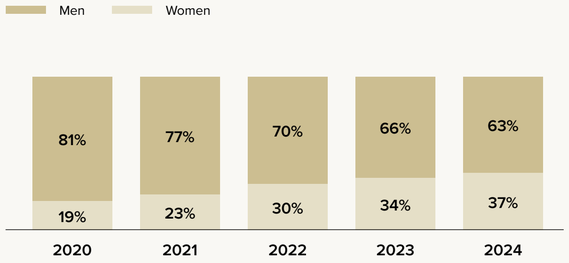
PORTFOLIO COMPANIES MEASURING ENPs

TARGET: 100%



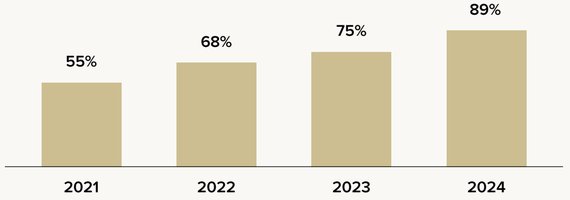
GENDER DIVERSITY IN FSN PORTFOLIO COMPANY BOARDS[1]

TARGET: 40% female board members across portfolio companies



PORTFOLIO COMPANY BOARDS THAT ARE DIVERSE[2]

TARGET: 100%



1. Female board members to total board members (excludes minority shareholders, FSN Capital employees, and employee representatives)
2. At least one female and one international board member – no double counting

CASE: SAFETY AND INCLUSION AT HÅNDVERKSGRUPPEN

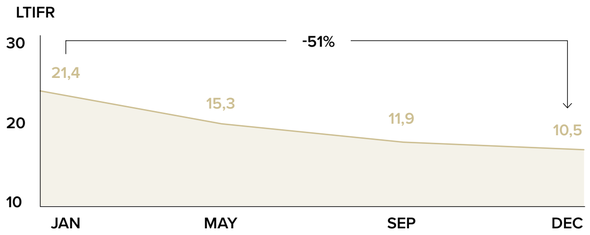
Caring about your people is good business. At Håndverksgruppen, ensuring employees are safe and thrive is part of their DNA. Through awareness, enhanced safety routines, and trainings, the company ensures that safety and inclusion become integral to daily operations.

Håndverksgruppen (HG) is one of Europe's largest providers of surface treatment services such as painting, flooring, tiling, and masonry. The group was established in 2020 when FSN Capital V partnered with 30 local Norwegian companies. Today, HG totals approximately 4,500 employees in over 150 operating companies. Upon establishing the group, HG created clear ESG Priorities, identifying People as one of its three focus areas.

SAFETY

Recognizing the importance of workplace safety in their industry, HG established a vision to ensure that every employee "arrives safely home to dinner – every day". To bring this vision to life, the group implemented safety procedures across worksites and launched monthly HSE campaigns to share best practices on how to avoid the most common accidents in the industry. As a result, HG achieved significant improvements in its Lost Time Injury Frequency Rate (LTIFR): in 2024, LTIFR across operating companies was cut in half.

LOST TIME INJURY FREQUENCY RATE Q1 2024 – Q4 2024

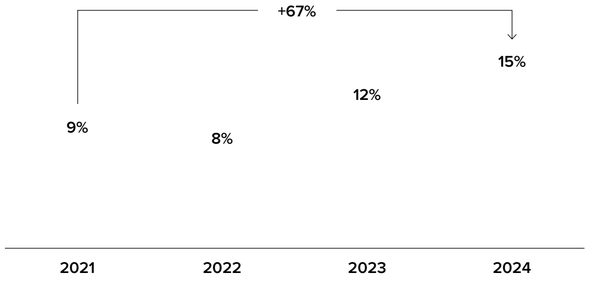


LTIFR is defined as the number of work-related injuries resulting in at least one day of absence per one million hours worked.

INCLUSION

HG also seeks to address another long-standing challenge in their industry – low gender diversity and inclusion. To create a more inclusive workspace, the company launched the HG Academy in 2021. The HG Academy is a learning platform available for all employees that provides employees with training on topics such as inclusive leadership, collaboration, discrimination prevention, and how to incorporate sustainable practices in daily operations. Since 2021, the share of women in the group has increased from 9% to 15%.

SHARE OF WOMEN AT HG 2021-2024



To further foster inclusion, in 2024 HG started to develop a Women Inclusion Council seeking to boost the recruitment of female apprentices, strengthen retention and job satisfaction, and increase female leadership representation.

The scope of HG's work on inclusion goes beyond gender. All leaders in the company are expected to participate in Inclusive Leadership training at the HG Academy where they learn how to create more inclusive working environments in their operating companies. Case studies based on actual events are used to facilitate discussion among participants on how to handle complex scenarios. By using real life examples employees can relate to, HG has managed to increase the success of their engagement efforts with their leaders.

Through training across levels, HG ensures deep integration of safety and diversity and inclusion principles in the group. This ultimately leads to safer and more engaged employees, proven to drive performance.

See Håndverksgruppen's ESG Priorities

INVESTMENT PROCESS > OWNERSHIP PERIOD / GOVERNANCE > EXIT

GOVERNANCE

The objective of our Governance processes is to ensure that FSN portfolio companies have good governance and operate in line with high ethical standards, with a focus on continuous improvement.

To ensure good governance and high ethical standards, we set requirements for clear roles and responsibilities, implementation of policies and controls, and monitoring of performance.

CLEAR ROLES AND RESPONSIBILITIES

Well-designed decision-making, execution, and monitoring of processes are critical for the success of any initiative. To ensure clear accountability, our Governance processes define who is responsible for what part of the ESG work. All portfolio companies adopt and implement FSN's standard Rules and Procedures for the Board of Directors and the CEO & Management instruction, where details on ESG roles and responsibilities are outlined.

It starts with the **Board of Directors** (the board) setting the tone from the top. The board, led by the Chairperson, is responsible for identifying, assessing and overseeing the company's ESG impacts, risks and opportunities. The board approves and annually reviews the company's ESG Priorities, including ambition level and annual targets. Progress towards annual targets, and any challenges encountered, are discussed in every board meeting as part of FSN's standard board agenda.

The **CEO** is responsible for the management of the company, which includes ESG. The CEO reports to the board on ESG progress and is responsible for informing the board of any need for changes to the plan.

To further drive ESG progress and integration in the portfolio companies, FSN requires all portfolio companies to appoint an **ESG Officer**. The ESG Officer is responsible for developing action plans to meet ESG targets, executing these, and coordinating across functions in the organization.

HANDS-ON ESG SUPPORT AND EXPERTISE

One person from the investment team – the "pointperson" – is overall responsible for the investment from FSN Capital's side. The ESG team supports the pointperson and all levels of the portfolio company, including the board, the CEO, and the ESG Officer. We follow the portfolio company throughout the ownership period, with the ESG Officer being our key contact.

At a minimum we conduct semi-annual meetings with each company. These meetings strengthen the relationship between the ESG Officer and the ESG team and provide an opportunity for targeted guidance and momentum towards targets.

We also organize quarterly ESG Officer webinars, covering both trainings on selected topics and best practice sharing. The community of ESG Officers are also encouraged to spar with each other directly.

PROCESS

PURPOSE: Build organizations with good governance and high ethical business conduct

1. CLEAR ROLES AND RESPONSIBILITIES

- Board of Directors
- CEO
- ESG Officer

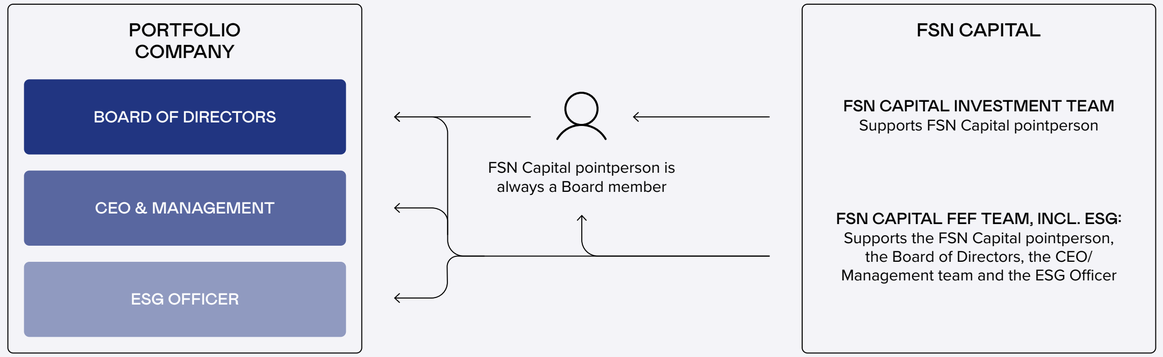
2. IMPLEMENT POLICIES AND CONTROLS

- Adopt policies
- Create implementation plan
- Train employees
- Implement controls

3. MONITOR

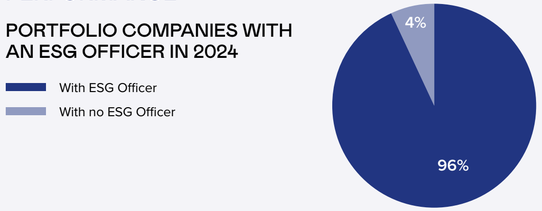
- Monthly Operating Review
- ESG on the agenda at every board meeting -- monitoring
- Annual board review and update of policies and implementation
- Transparency: annually report publicly on progress

ROLES AND RESPONSIBILITIES



PERFORMANCE

PORTFOLIO COMPANIES WITH AN ESG OFFICER IN 2024



PORTFOLIO COMPANIES WITH RULES AND PROCEDURES FOR THE BOARD AND CEO INSTRUCTION

100%

ETHICAL BUSINESS CONDUCT

Clear policies and ethical business conduct build trust and loyalty among employees, business partners, investors, customers, and communities.

We have therefore developed standard ESG policies to be adopted and implemented in all portfolio companies. These policies form a basis for ensuring compliance with laws, international conventions, regulations, and stakeholder expectations.

Our standard policies are based on the principles set out in the UN Global Compact and the OECD guidelines for corporate governance. The policies are also designed to support portfolio companies to follow “good governance” practices in accordance with SFDR.

FSN'S GOVERNANCE POLICIES

Policies for clarity on roles and responsibilities

- Rules and Procedures for Board of Directors
- CEO & management instruction
- Authorization Matrix: minimum requirements & annual auditor report

Policies for ethical business conduct

- Code of Conduct
- Short version of Code of Conduct
- Supply Chain Code of Conduct
- Supply chain procedures
- Whistleblower Policy & procedures for handling whistleblower reports
- Tax policy

HOW POLICIES COME ALIVE

For policies to achieve their intended effect, they must be actively integrated into daily operations and aligned with the organization’s culture. Implementation is an ongoing process and is designed with the key elements set out in the illustration to the right. All portfolio companies create an implementation plan that is reviewed and updated annually.

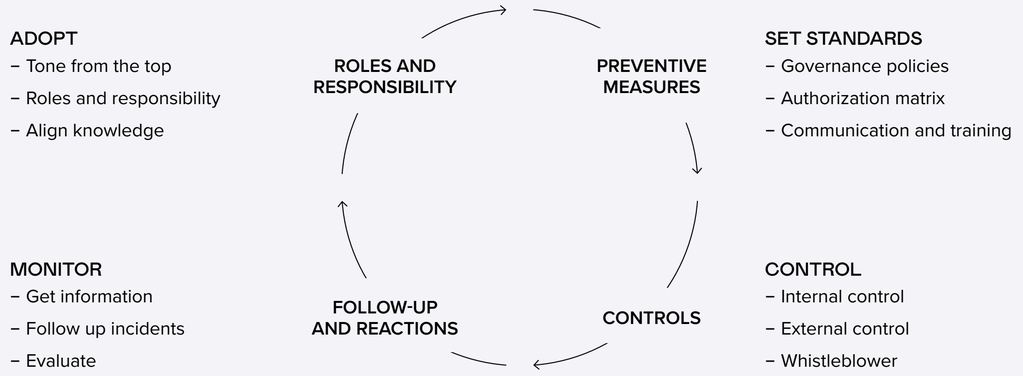
We recommend all portfolio companies to organize Code of Conduct training for their employees, as we see this as a key success factor to make policies come alive. By building ESG knowledge in the organization, we ensure that we have impact beyond our ownership period.

We also believe that having an electronic whistleblower system that enables anonymous reporting increases the likelihood of identifying compliance risks or issues.

THE COMMERCIAL VALUE OF GOOD GOVERNANCE

In the last couple of years, we have observed that the ESG maturity of both private and public customers has increased. Documentation of roles and responsibilities and having the right policies in place has become a necessity to participate in public tenders in select countries where the portfolio companies operate, and several private customers are requesting the same information before entering into partnerships. By working with portfolio companies to ensure they have good governance processes and policies in place, we secure their competitiveness in the markets they operate in.

EFFECTIVE IMPLEMENTATION - HOW POLICIES COME ALIVE

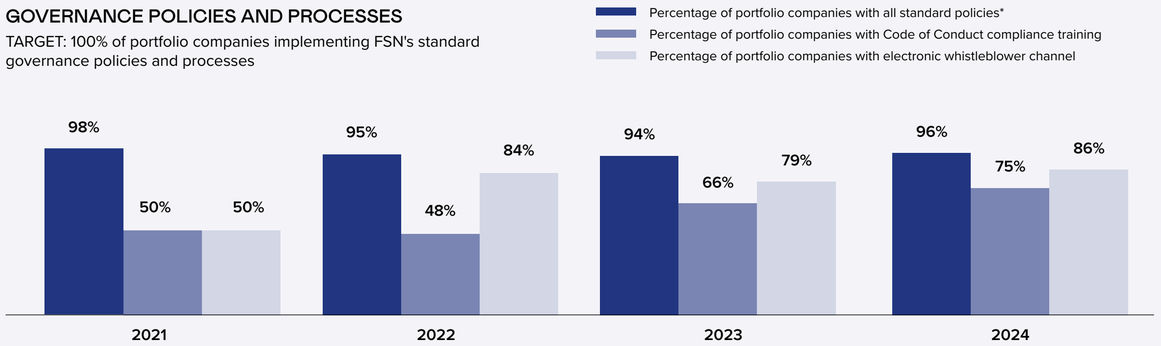


PERFORMANCE

See p. 32 for an overview of portfolio companies’ adoption of FSN’s standard ESG policies

GOVERNANCE POLICIES AND PROCESSES

TARGET: 100% of portfolio companies implementing FSN's standard governance policies and processes



* Standard policies refer to: Code of Conduct, Supply Chain Code of Conduct, Whistleblower Policy

INVESTMENT PROCESS > **OWNERSHIP PERIOD / GOVERNANCE** > EXIT

CASE: GOVERNANCE AT BÄCKER GÖRTZ

Through comprehensive implementation, Bäcker Görtz successfully transformed its Code of Conduct into a living framework that guides daily decisions and strengthens company culture.

Bäcker Görtz is a leading German bakery chain that produces, distributes, and sells a tailored assortment of baked goods and out-of-home meals. After becoming an FSN portfolio company in 2022, the leadership recognized the need to make its Code of Conduct (CoC) tangible for its more than 1,800 employees.

The initiative began with a collaborative values workshop in which twelve employees from various departments defined the company's mission and vision. This inclusive approach grounded the CoC in seven shared values: Honesty, Respect, Team Spirit, Trust, Family, Responsibility, and Professionalism.

To foster engagement, the company adopted a multi-tiered training strategy. Interactive videos launched on the internal app introduced a mandatory e-learning module, making sure every employee understood the CoC's practical applications. Meanwhile, new hires received the CoC in their employment contracts, facilitating alignment with the company's core values from day one.

The training extended beyond digital platforms. At the 60-year anniversary employee celebration, the CoC came to life through interactive displays and activities that made the values both tangible and relatable. Leadership further reinforced these lessons by equipping area managers with "value tags" to integrate discussions of the CoC into everyday interactions.

Bäcker Görtz also shared its governance principles with related stakeholders. During Bäcker Görtz' Partner Day in January 2025, the company promoted transparency and alignment with its corporate philosophy among external stakeholders.

With its clear implementation plan, Bäcker Görtz integrated the CoC with their core values and day-to-day operations.

See Bäcker Görtz's ESG Priorities

Unser Bäcker Görtz Leitbild

Unser Leitbild bei Bäcker Görtz basiert auf unseren grundlegenden Werten, unserer Mission und unserer Vision. Um sicherzustellen, dass wir dieses Leitbild stets im Auge behalten, stellen wir es uns gerne wie den verschiedenen Teilen einer Getreidepflanze vor. In einer Getreidepflanze entwickeln sich Körner aus den Wurzeln, den Blättern und den Ähren.
Ähnlich wächst auch Bäcker Görtz, indem wir gemeinsam an unserem Leitbild festhalten, angefangen bei unseren Werten, über die Umsetzung unserer Mission, bis hin zur Verwirklichung unserer Vision.

Werte

Bedeutung: Werte sind tief-verwurzelte Überzeugungen. Sie haben eine leitende Funktion für einzelne Personen oder Gruppen.

Werte bei Bäcker Görtz: In einem Workshop zum Thema Werte trafen sich 12 Personen aus verschiedenen Bereichen, um gemeinsam die Werte von Bäcker Görtz zu erarbeiten. Das Ziel bestand darin, Vertreter aus allen Unternehmensbereichen zusammenzubringen, um ein gemeinsames Verständnis für unsere Werte zu entwickeln.
In nur wenigen Stunden gelang es durch Gruppenarbeit und Gespräche, die folgenden Werte für Bäcker Görtz festzulegen: Ehrlichkeit, Respekt, Teamgeist, Vertrauen, Familie, Professionalität und Verantwortung.

Motivation für Bäcker Görtz: Diese sieben Werte sind die Grundlage für unser Verhalten – ganz persönlich, im Team, gegenüber Gästen und Geschäftspartnern. Wir möchten uns gemeinsam immer auf diese tief-verwurzelten Überzeugungen berufen können.

Unsere Werte → Wurzel

6

Highlights from Bäcker Görtz's values workshop in 2024.

INVESTMENT PROCESS > OWNERSHIP PERIOD / GOVERNANCE > EXIT

CYBERSECURITY ASSESSMENTS

Securing a business against cyber threats is a critical aspect of good governance. Recognizing this, we are supporting our portfolio companies in bolstering their cyber defenses, starting with cybersecurity assessments and improvements.

95%

of portfolio companies have undergone periodic cyber assessments in last 12 months

100%

of portfolio companies have a cybersecurity policy

Cybersecurity assessments are conducted as part of the FEF toolbox, with the support of the FEF Digital team and external experts. With this tool, we seek to ensure our portfolio companies are equipped to navigate today's complex cyber threat landscape.

THE PROCESS

The cybersecurity assessments provided to our portfolio companies consist of three components:

1. Non-intrusive external analysis: identify vulnerabilities and potential exposure points in the company's digital infrastructure. This allows the companies to address risks without disrupting day-to-day operations.
2. Financial risk quantification: Understanding the potential financial impact of cybersecurity risks is a critical step in prioritizing investments in cyber defense. We quantify these risks, providing clarity on the possible costs associated with cyber incidents.
3. Cyber control review: Through a structured cybersecurity self-assessment tool, companies gain insights into the maturity of their existing controls. This process identifies gaps and strengths, forming the basis for targeted improvement initiatives.

Accompanying these assessments are actionable recommendations designed to help companies advance to higher levels of maturity. These tailored insights enable management teams to focus resources on the most impactful areas of improvement.

OUTCOME

These assessments serve as a critical foundation for improving the cybersecurity posture of our portfolio companies. By identifying vulnerabilities, quantifying risks, and providing clear improvement pathways, the assessments help:

- Mitigate risks: Addressing identified vulnerabilities reduces the likelihood of cyber incidents.
- Protect value: Quantifying financial risk empowers companies to align cybersecurity investments with potential business impacts.
- Enhance stakeholder confidence: A stronger cybersecurity posture reassures investors, partners, and customers alike.

The structured, non-intrusive approach balances operational needs with robust risk management, enabling companies to build sustainable and resilient cyber defenses.
This tool exemplifies our commitment to supporting portfolio companies not only in creating value but also in safeguarding it — protecting their growth and the trust of their stakeholders.

THE EXIT

When ESG is done right, it can both drive returns and benefit society overall. By the time of exit, we aim to ensure that sound ESG management has mitigated risks, positioned our portfolio companies to capture new opportunities, and ultimately enhanced their value.

Across different exit scenarios, we have experienced that buyers and stakeholders are focused on ESG management. As a company grows in size and sophistication under our ownership, its ESG performance expectations also rise.

As you have seen in this chapter, we work closely with portfolio companies in implementing our ESG approach in order to identify and manage which ESG activities will most effectively drive value creation. Then, throughout the ownership period, these initiatives are implemented and monitored systematically.

Over time, we see that FSN portfolio companies tend to significantly increase their sophistication on ESG as a topic, in a way that is material and value-adding to each unique business. Improvements on Decarbonization, People, and Governance, as well as company-specific topics, strengthen and future-proof the overall company. These developments are then backed up by transparent documentation and disclosures of ESG targets and progress throughout the ownership period. We believe that, collectively, this results in a more attractive business to prospective buyers.

LOOKING AHEAD

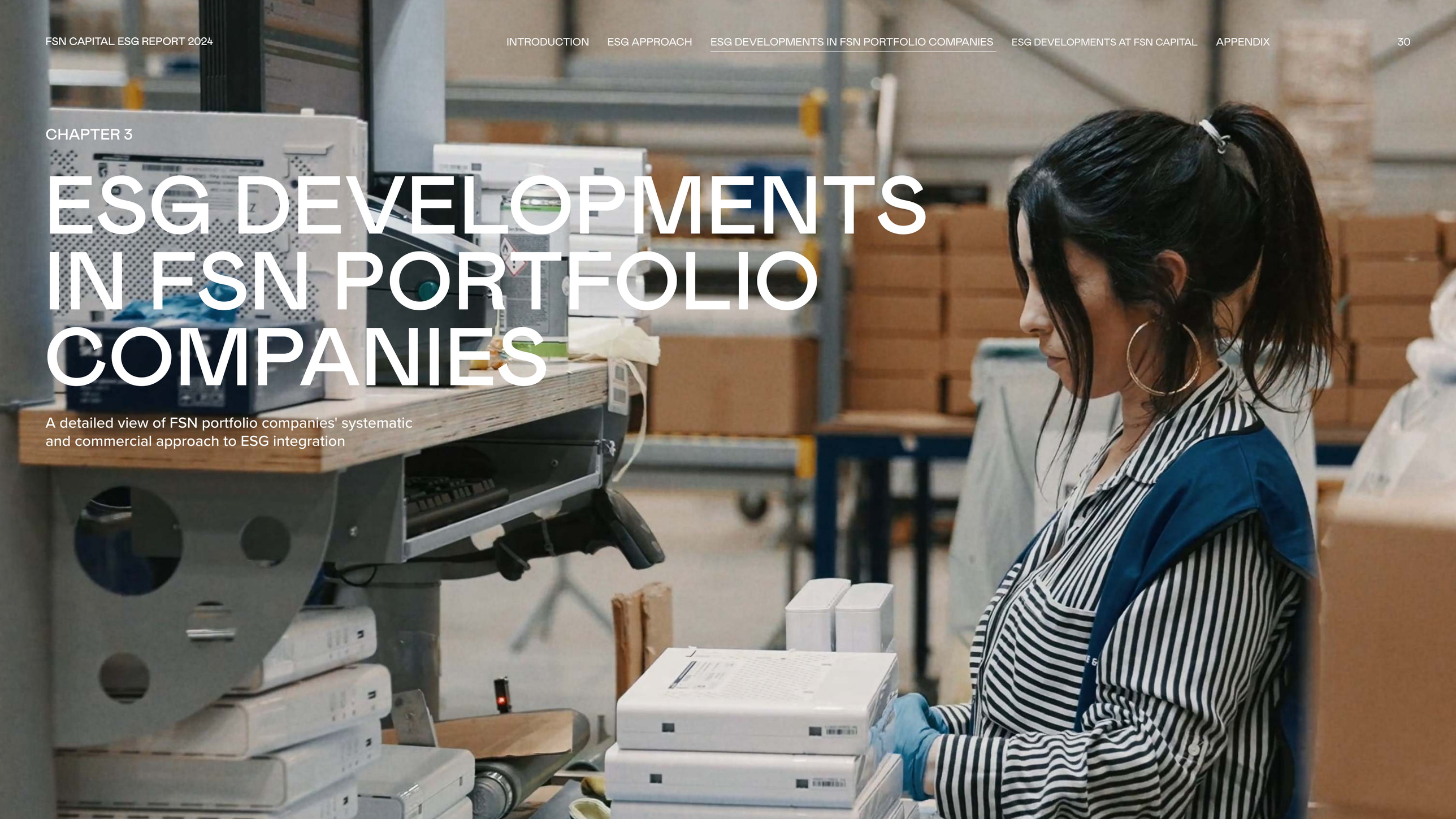
Each year, we identify initiatives to further enhance how we work with ESG. To hold ourselves accountable, we disclose publicly what these are and how we have performed over the course of the past year.

In addition to these initiatives, we will continue to support portfolio companies managing their most material ESG topics.

WHAT WE SAID WE WOULD DO IN 2024		HOW WE DID IN 2024
Develop a Decarbonization Toolkit: a standard approach for portfolio companies to create a decarbonization plan	✓	We developed a practical guide on how to develop decarbonization plans
Support even more portfolio companies to set validated science-based targets	✓	7 portfolio companies committed to the SBTi in 2024, bringing the total of portfolio companies committed to the SBTi or with validated SBTs to 16
Pilot two different CSRD software vendors with portfolio companies	✓	Successfully piloted two CSRD software vendors with ViaCon and Saferoad
Define examples of ESG elements that can be included in portfolio company incentive schemes	✓	Incorporated ESG into FSN's recommended incentive scheme for portfolio companies' management teams
Apply our Impact Assessment approach to relevant portfolio companies	✓	Impact Assessment conducted for iMPREG *(see p. 16)*
Develop a standard method to calculate avoided emissions through pilot with portfolio company	~	Developed method to calculate avoided emissions. Pilot to calculate avoided emissions with portfolio company scheduled for 2025

WHAT WE AIM TO DO IN 2025

- Continue to support portfolio companies developing decarbonization plans and setting SBTs
- Continue to support all portfolio companies preparing for relevant EU regulations
- Conduct climate risk and biodiversity risk screenings of all portfolio companies
- Conduct 2 avoided emissions assessments
- Apply our Impact Assessment approach to select relevant portfolio companies
- Support portfolio companies in setting up sustainability-linked financing facilities



CHAPTER 3

ESG DEVELOPMENTS IN FSN PORTFOLIO COMPANIES

A detailed view of FSN portfolio companies' systematic and commercial approach to ESG integration

FELLOWMIND IS THE 2024 ESG AWARD WINNER

Fellowmind

The winner of FSN Capital's ESG award for 2024 is Fellowmind. A leading Microsoft Partner in Europe, Fellowmind helps create value for their customers by transforming them into Connected Companies. They use digital AI-infused business solutions and provide human services to help customers achieve their business goals. With more than 2,000 Fellows across the Netherlands, Denmark, Finland, Sweden, Germany, and Poland, the company helps customers become more digital and sustainable.

From left to right: Fellowmind CFO Bert Koorn, Chief Strategy Officer Debbie Alders, Group Sustainability Manager Louise Ol-Ers, and CEO Ville Hemmilä accepting the 2024 FSN Capital ESG Award at the annual FSN Leadership Conference in Copenhagen, Denmark.

In 2024, Fellowmind conducted a double materiality assessment to prepare for the EU Corporate Sustainability Reporting Directive (CSRD). This analysis reaffirmed that ESG is a strategic topic for the company. Fellowmind's ESG Priorities are aligned with and integrated into their commercial strategy, core values, and purpose.

One of the company's key priorities is to help their customers transition to a more sustainable future. To achieve this, Fellowmind supports customers to implement Microsoft's suite of sustainability solutions.

With one customer, OSTP, Fellowmind automated the collection and calculation of carbon emissions data by integrating the company's existing Microsoft business data platform and ERP system with Microsoft Sustainability Manager. Supporting OSTP in leveraging existing data and technology for new sustainability purposes resulted in the company having more effective and accurate emissions reporting. The outcome was also more actionable insights to support their continued decarbonization efforts.

With this case Fellowmind was nominated as a global finalist in the Microsoft Partner of the Year Awards in the Sustainability Changemaker category.

Fellowmind also partnered with another customer, Drake & Farrell, to optimize their reverse logistics as an e-waste refurbishment company by implementing a customized solution based on Microsoft Dynamics Finance & Operations (ERP) and the Microsoft Power Platform (automatization, apps analytics). This solution streamlined their processes, enhancing adaptability and efficiency. Fellowmind was recognized with the Microsoft Netherland's Partner of the Year ESG Award for its role in this successful collaboration.

In 2024, the company developed a group-wide decarbonization plan to cost-effectively reduce emissions while maintaining business and other strategic priorities, all in line with its science-based targets. This involved cross-functional workshops to identify, assess, and prioritize initiatives using the Marginal Abatement Cost Curve (MACC). Going forward, Fellowmind will begin implementing the initiatives to reduce their emissions across their different locations.

Fellowmind also places a strong emphasis on internal ESG initiatives, fostering an inclusive organization where people feel valued and empowered. By embracing diverse skills, perspectives, and personalities, the company creates an environment where people can thrive. As a professional services firm, engaged and motivated employees are key to delivering strong results and driving the company's growth.

Watch Fellowmind's ESG award video

See Fellowmind's ESG Priorities

FSN'S ANNUAL ESG AWARD IS PART OF SETTING THE TONE FROM THE TOP.

Gram Equipment and ViaCon are among other proud winners.

Portfolio companies are assessed according to the following criteria:

- Financial performance
- Awareness and ESG efforts in daily operations
- Value creation in society at large
- Clarity in ESG policies
- Focus on continuous improvement
- Tone from the top (i.e., management and board engagement
- Holistic approach to sustainability
- Adherence to FSN Capital's values

The case studies presented herein and any information relating to ESG or climate performance are for illustrative purposes only. They do not represent a full list of FSN Capital portfolio companies, and should not be seen as an indication of current or future performance.

FSN PORTFOLIO COMPANY ESG KPIS 2024

			DECARBONIZATION[1]						PEOPLE					GOVERNANCE							
PORTFOLIO COMPANY	REVENUE (EURm)	FTEs	SCOPE 1	SCOPE 2 (LOCATION-BASED)	SCOPE 2 (MARKET-BASED)	SCOPE 3	SBTi COM-MITTED	VALIDATED SBTs	% FEMALE FTEs	% FEMALE BoD[2]	ABSEN-TEEISM	eNPS	eNPS SURVEY RESPONSE RATE	CODE OF CONDUCT[3]	CODE OF CONDUCT TRAINING[4]	SUPPLY CHAIN CODE OF CONDUCT[5]	WHISTLE-BLOWER POLICY[6]	ELECTRONIC WHISTLE-BLOWER SYSTEM	CYBER-SECURITY POLICY	ANNUAL BoD EVALU-ATION	ANNUAL CEO EVALU-ATION
Active Brands	106	226	69	72	16	29,435	●	●	72%	33%	3%	1	77%	●	●	●	●	●	●	●	●
Adragos Pharma	96	778	4,322	5,156	3,575	36,988	●	–	55%	25%	6%	-35	65%	●	●	●	●	●	●	●	●
Bäcker Görtz	189	1,336	3,872	6,223	12,214	2,099	–	–	72%	33%	4%			●	●	●	●	●	●	●	●
BoldR	165	537	273	1,171	1,865	8,362	–	–	21%	33%	5%	-5	54%	●	●	●	●	●	●	●	●
Ecovium	50	320	400	198	213	543	–	–	23%	25%	2%			●	●	●	●	●	●	●	●
Epista	33	185	66	49	67	320	–	–	52%	33%	4%	63	85%	●	●	●	●	●	●	●	●
Fellowmind	323	1,933	1,220	567	829	5,822	●	–	29%	25%	3%	38	87%	●	●	●	●	●	●	●	●
Fibo	73	156	77	30	0	32,618	●	●	21%	50%	5%	53	72%	●	●	●	●	●	●	●	●
Firesafe	129	984	1,637	13	601	14,207	●	–	12%	50%	7%	21	63%	●	●	●	●	●	●	●	●
Gram Equipment	128	630	372	530	477	67,469	●	–	18%	20%	2%	18	89%	●	●	●	●	●	●	●	●
Håndverksgruppen	578	4,541	6,608	401	3,398	70,913	–	–	15%	50%	8%	29	36%	●	●	●	●	●	●	●	●
Holmbergs	49	485	403	1,559	1,662	39,369	–	–	59%	0%		1	66%	●	●	●	●	●	●	●	●
ilionx	226	1,395	1,172	698	697	8,281	●	–	18%	67%	3%	12	80%	●	●	●	●	●	●	●	●
iMPREG	84	307	342	613	435	70,127	●	●	7%	25%	4%	8	75%	●	●	●	●	●	●	●	●
InstallatørGruppen	335	1,405	4,306	150	226	40,501	●	–	5%	33%	4%	41	52%	●	●	●	●	●	●	●	●
Koncenton	11	82	1	10	32	136	–	–	46%	–	1%	7	89%	●	●	●	●	●	●	●	●
Lobster	41	265	88	195	339	1,264	●	–	22%	50%	3%	-10	67%	●	●	●	●	●	●	●	●
Nordlo Group	209	968	82	98	660	8,774	●	–	13%	33%	4%	29	88%	●	●	●	●	●	●	●	●
Obton	9	244	5	32	21	511	–	–	34%	50%	1%	-23	81%	●	●	●	●	●	●	●	●
Omegapoint	124	889	51	48	65	1,254	●	–	25%	33%	3%	32	52%	●	●	●	●	●	●	●	●
OptiGroup	1,427	2,342	6,578	3,657	4,143	595,695	●	–	38%	50%	4%	12	60%	●	●	●	●	●	●	●	●
Polytech	92	399	195	1,740	1,196	18,062	–	–	39%	33%	3%	30	95%	●	●	●	●	●	●	●	●
Saferoad	652	2,411	15,426	4,254	16,260	605,336	●	–	18%	67%	5%	33	73%	●	●	●	●	●	●	●	●
Seriline	19	55	88	6	24	907	–	–	16%	50%	3%	29	73%	●	●	●	●	●	●	●	●
Solcellespesialisten	33	244	351	2	176	40,132	–	–	14%	50%	10%	-27	55%	●	●	●	●	●	●	●	●
Swash Group	231	255	403	229		31,338	●	●	28%	0%	9%	-34		●	●	●	●	●	●	●	●
TASKING	57	319	17	59	109	554	–	–	21%	25%	1%	31	75%	●	●	●	●	●	●	●	●
ViaCon	175	676	1,814	2,450	1,865	115,970	●	●	18%	50%	4%	-6	47%	●	●	●	●	●	●	●	●
TOTAL	**5,641**	**24,366**	**50,238**	**30,208**	**51,183**	**1,846,982**	**16**	**5**						**100%**	**75%**	**86%**	**100%**	**86%**	**100%**	**100%**	**100%**

Data provided by portfolio companies has not been assured by FSN Capital or any third party

1. The reported scope 1, 2, and 3 GHG emissions reflect available data and may not fully represent the complete GHG inventories of all portfolio companies.
2. % female BoD: Only counting professional board members (excludes minority shareholders, FSN Capital employees, and employee representatives). As of 31.12.2024.
3. Code of Conduct: Have a written Code of Conduct that they share with employees
4. Code of Conduct training: Have trained employees in Code of Conduct in 2024
5. Supply Chain Code of Conduct: Have a written Supply Chain Code of Conduct that they share with suppliers
6. Whistleblower policy: Have a written whistleblower policy that they share with employees

STRUCTURE OF THE ESG PRIORITIES 2-PAGER

Following FSN's standard ESG Priorities approach, each portfolio company creates its own ESG priorities based on thorough analysis and a double materiality assessment (see p. 17). This page explains the structure of the 2-pagers that follow.

PORTFOLIO COMPANY DESCRIPTION

Covering business activities, geographic footprint of value chain, and key customers

DOUBLE MATERIALITY ASSESSMENT

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Analysis of the portfolio companies' potential impact on the world across their full value chain – looking at both positive and negative impacts from an environmental, social, and governance perspective.

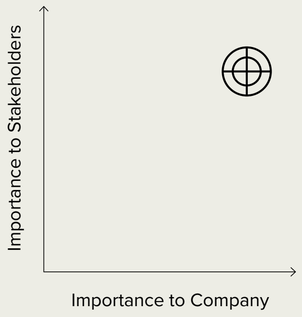
External ESG factors that may impact a portfolio company due to its sector, jurisdiction, and operations.

COMMERCIAL VALUE DRIVERS

Indication of the most significant driver(s) of the commercial value of ESG at the portfolio company, across customers, efficiencies, industry transformation, regulation, and talent.

ESG PRIORITIES

Based on the double materiality assessment, each portfolio company creates ESG priorities centered on 3-5 focus areas, with KPIs and long- and short-term targets. Portfolio companies also transparently disclose 2024 performance.



ACTIVE BRANDS

FSN Portfolio Company since 2017

↗ activebrands.com
↗ Read the Active Brands Sustainability Report

Active Brands is a leading supplier of premium branded goods to the sports retail market in the Nordic region and beyond. The current brand portfolio includes Kari Traa, Bula, Åsnes, Dæhlie, Johaug, and Sweet Protection.

Since its founding in 2009, Active Brands has grown from a Norwegian brand incubation platform into a global brand accelerator with broad international presence.

The company employs approximately 250 people, located in Oslo, Voss, Trysil, Copenhagen, Helsinki, Denver, Munich, Stockholm, and Shanghai. Active Brands focuses on building strong brand positions and becoming a preferred partner for retailers. With ambitious growth plans, the company aims to expand both through its existing brands and future acquisitions.

Key raw materials include animal products such as wool, synthetics, cotton, and hard goods materials like polycarbonate. Active Brands sources raw materials globally, with manufacturing handled by third-party producers, primarily based in Asia.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
ACTIVE BRANDS' IMPACT ON THE WORLD	• Water depletion and pollution in the cotton supply chain • Water use during textile production • Local pollution from chemicals in raw material processing • **GHG emissions and energy use in material production** • **Biodiversity impact from land-use and freshwater-use** • **Resource inflows and usage** • Animal welfare in wool and down production • **Labor and human rights** • Socioeconomic impact of corruption and bribery in the supply chain	• **Local pollution from chemicals in textile production (e.g., dyeing)** • **GHG emissions and energy use from product assembling** • Water discharge and withdrawal (during dyeing) • Material waste in production • Packaging waste (paper, plastic) • **Labor and human rights in garment factories and production** • **Health and safety in production** • Work-life balance • Diversity and inclusion	• **GHG emissions from logistics** • Energy use in offices & stores • Employee commuting and business travel • Waste from outdated collections • Work-life balance • Diversity and inclusion • **Social impacts of marketing activities (body image, representation)** • **Information accuracy & quality towards consumers** • Anti-corruption and bribery • Corporate structure & business conduct	• Microfiber pollution during the washing of textile products • **Textile waste from used/torn garments** • **Longevity of products, including access to repair** • Packaging waste (paper, plastic) • Product health impacts in use (e.g., toxins) • **Contributing to sport safety** • **Active and healthy lifestyles** • Contract conditions (B2B customers)
WORLD'S IMPACT ON ACTIVE BRANDS	• **Climate events disrupt supply chains and heighten risks from extreme weather and productivity losses** • Water scarcity impacts raw material supply (e.g., cotton) • **Regulations and consumer expectations drive demand for full supply chain traceability to secure human rights compliance & environmental impact**	• Scrutiny and regulatory requirements of the environmental footprint of the textile industry • Stringent chemical regulations requiring increased control of chemical management • Scrutiny of human rights and labor conditions in the supply chain • **Wage inflation in production countries**	• Increased employee awareness of sustainability and purpose • Regulatory framework requiring product and supply chain data tracking on granular level • **Regulatory framework mandating expanded ESG data reporting** • Brand perception and reputation linked to product quality and sustainability performance	• Climate change causing shifts in seasons, impacting consumption patterns and demand • **Customer scrutiny of the environmental footprint of the textile industry** • Active lifestyle associated with positive health outcomes • Demand for low impact and circular products produced in socially sustainable ways

THE COMMERCIAL VALUE OF ESG AT ACTIVE BRANDS IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUSTAINABLE VALUE CHAIN	• 1a. % of manufacturers with climate targets and action plans in place • 1b. GHG emission reductions (% and absolute scope 1, 2, 3) • 1c. % of environmentally preferred materials in products • 1d. Identify how to measure water, chemical, waste, and biodiversity impact • 1e. Enhance ESG reporting, internal training, and accountability • 1f. Supply chain transparency T1 and T2, on open platform and % of products covered	• 1a. - 1c. Deliver on our SBTi (Science Based Target initative) Net-Zero Climate target (2050), our 2030 scope 3 target and Net Zero scope 1 & scope 2 target (2025) • 1d. Achieve minimal negative impact on water, chemical, waste, and biodiversity • 1e. - 1f. Committed to achieve full transparency and accountability on ESG	• 1a. Primary energy data from 90% of Tier 1 suppliers, where 68% are fully or partly utilizing renewable energy in manufacturing • 1b. Scope 1 & 2 GHG emissions reduced by 11% from last year and 75% from the 2021 baseline year. Scope 3 GHG emissions increased from last year with 17% but remain 31% below baseline year. We initiated FLAG (Forest, Land & Agriculture) screening in 2024, which will continue in 2025. • 1c. RDS (Responsible Down Standard): 100%, Merino wool, IWTO certified non-mulesing: 70% RWS (Responsible Wool Standard): 30% Bluesign approved® fabrics: 18% Oekotox-100 fabrics: 83% Recycled Polyester: 22% • 1d. We began tracking whom from our supply chain partners that already have systems in place to monitor water, waste, and air emissions beyond GHG emissions. Among Tier 1 suppliers, 43% (by spend) have assessed environmental parameters beyond GHG emissions via Amfori's standard BEPI or Higg FEM. At the end of 2024, we also committed to participate in the collaboration network STICA+, which will be shaped in 2025 and focus on environmental topics beyond climate. • 1e. Conducted Double Materiality Assessment and started 2024 ESG Impact report in reference to CSRD • 1f. We collect primary energy data from 19% of Tier 2 suppliers and 90% of Tier 1 suppliers	• 1a. Drive GHG reduction plans and actions among key suppliers, target 80% by volume • 1b. Achieve 90% scope 1 & 2 GHG emissions reduction, adopt FLAG accounting, and update the Climate Transition plan • 1c. Transition largest raw material emitter to certified alternatives (min 60%) and introduce full value chain certification for synthetics • 1d. Collaborate with industry peers on water measurement and target-setting best practices, implement BEPI with T1 suppliers, and advance biodiversity impact understanding • 1e. Initiate soft launch of CSRD reporting • 1f. Expand T2 supplier energy data inclusion to 50%
2. PRODUCTS AND SERVICES	• 2a. Establishing and implementing sustainability guidelines and parameters for regulatory readiness • 2b. Repair offering: Consumer engagement in repair DIY guidance and repair kits • 2c. % reduction of packaging	• 2a. - 2c. Incorporate circular principles in every product creation and circular models (recom & repair) in every key market	• 2a. In 2024, we have focused on improving data quality for our product and supply chain, to build the foundation required to adhere to upcoming regulations such as Ecodesign for Sustainable Products Regulation (ESPR) • 2b. Mapped process to make spare parts available for online ordering by stocking them in our warehouse; launched a pilot integrating key spare parts into our product portfolio • 2c. Optimized baselayer boxes for recyclability by removing unnecessary laminations	• 2a. Prepare data for ESPR compliance and engage in a Nordic Digital Product Passport (DPP) project • 2b. Enhance availability of spare parts and repair kits for consumers • 2c. Target e-com shipments to optimize packaging volume while continuing to reduce packaging where plastic is required
3. HEALTH	• 3a. Number of health engagement initiatives • 3b. eNPS • 3c. Winningtemp score	• 3a. - 3c. Active Brands is rated to be among the most attractive places to work in the sporting goods industry and a leader in engaging people towards a healthier lifestyle	• 3a. Kari Traa fostered women's wellness through retreats, community events, and sponsorships promoting health and inclusion. Dæhlie supported inclusive sports, club partnerships, and campaigns like the December challenge to enhance mental well-being through outdoor activity. Åsnes inspired adventure by backing polar expeditions, including Karen Kyllesø's historic South Pole journey. • 3b. 2024 eNPS of 1, eNPS is now a senior leadership performance KPI to ensure timely action and continuous progress • 3c. Employee Temperature Score = 7.7 (5% improvement vs. last year)	• 3a. Brand initiatives related to improved physical and mental health (KT women's empowerment roadmap, Dæhlie members and #of comms) • 3b. Stabilize eNPS towards industry level • 3c. Increase Winningtemp score by 15%, measuring the temperature and overall satisfaction of own employees
4. HUMAN RIGHTS	• 4a. T1 suppliers audited with BSCI or similar audit schemes • 4b. Salient human rights issues, qualitative progress	• 4a. & 4b. We remain steadfast in our commitment to uphold and safeguard human rights, prioritizing the empowerment of people, ensuring safe environments, and fair working conditions	• 4a. 89% overall of Tier 1 suppliers are on a third-party audit scheme ensuring they meet BSCI or equivalent standards, where 93% of suppliers outside Europe have this in place • 4b. In 2024, we encouraged and guided suppliers on training, focusing on worker committees and grievance mechanisms. One-third of our suppliers completed 55 human and labor rights courses via the Amfori platform. We also strengthened collaboration with MADE in Myanmar, ensuring our supplier upholds high standards in worker committees, wages, and overtime policies.	• 4a. Target 100% of non-European T1 suppliers to meet BSCI or equivalent standards • 4b. Track the progress of Amfori's "Speak for Change" program and actively participate in relevant sourcing countries, while continuing to promote and enforce fair wages, effective worker committees, and robust grievance mechanisms among key suppliers

ADRAGOS PHARMA

FSN Portfolio Company since 2021

↗ adragos-pharma.com

Adragos Pharma is a leading global Contract Development and Manufacturing Organization (CDMO) headquartered in Germany, and employs over 1,300 professionals to meet pharmaceutical needs in Europe, Japan, and North America. We offer end-to-end services for small molecule finished dosage forms (FDFs), including sterile and non-sterile liquids, solids, and semi-solids products, and we are also specialized in biologicals, orphan drugs, clinical trials, fill-and-finish, and lyophilization.

Utilizing a "buy and build" strategy, Adragos revitalizes underutilized pharmaceutical sites to optimize efficiency and production capabilities. The company operates a dedicated development center in Greece and five advanced production sites in France, Germany, Japan, Norway, and Switzerland specializing in end-to-end production of FDFs.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
ADRAGOS PHARMA'S IMPACT ON THE WORLD	• Emissions in raw material extraction • **Hazardous waste** • Biodiversity impact of raw materials • Water use in supply chain • **Material certificates and supplier management** • **Health and safety in supplier operations** • **Labor and human rights in supply chain** • Supply chain transparency and business ethics in procurement practices	• **Hazardous waste from chemicals** • Climate impact of transportation and logistics • GHG emissions from production and freezers • Sustainable packaging • **Water use** • **Waste management and recycling of packaging** • **Health and safety at own production sites** • Labor conditions and human rights at own production sites • Business ethics	• Business travel and employee commuting • Diversity and anti-discrimination • Employee education and development • Anti-corruption and bribery • Anti-competitive behavior • Tax policies and payments • Whistleblowing mechanisms	• End-of-life management (recycling) • **Access to affordable products and medicine** • **Product quality and safety** • **Selling practice and product labelling** • **Product safety, reliability and traceability** • Contract conditions for customers
WORLD'S IMPACT ON ADRAGOS PHARMA	• Increasingly complex global supply chain challenges for active ingredients with discussions on dependency from Asia (part. China)	• Efficient production sites, strategically located in Western markets, enabling affordability of medicines • Ever higher regulatory requirements and standards for production	• Reshoring of pharma supply chains to secure drug supply in Western healthcare systems	• Aging population drives demand for safe and accessible medicines

THE COMMERCIAL VALUE OF ESG AT ADRAGOS PHARMA IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. MINIMIZE ENVIRONMENTAL IMPACT OF OUR OPERATIONS	• 1a. GHG emissions (CO2 emissions) • 1b. Energy consumption per pack • 1c. Responsible waste management	• 1a. Net-Zero GHG emissions in production • 1b. Energy consumption per pack reduced by 30% • 1c. 100% reuse of recyclable waste	• 1a. GHG emissions monitoring of group successfully established • 1b. Energy analysis on group level done and reduction of consumption started • 1c. Recyclable waste management across group in development	• 1a. GHG emissions reduced by 10% vs. existing baseline • 1b. Energy consumption per pack reduced by 8% • 1c. Reuse at least 20% of recyclable waste
2. SAFE, ACCESSIBLE, AND AFFORDABLE PRODUCTS	• 2a. Therapeutic areas • 2b. Countries supplied • 2c. Number of patients reached	• 2a. Address all main therapeutic areas • 2b. Provide products to more than 60 countries • 2c. Number of patients reached >100m	• 2a. More than three therapeutic areas added • 2b. More than two countries added to our worldwide delivery scope • 2c. Number of patients reached ~20m	• 2a. To address 65% of all main therapeutic areas • 2b. Increase coverage in the EU and a key regulatory body outside the EU e.g., ANVISA, KFDA and US FDA. Total of 30 countries • 2c. Number of patients to 40m
3. HEALTHY, ENGAGED, AND SATISFIED EMPLOYEES	• 3a. Absenteeism • 3b. Safe working environment • 3c. Female employee rate • 3d. Lost Time Incident Rate (LTIR) • 3e. ESG resources • 3f. eNPS	• 3a. <4% absenteeism • 3b. Continuous review of EHS measures in all entities • 3c. Increased diversity score • 3d. LTIR = 0 • 3e. ESG resource per site • 3f. eNPS >15	• 3a. 6.0% absenteeism (on track) • 3b. Regular tracking and reviewing of EHS KPIs • 3c. Diversity of ~50% male/female maintained • 3d. LTIR further improved (by >3%) • 3e. EHS/ESG person by site in place • 3f. Regular eNPS surveys ongoing, activities in implementation phase	• 3a. <5.8% absenteeism • 3b. EHS measures improved in all sites • 3c. Keep diversity of ~50% male/female • 3d. Reduce LTIR for all sites by 7% • 3e. EHS/ESG person by site in place • 3f. eNPS improved by 10% vs. last year
4. ENSURE RESPONSIBLE SUPPLY CHAINS	• 4a. Supplier Code of Conduct (SCoC) signed by suppliers • 4b. Supplier audits and findings	• 4a. Stakeholders able to trace full supply chain • 4b. 100% of Tier 1 suppliers audited	• 4a. 60% of main suppliers signed SCoC • 4b. Supplier audits and questionnaires started	• 4a. 80% of all Tier 1 suppliers tracing initiated • 4b. 70% of Tier 1 suppliers evaluated
5. PROMOTE INTEGRITY THROUGHOUT OUR OPERATIONS	• 5a. Code of Conduct (CoC) • 5b. Code of Conduct training • 5c. Anonymous and electronic whistleblower channel • 5d. Company's core values	• 5a. 100% of employees sign and live by CoC • 5b. 100% of employees undergo regular training • 5c. Whistleblower channel available to all employees • 5d. Company's core values as required part of performance appraisal and career progression	• 5a. CoC included as part of new employees' contract • 5b. Regular eLearning trainings under development • 5c. Whistleblower channel maintained and working • 5d. Company's core values established, communicated, and part of performance appraisal	• 5a. CoC included as part of all employees' contract • 5b. Start to roll out regular eLearning trainings • 5c. Whistleblower channel maintained and working • 5d. Company's core values as required part of performance appraisal and career progression

FSN Portfolio Company since 2022

↗ baeckergoertz.de

Bäcker Görtz, founded in 1963, is a family-owned bakery headquartered in Ludwigshafen, Germany, operating approximately 220 branches across the Rhine-Neckar region. Known for its commitment to quality and operational efficiency, the bakery utilizes a state-of-the-art production facility to craft a variety of high-quality baked goods and snacks, available for dine-in and take-away. Serving more than 100,000 customers daily, Bäcker Görtz caters to a diverse clientele, offering a range of products that emphasize regional and local sourcing. This strategy ensures a predominantly German-centered value chain, reflecting the bakery's dedication to tradition and community.

With a team characterized by long-term employment, many staff members have been with Bäcker Görtz for over a decade, contributing to its status as a staple provider of bakery products in the south-west region of Germany, delivering not just food, but a legacy of heritage refined over decades.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
BÄCKER GÖRTZ'S IMPACT ON THE WORLD	• **GHG emissions generated by key input materials (wheat, rye, sugar, vegetable oils, dairy)** • Wheat cultivation process accounts for 2/3 of all emissions generated through lifecycle of bread products • Production of oil & sugar linked to deforestation and biodiversity loss • Carbon footprint of importing products • Impact on soil & water from conventional farming methods • Human rights and labor conditions across raw materials supply chain	• **Energy usage in bakery process (ovens, refrigeration, blenders)** • HFC/GHG emissions from refrigeration process • Emissions caused by energy usage (natural gas and petrol) • Production process impact on employees – heat exposure; allergies/irritations from continuous inhalation of flour; dermatitis/eczema from regular use of soaps, detergents	• Packaging, use of paper and plastics in product sales • Emissions caused from distribution of products via petrol-powered trucks • **Employee education & development** • **Employee well-being: distribution (primarily) involves night-time working hours; also impacts retail staff** • Ensuring staff safety in connection with cash management	• Unused goods • Potential impact of products on consumers' health • **Product quality and safety (handling of raw materials, allergies, recall system)**
WORLD'S IMPACT ON BÄCKER GÖRTZ	• Scrutiny of environmental impact of supply chain	• Strict regulation regarding packaging, food waste, emissions, energy efficiency, and supply chain	• Demand for sustainable/circular packaging	• Demand for healthy, regionally sourced products

THE COMMERCIAL VALUE OF ESG AT BÄCKER GÖRTZ IS BEING DRIVEN BY

EFFICIENCIES

ESG-focused investments, such as diversity hiring and retention programs, resource efficiency enhancements, or transitions to clean energy are yielding long-term cost savings and operational benefits.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. GOVERNANCE	• 1a. % of employees who agreed to the Code of Conduct by completing compliance training • 1b. % of relevant suppliers who have agreed to the Supplier Code • 1c. Compliance in all relevant ESG topics (ESG responsibility and reporting obligations)	• 1a. 100% of employees have agreed to the Code of Conduct by completing compliance training • 1b. Comprehensive awareness of sustainable supply chain management • 1c. Compliance in all relevant ESG topics	• 1a. 63% of employees agreed to the Code of Conduct by completing the compliance training. Further measures to increase the participation rate were implemented • 1b. 92% of the relevant suppliers agreed to the Supplier Code. Implementation of the Supply Chain Due Diligence Act (LkSG) • 1c. Compliant with all relevant ESG topics (occupational safety, data protection, hygiene,...)	• 1a. +90% of employees agree to the Code of Conduct by completing the compliance training • 1b. +90% of relevant suppliers should agree to the Supplier Code. Further process automation within the framework of the LkSG and LkSG reporting • 1c. Compliance with all relevant ESG topics (occupational safety, data protection, hygiene, ...)
2. EMPLOYEE WELL-BEING	• 2a. % of the implementation of SameSystem to make work more flexible • 2b. eNPS (Employee Net Promoter Score)	• 2a. Flexibility of employment relationships • 2b. Industry-leading employee satisfaction	• 2a. Implementation of SameSystem, previously in the sales area. Democratization and flexibilization of personnel planning • 2b. Prelude first eNPS survey	• 2a. Complete implementation of SameSystem in all areas: administration and bakery • 2b. Start of regular employee surveys including eNPS and begin regular employee surveys, including eNPS, and start developing related action plans
3. REDUCING CO2 EMISSIONS AND PROMOTING SUSTAINABLE VALUE CHAINS	• 3a. Greenhouse gas emissions (tCO2) • 3b. Conduct a sustainability campaign every year to promote appreciation for food and reduce waste	• 3a. Sustainable value chains and Net-Zero by 2050 • 3b. Conduct a sustainability campaign every year to promote appreciation for food and reduce waste	• 3a. Measurement of scope 1 and 2 emissions. Start of implementation of an energy management system according to ISO 50001. Conducting an energy audit. Introduction of an energy management project group • 3b. Completion of the collaboration with Ludwigshafen University of Applied Sciences in the "BreadValue" project (scientific work to promote appreciation for bread and reduce food waste). Implementation of impulses, public press conference, media coverage and influencer event	• 3a. Measure scope 1, 2, and 3 emissions and set science-based targets. Continue to roll out energy management, implement smart meters • 3b. Continuation of sustainability communication with a focus on regionality

BOLDR.

FSN Portfolio Company since 2019

↗ boldr-group.com

BoldR is Europe's leading provider of automotive transport solutions enabling and encouraging its customers to enjoy an active lifestyle in the outdoors. The company has developed its position through market leadership in key European markets, a multi-channel e-commerce product offering, a best-in-class service and solutions portfolio as well as a continuously growing network of service points. Catering to both B2B as well as B2C customers, BoldR operates more than 100 installation centers, enabling a fully integrated experience for the end-customers. As of 2024, BoldR has local operations in Germany, France, Spain, Finland, Sweden, Switzerland, and the Czech Republic, resulting from an active buy-and-build strategy with ten acquisitions in recent years. Headquartered in Germany, the company employs 537 FTEs and sources all products directly and exclusively from European suppliers.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
BOLDR'S IMPACT ON THE WORLD	• Biodiversity impact of raw material sourcing (steel, plastic) • **Energy consumption at production site** • Hazardous waste (ROHS) • Labor and human rights in the supply chain • Supply chain transparency	• Product waste occurring in garages • Waste from packaging (paper, plastic) • **GHG emissions from in- and out-bound logistics** • Energy consumption in warehouses and garages • Employee health and safety • Diversity among employees in garages • **Employee training and development** • **Corruption and bribery**	• Energy consumption in sales offices • Commute and business travel • Office waste • Philanthropic activities focusing on environmental and social impact • **Employee training and development** • Diversity • Employee health and safety • Corruption and bribery • Data privacy and security of employee and company data	• **End-of-life product management (e.g., waste vs. recycling)** • **Product longevity and maintenance** • Higher emissions from vehicles when pulling trailers etc. • Making outdoor activities accessible, improving quality of life • **Product quality and safety** • Data privacy and security of customer data
WORLD'S IMPACT ON BOLDR	• Scrutiny of environmental impact of raw materials, transportation, and end-of-life of products • Scrutiny of human and labor rights among 2nd tier suppliers, putting pressure on supply chain management	• Tightening environmental regulations across Europe, including those related to product packaging, emissions from logistics operations, and waste management	• Increased employee awareness of sustainability and purpose	• Active lifestyles and outdoor activities associated with improved overall health

THE COMMERCIAL VALUE OF ESG AT BOLDR IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUSTAINABLE OPERATIONS	• 1a. Reduce GHG emissions • 1b. Share of green electricity usage in operations and facilities • 1c. Share of electric and hybrid in the company car fleet	• 1a. Net-Zero • 1b. 100% of operations and facilities supplied with green energy • 1c. 95% of group car fleet being electric or hybrid	• 1a. Mapped and reported scope 1, 2, and 3 emissions. Increased emissions from distribution with 306 tons compared to 2021 • 1b. Switched to 100% green electricity in all legal entities except Enganches Aragon • 1c. 9% in group (15 out of 163 cars)	• 1a. Continue to reduce emissions by 50t/year • 1b. Green electricity in Spain • 1c. Continue roll-over of existing fleet to PHEVs to increase EV share
2. BE AN ATTRACTIVE EMPLOYER	• 2a. eNPS • 2b. Diversity & inclusion across all levels • 2c. Sick leave	• 2a. eNPS of 30 • 2b. 50% female white collar employees (i.e., not counting service point and warehouse employees) • 2c. Sick leave of 2.0%	• 2a. eNPS: 2024: -5; actions derived 2023: 13 2022: No survey performed • 2b. Female white collar employees: 2024: 34% 2023: 42% 2022: 46% • 2c. Sick leave: 2024: 3.9% 2023: 4,0% 2022: 4.9%	• 2a. Start using new eNPS tool; modernization of the working spaces in the headquarters; execution of the leadership transformation program; start new employer branding campaign • 2b. More than 48% female white collar employees; implement benefits such as kindergarten support, home office flexibility for mothers, further HSE measures, and promote part-time job opportunities to increase number of female employees • 2c. Sick leave of 3.5%
3. SAFE PRODUCTS AND SERVICES	• 3a. Number of accidents • 3b. ISO 9001 Audit successfully completed • 3c. LTIR	• 3a. Zero accidents known to BoldR as a result of faulty installations or production failures • 3b. ISO 9001 certification across all operations • 3c. LTIR well below industry average	• 3a. Zero accidents known to BoldR as a result of faulty installations or production failures • 3b. ISO 9001 Audit successfully completed • 3c. Started work on establishing LTIR measurement	• 3a. Accident target for 2025 to be defined • 3b. ISO 9001 Audit successfully completed • 3c. Establish measurement of LTIR and improve performance over time
4. SUSTAINABLE SUPPLY CHAINS AND GOVERNANCE	• 4a. Share of suppliers with signed Supplier Code of Conduct (SCoC) • 4b. Increase employees' HSE equipment and ESG knowledge • 4c. Regulatory compliance	• 4a. 98% of supplier volume to sign SCoC • 4b. Fully trained and equipped employees • 4c. Regulatory compliance	• 4a. % of supplier volume signing SCoC 2024: 98% 2023: 98% 2022: 85% • 4b. Test of e-learning concept for warehouse employees • 4c. Ensuring regulatory compliance	• 4a. 26 suppliers to sign the SCoC, representing 99% of purchase volume • 4b. Select, install, and implement eLearning system for employees • 4c. Continue to ensure regulatory compliance

ecovium

FSN Portfolio Company since 2020

↗ ecovium.com

ecovium is a leading technology partner in supply chain visibility and execution. The company is an expert in developing, implementing, supporting, and running supply chain solutions. They empower mid- to large-size logistic service providers, retailers & distributors, and manufacturers on their digital supply chain journey aiming to achieve more.

Headquartered in Neustadt, Germany, the company primarily operates across Europe and North America.

ecovium employs approximately 350 employees and serves more than 5,000 customers.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
ECOVIUM'S IMPACT ON THE WORLD	• **GHG emissions and energy use at our suppliers** • Local emissions from mineral extraction (hardware) • E-waste and hazardous waste • Water and cooling used in data centers • **Labor and human rights at our suppliers** • Workers' health and safety • Socioeconomic impacts of conflict minerals	• End-of-life management of IT equipment and data centers • Water and cooling used in data centers	• Energy use in own offices • Office waste (food waste, stationery) • Employee commuting and business travel • Work-life balance • Diversity and inclusion • Employee education and development • Anti-corruption and bribery • **Data security and privacy** • Anti-competitive behavior	• Energy use of products and services • **Improve customers' efficiency in the supply chain visibility and execution fields** • Digital literacy • Contract conditions (B2B customers)
WORLD'S IMPACT ON ECOVIUM	• Scrutiny of environmental and social impacts of data centers and hardware	• Heightened cyberattack risks globally, putting pressure on product security and system reliability	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for efficient and sustainable logistics solutions supporting reduction in cost and climate impact • Demand for solutions that allow for tracking of emissions across the supply chain • Demand for solutions that facilitate supply chain transparency, driven by regulatory requirements

THE COMMERCIAL VALUE OF ESG AT ECOVIUM IS BEING DRIVEN BY

CUSTOMERS

ESG performance and digitalization are becoming increasingly important to customers, as they expect high standards and responsible business practices from their suppliers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE EFFICIENT OPERATIONS	• 1a. GHG emissions	• 1a. Net-Zero	• 1a. Report full scope 1, 2, and 3 emissions for the group	• 1a. Report full scope 1, 2, and 3 emissions for the group
2. MAKE THE CUSTOMER LEVERAGE TECHNOLOGY TO BECOME MORE EFFICIENT	• 2a. Further growth of the SimpleChain platform • 2b. Customer conversion from existing on-premise products to modern cloud solutions	• 2a. Be the trusted technology partner in supply chain execution and visibility • 2b. Drive innovation and customer engagement to enhance supply chain effectiveness	• 2a. Continuous revenue growth from the SimpleChain platform, which reduces complexity, energy consumption, and data loads at the customer • 2b. Further customer adoption of broader ecovium solution suite to drive supply chain effectiveness and sustainability	• 2a. Bring SimpleChain to market • 2b. Expand customer base and drive engagement, helping customers with further supply chain effectiveness, efficiency, and sustainability
3. SATISFIED AND ENGAGED EMPLOYEES	• 3a. eNPS • 3b. Hours of charity work and financial support to local organizations	• 3a. Strong eNPS • 3b. Promote community empowerment by encouraging employee charity work and supporting local organizations financially	• 3a. Working on further enhancing eNPS • 3b. Created community empowerment program which encourages all ecovians to allocate time to charity work and enables the company to provide financial support to local organizations. The company selected to support 3 organizations in 2024 under the theme "Empower women in Tech"	• 3a. Further eNPS improvement compared to last year • 3b. Continue community empowerment program (charity work and financial support)
4. GOVERNANCE	• 4a. Continuous improvement of policies and procedures • 4b. Employees trained in ESG and compliance	• 4a. Best-in-class governance policies and practices • 4b. 100% of employees trained in ESG and compliance	• 4a. Updated group-wide Code of Conduct (CoC) and roll out whistleblower policies • 4b. 100% of employees trained in compliance	• 4a. Continue to ensure compliance with relevant regulation and high governance standards • 4b. Ensure that 100% of employees conduct compliance training

EPISTA

FSN Portfolio Company since 2022

epista.com

Epista is a life science consulting and tech services firm working at the intersection between business priorities, technology, and compliance requirements. Established in 2009, the company is headquartered in the Life Science hub of Hørsholm, Denmark, and employs around 185 people across Denmark, Sweden, Germany and the US.

Epista is dedicated to the Life Science industry, serving pharma, biotech, medical device, and CDMO customers with services in tech, consulting, compliance services, and managed operations related to an ever-changing technology and automation landscape.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
EPISTA'S IMPACT ON THE WORLD	• E-waste and hazardous waste in supply chain • Water and energy consumption for cooling in data centers • Labor and human rights in hardware production	• Energy use in own offices • E-waste and end-of-life management of IT equipment • Employee commuting and business travel • **Employee education and development** • Labor conditions and human rights for employees • Work-life balance • **Diversity and inclusion** • **Data security and privacy** • **Professional integrity and honest advice**	• General waste management in offices • Increased impact through growth of group: due diligence responsibility of new acquisitions • Employee education and development • Work-life balance • Diversity and inclusion • Employee pensions • **Data security and privacy** • Business ethics • Anti-competitive behavior	• Customers' production and resource efficiency • Waste and hazardous materials in environment and water from pharmaceuticals • **Drug development process** • **Cost of manufacturing drugs** • **Access and affordability of drugs** • **Drug product quality and safety** • **The ethical aspect of Selling Practices & Product Labeling**
WORLD'S IMPACT ON EPISTA	• Scrutiny of environmental and social impacts of data centers and hardware	• Opportunity to differentiate as an employer by providing meaningful jobs	• Fight for talent in the industry	• Demand for safe, affordable, and accessible drugs driven by globalization and a growing and aging population • Risk of association with customers' public image and reputation (e.g., due to cost of drugs, accessibility, safety etc.) • Increasing stakeholder expectations for formalization of ESG strategies, actions, and results • Increasingly regulated market drives pharma customer demand

THE COMMERCIAL VALUE OF ESG AT EPISTA IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. ENGAGED AND SATISFIED EMPLOYEES	• 1a. Employee satisfaction (eNPS) • 1b. Overall gender distribution (% females) • 1c. Gender distribution among managers and management (% females) • 1d. Gender pay gap	• 1a. eNPS of +60 • 1b. 50% female • 1c. 50% female • 1d. No pay gap	We underpin the eNPS through 4 pillars; **Team spirit** is built through a focus on relationships; **Flexibility** to plan your workday and work from various locations; **Interesting assignments**, employees can influence their own assignments and which clients to work for; **Psychological safety**: Open and honest communication flow in Epista with management as role models. Employees know they are supported if a mistake is made, if they lack knowledge, or a client is not treating them fairly • 1a. eNPS of 63 (2023: 57) • 1b. 52% females overall (2023: 48%) • 1c. 38% females among managers and management (2023: 38%) • 1d. No pay gap	• 1a. eNPS target of +60 • 1b. Female ratio target of 50% • 1c. Female ratio target of 50% for new hires to management and manager positions; at least one female in the senior management team • 1d. Gender pay gap target of 0
2. SERVICES SUPPORTING SUSTAINABILITY IN LIFE SCIENCES	• 2a. Customer satisfaction (cNPS) • 2b. % revenue from Life Science companies	• 2a. cNPS of +40 • 2b. +90% revenue from Life Science companies	Together with our customers, Epista is dedicated to contributing to a better and healthier world. Our consultants collaborate effectively with Life Science companies to optimize their internal processes in a compliant manner. • 2a. cNPS of 48 (2023: 49) • 2b. Over 95% revenue from Life Science companies (2023 +95%)	• 2a. cNPS target of +40 • 2b. +95% of revenue from Life Science companies
3. PROMOTE INTEGRITY THROUGHOUT OUR OPERATIONS	• 3a. Code of Conduct training • 3b. Whistleblower notifications • 3c. # of sub-contractors signing the Supplier Code of Conduct	• 3a. Institutionalization of Code of Conduct in the Epista organization • 3b. No whistleblower notifications • 3c. All sub-contractors to sign the Supplier Code of Conduct	• 3a. As of 2024, all Epista employees have completed Code of Conduct training. In addition, as part of the on-boarding process, all new employees will complete Code of Conduct training • 3b. No whistleblower notifications reported during 2024 • 3c. All of Epista's sub-contractors have signed the Supplier Code of Conduct	• 3a. All new employees to complete Code of Conduct training • 3b. No whistleblower notifications • 3c. All new sub-contractors to sign the Supplier Code of Conduct
4. MINIMIZE ENVIRONMENTAL IMPACT	• 4a. GHG emissions	• 4a. Reduce GHG emissions (scope 1 and 2) in line with BoD approved reduction target until 2030	• 4a. BoD approved reduction targets established – 42% until 2030 for scope 1 and 2 Epista's operations in Denmark and Sweden report on a quarterly basis on scope 1 (mobile fuel consumption), scope 2 (electricity consumption), and scope 3 (emissions from the value chain)	• 4a. Establish a 5-year emission reduction plan including yearly targets and milestones

Fellowmind

FSN Portfolio Company since 2019

↗ fellowmind.com
↗ Read the Fellowmind Sustainability Report

Fellowmind is on a mission to transform its customers' digital capabilities and help them transition to a greener future with the help of Microsoft's cloud solutions. Their comprehensive range of services includes consulting and implementation across all Microsoft products, as well as managed services to keep your tech running smoothly. But that's not all. Fellowmind is also dedicated to help its customers become connected companies, ready to expand their influence and to make a real impact on their business ecosystem. By embracing the vision of the connected company, businesses can make quick decisions, stay ahead of the competition, and create meaningful connections. With a team of over 2,000 expert IT professionals spread across six European countries – Finland, Sweden, Denmark, The Netherlands, Germany, and Poland – Fellowmind is well-equipped to serve a diverse range of clients in industries such as manufacturing, energy, retail, and beyond. Their clients include both public institutions and private companies.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
FELLOWMIND'S IMPACT ON THE WORLD	• **GHG emissions and energy use from the production of hardware** • Local emissions from mineral extraction (hardware) • E-waste and hazardous waste • Impact on biodiversity in hardware supply chain and at data centers • **GHG emissions and energy consumption from leased data center services** • Water and cooling used in data centers • **Labor and human rights in hardware production** • **Workers' health and safety** • Socioeconomic impacts of conflict minerals, and corruption and bribery in the supply chain	• **Energy use** • End-of-life management of IT equipment • **Employee commuting and business travel** • **Employee education and development** • **Labor conditions and human rights for employees** • **Work-life balance** • **Diversity and inclusion** • **Data security and privacy** • **Professional integrity and honest advice**	• Office waste • **Employee education and development** • **Labor conditions and human rights for employees** • **Work-life balance** • **Diversity and inclusion** • **Anti-corruption and bribery** • **Anti-competitive behavior** • **Employee pensions** • **Data security and privacy**	• Energy use of products and services • **Impact on customers' production and resource efficiency** • Digital literacy • **Contributing to more efficient work management** • **System reliability (lagging, downtime)** • **Contract conditions (B2B customers)**
WORLD'S IMPACT ON FELLOWMIND	• Potential disruptions in the supply chain of hardware	• Industry characterized by lack of diverse candidates for technical jobs • Heightened cyberattack risks globally, putting pressure on data privacy and security measures	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose • Increased legislative requirements on transparency of sustainability impact and efforts	• **Increased demand for green IT and services that reduce and track customers' environmental footprint and support the transition to a low-carbon economy** • Need for societal digital inclusion in a world moving increasingly online

THE COMMERCIAL VALUE OF ESG AT FELLOWMIND IS BEING DRIVEN BY

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. ENABLING THE GREEN TRANSITION WITH DIGITAL SOLUTIONS FOR OUR CUSTOMERS	• 1a. Revenue of Sustainability Services and solutions	• 1a. Sustainability Services are fully integrated into all our customer offerings to enable our customers to reduce their GHG emissions	• 1a. We successfully met our set sustainability revenue target by meeting our customers' needs in tracking and optimizing business and sustainability performance We were honored to be recognized as the Microsoft Partner of the Year Netherlands winner in the ESG category and a global finalist in the Sustainability Changemaker category As a leading Microsoft partner in this domain our customers have full and early access to the newest technology, including new AI capabilities making their capturing, reporting and reduction more efficient and effective	• 1a. We will continue to expand our our customer engagements in the sustainability domain. As we already offer the full Microsoft Cloud for Sustainability portfolio, we will further leverage our ERP, Data and AI expertise in combination with it. This approach will enhance efficiency and reduce time to value for our customers in their green transition
2. SUSTAINABLE EMPLOYER TO REDUCE SEVERE AND IRREVERSIBLE IMPACTS FROM CLIMATE CHANGE	• 2a. & 2b. Reduction of GHG emissions (scope 1, 2, and 3)	• 2a. & 2b. Net-Zero scope 1 and 2 GHG emissions by 2030; scope 3 2030 reductions according to SBTi requirements. Net-Zero across all scopes by 2050	• 2a. Science-based targets set and decarbonization plan in place • 2b. Committed to the SBTi June 2024 to set science-based targets within two years	• 2a. Start the implementation of prioritized decarbonization initiatives including required policy adjustments • 2b. Get our science-based targets validated by the SBTi
3. BEST WORKPLACE IN THE INDUSTRY BY MAXIMIZING THE ENGAGEMENT OF OUR EMPLOYEES	• 3a. eNPS • 3b. Psychological safety as key D&I indicator • 3c. Percentage of female new hires • 3d. Ratio of churn rate on gender	• 3a. eNPS of >35 • 3b. Psychological safety target of 8.0 • 3c. Diversity in thought, experience, nationality, and orientation • 3d. Female and male employees have the same proportion of leavers in their respective groups	• 3a. eNPS of 38 • 3b. Psychological safety of 7.8 • 3c. Female new hire of 29% • 3d. Churn rate females and males both 11%	• 3a. eNPS >35 • 3b. Psychological safety target of 8.0 • 3c. 40% female new hire • 3d. Focus on the churn rates of female and male employees and the proportions in their respective groups and execute initiatives for this
4. ENABLING SOCIETAL DIGITAL INCLUSION	• 4a. Budget allocation of digital inclusion fund	• 4a. Deliver positive social impact in the regions where we operate by improving digital inclusion with our digital expertise and by funding	• 4a. All funding allocated for the Ashoka organization, who has both local presence and a wide global footprint through its Changemakers We have allocated funding for Fellowmind-developed AI capabilities to support applicants with their applications to Ashoka Changemaker programs. Additionally, these AI capabilities assist Ashoka with basic screening of applications	• 4a. Support digital inclusion associations regionally through funding and digital expertise
5. ETHICAL AND RELIABLE BUSINESS PARTNER	• 5a. Compliance with data privacy and security policies • 5b. Business conduct (compliance with human rights, labor rights)	• 5a. Protection of data and information of stakeholders we work with • 5b. All employees undergo bi-annual business conduct and ESG training	• 5a. & 5b. >88% of our employees have adopted our policies Implemented continuous tracking and support to strive for 100% policy adoption	• 5a. 100% adoption of ESG policies through mandatory review in our central e-learning portal • 5b. Review all existing ESG policies to ensure they align with upcoming regulation

FSN Portfolio Company since 2015

↗ fibo.no
↗ Fibo Sustainability Page

Fibo is the leading global manufacturer of high-quality wet room wall systems, which aim to be an environmentally friendly, design versatile, functional, and cost-efficient substitute to traditional ceramic tiles. The product range includes complete wet room wall systems, comprising of fully waterproof wall panels and related installation accessories, as well as kitchen boards and countertops.

Core material and laminate constitute the main raw materials and are sourced from suppliers in Europe, Asia, and Latin America, while the end-product is produced at Fibo's factory in Lyngdal, Norway.

The final products are sold to customers across new construction, renovation, and prefab housing markets in Europe, North America, and Oceania. Fibo is active across different distribution channels, with key customers being builders' merchants, DIY chains, and direct B2B sales, that in turn mainly sell to installers within residential and non-residential construction.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
FIBO'S IMPACT ON THE WORLD	• Energy consumption and emissions in raw material extraction • Hazardous waste from chemical use • **Biodiversity impact from raw material sourcing and around production sites** • **GHG emissions from the production of materials such as plywood** • **Labor and human rights** • Workers' health and safety • Local community engagement and job creation • Material certificates and supplier management • **Supply chain transparency**	• **Climate impact from production (energy use, fuel type)** • Climate impact of transport • Industrial chemical handling, storage, and treatment • Resource efficiency and waste management • Chemicals used in production (e.g., glue) • Labor and human rights • Workers' health and safety • Work-life balance • Business ethics	• Sustainable and circular design and packaging • Working conditions and culture • Diversity and inclusion • Local community engagement and job creation • Anti-corruption and integrity • Anti-competitive behavior reporting • Whistleblowing mechanisms	• **Product longevity** • **Product take-back, recycling, and reuse** • Climate impact of shipping and delivery • **Product quality and safety** • Selling practices and product labelling • Contract conditions for customers
WORLD'S IMPACT ON FIBO	• Concerns for biodiversity and climate impact of sourcing trees • Uncertain geopolitical climate	• Increasingly strict GHG emission standards on product and facility level	• Increased employee awareness of sustainability and purpose	• Demand for affordable products with lower GHG footprint as a means for climate change mitigation • Immature market for reuse and recycling at the end of life of products • Demand for products produced in socially sustainable ways, with HSE practices and fair wages

THE COMMERCIAL VALUE OF ESG AT FIBO IS BEING DRIVEN BY

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUSTAINABLE PRODUCTS	• 1a. Glue/laminate - formaldehyde reduction • 1b. Sustainable main raw materials (PEFC/FSC %)	• 1a. Formaldehyde free products • 1b. PEFC/FSC certified above 70%	• 1a. An alternative solution to reducing formaldehyde is identified • 1b. PEFC/FSC certification was renewed: 81% of main raw materials were certified	• 1a. Test laminate from alternative supplier with reduced formaldehyde • 1b. PEFC/FSC re-certification: 70% of main raw materials to be certified (due to new suppliers)
2. CLIMATE IMPACT	• 2a. Electricity usage (kwh/m2 produced) • 2b. GHG emissions • 2c. Environmental management system	• 2a. 10-15% reduction (2022 base year) • 2b. Become Net-Zero by 2050 (SBT) • 2c. Maintain ISO 14001 certification	• 2a. 2024: 2.03 (+6%), affected by changes in raw materials, 2023: 1.91 (-3.0%), 2022: 1.97 (-2.5%) • 2b. Reported complete scope 1-3 emissions. Created decarbonization plan to meet our validated science-based targets. Guaranteed 100% Green certified electricity • 2c. Re-certified to ISO 14001	• 2a. Reduce energy usage by 0.5% • 2b. Investigate alternative heating source (oil vs. electricity) • 2c. Maintain ISO 14001 system (Periodic audit)
3. WASTE MANAGEMENT	• 3a. Product waste (%/m2 produced) • 3b. Residual waste (kg/m2 produced)	• 3a. ≤4% (2022 base year) • 3b. 0.023 kg/m2	• 3a. Optimized raw material to improve product quality and found new suppliers 2024: 4.5%, 2023: 5.9% (Due to new raw materials), 2022: 4.49% (Due to new raw materials) • 3b. Improved waste management through more detailed sorting and measurement of waste 2024: 0.027 kg/m2, 2023: 0.025 kg/m2	• 3a. Focus on process/supplier improvement to reduce scrap/waste 2025: 4.3% • 3b. Educate employees about waste fractions to increase recycling rate
4. SATISFIED EMPLOYEES THAT ARE PASSIONATE FOR FIBO	• 4a. Employee NPS (eNPS) • 4b. Turnover % • 4c. Short term sick leave % • 4d. Gender diversity	• 4a. 50 • 4b. Below 5% • 4c. Below 1.5% • 4d. Increase women % total, 25% in Fibo AS	• 4a. Actions implemented based on survey result. Result analyzed by neutral 3rd party 2024: 53.15, 2023: 47.66, 2022: 30.5 • 4b. 2024: 6.09%, 2023: 7.83%, 2022: 5.16% • 4c. 2024: 1.8%, 2023: 2.0%, 2022: 1.8% • 4d. 2024: 21%, 2023: 22%, 2022: 21%	• 4a. 50 • 4b. Turnover below 5% • 4c. Sick leave of 1.5% • 4d. 25%
5. ETHICAL BUSINESS BEHAVIOR	• 5a. Supply chain management of all suppliers • 5b. Whistleblower policy and channel	• 5a. Best-in-class supply chain management • 5b. Whistleblower channel and policy included in HRM system, and all employes informed	• 5a. Maintained Business Partner Management Manual (includes reporting procedures, Code of Conduct, training of employees); risk assessment of suppliers based on geopolitical status. Published Transparency Act declaration on website • 5b. Whistleblower channel established through 3rd party provider. Included in new HRM system	• 5a. Further formalize and strengthen supply chain management. All suppliers to sign CoC. Prepare for EU Deforestation Regulation. Update Transparency Act declaration • 5b. Regular information to all employees through HRM system

FIRESAFE

FSN Portfolio Company since 2022

↗ firesafe.no

Established in 1981, Firesafe is a leading provider of fire safety services in the Nordic market. The company offers advisory services, installation, and maintenance of fire protection solutions. Its expertise covers both active fire protection systems, including water mist and gas extinguishing systems, emergency lighting, escape path lighting systems, sprinkler systems, fire detection, and alarm systems, which help fight fires and ensure safe evacuation, and passive fire protection, including fireproofing of buildings, which prevent fires from spreading.

Firesafe contributes to saving lives, assets and protecting the environment by providing professional and sustainable fire protection solutions. The group has strong local presence across the Nordics with ~1,000 employees in more than 30 locations in Norway, Sweden, Denmark and Finland.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
FIRESAFE'S IMPACT ON THE WORLD	• Pollution and emissions generated by raw material extraction • Human rights and labor conditions across the raw materials supply chain	• Deep-tier Asian suppliers have lower E&S impact regulation	• Sustainable product innovation and circular design • Employee well-being and company culture • Employee and board diversity	• Product sustainability and non-toxicity • **Refilling and recycling** • Climate impact of logistics operations • Labelling and product safety
WORLD'S IMPACT ON FIRESAFE	• Scrutiny of environmental impact of raw materials, transportation, and end-of-life products	• **Public and consumer concern over the use of toxins, products' wider contribution to climate change and emission footprint as well as the recyclability of products**	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for fire safety equipment and related consulting activities brought about by the impacts of global warming and climate change • Demand for more climate-friendly and circular products • Immature market for reuse and recycling at end-of-life products

THE COMMERCIAL VALUE OF ESG AT FIRESAFE IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

CUSTOMERS

Customers increasingly demand enhanced ESG performance from suppliers. Increased weighting on environmental impact factors in Norwegian public tender.

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. ENVIRONMENTALLY SOUND OPERATIONS	• 1a. Reduce GHG emissions • 1b. % waste segregation • 1c. % electric vehicles	• 1a. Roadmap for Net-Zero • 1b. 100% waste segregation • 1c. 80% electric vehicles in major cities	• 1a. Extended GHG footprint mapping in scope 3. Committed to SBTi (Science Based Targets initiative). Sustainability focused renovation of headquarters (recycling & energy saving) • 1b. Established sustainable waste management solutions and enabled sorting rate tracking • 1c. Introducing sustainability bonus to employees that have EVs as service cars and install EV charger at home. Increase of EVs in carpool from 5% to 15% in Norway	• 1a. 5.7% emission reduction (scope 1+2). Suppliers making up >10% of scope 3 emissions to set reduction targets aligned with the Paris Agreement. Finalize decarbonization plan and execute on initiatives • 1b. Set targets for increased waste sorting rates and reduced residual waste proportion • 1c. Plan for reducing the share of fossil vehicles and reducing size of service cars. Introducing training for eco-friendly driver behavior
2. ETHICAL, COMPLIANT & TRANSPARENT BUSINESS CONDUCT	• 2a. Supply chain audit • 2b. ESG policy implementation • 2c. ISO 9001 and 14001 certifications	• 2a. Zero breaches of human rights • 2b. Annual training in ESG topics for all employees • 2c. ISO 9001/14001 certification and CoPro Management System in entire Group	• 2a. Top 50 suppliers audited in teams' interviews or by questionnaire self-assessments • 2b. Introducing anti-bribery and anti-corruption training for relevant employees • 2c. ISO 9001 certification in Norway. Implemented CLUE quality system in Sweden and Norway, CURB deviation system implemented in Norway	• 2a. Design and implement a targeted audit/review model that ensures effective approach and compliance with the Transparency Act • 2b. ESG-training for all employees. ESG as a part of onboarding program for new employees • 2c. Re-certification of ISO 9001, 14001 and 45001 in Firesafe Sweden
3. MOTIVATED AND COMMITTED EMPLOYEES	• 3a. eNPS • 3b. Engagement index • 3c. Sick leave %	• 3a. eNPS of 25 • 3b. Engagement index >85 • 3c. Sick leave <5%	• 3a. eNPS of 21 (increase of 13 points from 2023) • 3b. Engagement index of 75 (increase of 3 points from 2023) • 3c. 0.7% point sick leave reduction	• 3a. Focus on maintaining the eNPS level (21) • 3b. Development initiatives for improved recruitment, onboarding and competence development Turnover ≤9% • 3c. 1% point sick leave reduction
4. EQUALITY & DIVERSITY	• 4a. Share of female employees • 4b. Compensation and benefit policy	• 4a. 25% female FTEs • 4b. Gender equality in compensation and benefit structure	• 4a. Share of female employees = 12%. Share of female level 1-3 managers = 15.8% (11% increase from 2023) • 4b. Compensation and benefit mapping completed to some extent, continues in 2025	• 4a. Increase share of female employees by 10% • 4b. Develop a salary mapping solution that meets ARP requirements, provides a consistent reporting model across the entire group, and enables company-wide salary transparency and analysis

FSN Portfolio Company since 2018

↗ gram-equipment.com
↗ Read the Gram Equipments ESG Report

Gram Equipment is a global leader in designing, manufacturing, and servicing high-performance food processing machinery, specializing in solutions for the ice cream production industry. Our advanced equipment supports high-throughput production, capable of delivering over 42,000 ice cream units per hour, ensuring efficiency and quality for our customers worldwide. Our machinery incorporates stainless steel and state-of-the-art electric automation components, sourced from trusted suppliers across Europe, the United States, and Turkey. All equipment is meticulously assembled at Gram Equipment's facilities in Denmark and Turkey, adhering to the highest industry standards. With customers spanning continents, we ensure seamless delivery through outsourced transportation and uphold excellence in service by managing installation and providing comprehensive machinery servicing. Gram Equipment is committed to driving innovation and delivering value to the global ice cream production industry.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
GRAM EQUIPMENT'S IMPACT ON THE WORLD	• **E1: Climate change mitigation** • **E1: Energy** • E2: Pollution of air, water, soil • E3: Water • **E5: Resource inflows, including resource use** • E5: Waste • S2: Health and safety	• **E1: Climate change mitigation** • **E1: Energy** • E2: Pollution of air, water, soil • E3: Water • **E5: Resource inflows, including resource use** • E5: Waste • S2: Health and safety	• **Company-specific: Dependence on production of ice cream ingredients** • **E1: Climate change mitigation** • **E1: Energy** • E5: Waste • S1: Work-life balance • S1: Health and safety • S1: Training and skills development • S1: Diversity • S2: Health and safety • G1: Corporate Culture • G1: Corruption and bribery	• **Company specific: Dependence on production of ice cream ingredients** • **E1: Climate change mitigation** • **E1: Energy** • E2:. Substances of concern • E3: Water • E5: Resource outflows related to products and services • E5: Waste • S2: Health and safety
WORLD'S IMPACT ON GRAM EQUIPMENT	• E1: Energy • E5: Resource inflows, including resource use	• E1: Energy • E5: Resource inflows, including resource use	• Company specific: Dependence on production of ice cream ingrediencies • E1: Climate change mitigation • S1: Work-life balance • **S1: Diversity** • **G1: Corporate Culture** • G1: Corruption and bribery	• Company-specific: Dependence on production of ice cream ingredients • E1: Climate change mitigation • E2: Microplastic

THE COMMERCIAL VALUE OF ESG AT GRAM EQUIPMENT IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUPPORT THE DECARBONI-ZATION OF THE ICE CREAM BUSINESS	• 1a. Optimized use-phase energy efficiency of equipment/services • 1b. Reduced food waste pr. produced ice cream	• 1a. Support customers on their journey towards a Net-Zero ice cream production • 1b. Support customers to produce ice cream towards 0% waste	• 1a. & 1b. In the beginning of 2024, an environmental engineer joined our cross-departmental ESG team. The focused resources have enabled us to establish a strong data-collection and reporting framework for product-related GHG categories: purchased items, use-phase of equipment, and end-of-life handling The data inventory established in 2024 will inform the decarbonization strategy and customer-focused reduction initiatives planned for 2025 We strongly believe in partnership with our customers and that by working together, we can minimize the environmental impact of the ice cream business	• 1a. & 1b. Develop commercialized customer offerings focusing on reducing energy use, food waste, and water consumption
2. REDUCING OUR PLANETARY FOOTPRINT	• 2a. GHG emission reductions in scope 1, 2, and 3	• 2a. Net-Zero	• 2a. In 2024, we have worked systematically to establish a full scope 3 inventory for all carbon emissions in the value chain. The progression towards a full inventory has been monitored monthly, securing prioritization and focus from all stakeholders. We have focused on improving data quality and preparing the frameworks for full scope 3 reporting. At the end of 2024, we committed to the SBTi	• 2a. Define reduction targets for scope 1, 2, and 3
3. EMPLOYEE HEALTH AND SAFETY AND A POSITIVE WORKING ENVIRONMENT	• 3a. Health and safety incident frequency[1] and gravity reductions • 3b. eNPS score • 3c. Diversity, equity, and inclusion targets: recruitment/promotion/pay	• 3a. Health and safety incident frequency of 0 • 3b. eNPS of +40 • 3c. Employee diversity that reflects the community/country	• 3a. By year-end 2023, the health and safety incident frequency was 8.4. In 2024, we have focused on reaching a result below 5. We have increased awareness through training, information campaigns and by celebrating the "Safe Days" both globally and by entity. Strengthening awareness and competences have brought us to a year-end result of 5.9 • 3b. eNPS of 18 • 3c. 21% female new hires	• 3a. Health and safety incident frequency below 2 • 3b. eNPS of 27 • 3c. 25% female new hires
4. ETHICAL VALUE CHAIN	• 4a. Supply chain ESG risk reductions • 4b. Number of supplier ESG assessments/audits conducted • 4c. SCoC compliance ratio	• 4a. All high supply chain ESG risks eliminated • 4b. All suppliers ESG assessed/audited • 4c. 98% of yearly spend from direct and indirect suppliers covered by signed SCoC	• 4a. ESG risk assessments have been conducted for all component suppliers. The procurement teams have each been enrolled in a 5-hour training program in the EcoVadis Academy • 4b. Threshold has been defined for supplier ESG risk based on EcoVadis risk assessment. 50% of high-risk suppliers have been invited for assessment in 2024 • 4c. SCoC system, standard process, and information campaign have been completed. In 2024, the share of spend covered by signed SCoC has increased from 50% to 65% resulting from the initiated activities	• 4a. 75% of 2025 spend from direct and indirect suppliers to be covered by signed Gram Equipment SCoC or by equivalent CoC held by the supplier
5. GOOD GOVERNANCE AND HIGH ETHICAL BUSINESS STANDARDS	• 5a. EcoVadis rating level • 5b. Annual ethical training of all employees	• 5a. Platinum-level EcoVadis rating • 5b. All employees enrolled in annual ethical training	• 5a. Based on the results of the first EcoVadis assessment conducted in 2023, we have implemented corrective actions, and in our first reassessment, we advanced from a Bronze medal and 58 points out of 100, to a Silver Medal and 68 points • 5b. 96% of global employees finalized ethical training program in 2024, and all new employees committed to the Employee Code of Conduct	• 5a. Keeping minimum a Sliver-level EcoVadis rating based on insights from the 2024 assessment • 5b. 100% of global employees to complete annual ethical training program

1. Incident frequency is measured according to the ILO standard: ((Number of accidents * 1,000,000) / total working hours)

HÅNDVERKS GRUPPEN

FSN Portfolio Company since 2020

↗ handverksgruppen.com
↗ Håndverksgruppen Sustainability Page

Håndverksgruppen (HG) is one of Europe's largest providers of surface treatment services including painting, flooring, tiling, and masonry. The group has a strong local presence across the Northern Europe with approximately 4,500 employees and more than 150 operating companies. The main input factors to offer surface treatment services are labor and building materials, including paint, fillers, and flooring (wood, carpets and epoxy). The materials are purchased mainly from large Nordic distributors which source the materials from leading national and international building materials suppliers. HG's use of subcontractors is limited, but is sometimes required to deliver the right scope of services and availability.

HG mainly serves the B2B segment, including building contractors, insurance companies, municipalities, and real estate owners. One of HG's key value propositions to public and professional B2B customers is its strong ESG focus by offering high quality services, with clear ethical standards and strong HSE compliance and documentation, pushing the bar for responsibility within its industry.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
HÅNDVERKSGRUPPEN'S IMPACT ON THE WORLD	• Chemical use in paint production • GHG emissions from the production and transportation of rehabilitation materials (carpets, paint, wooden floors etc.) • **Hazardous waste from the production of materials** • Labor conditions and human rights in raw material production • Workers' health and safety in the supply chain • Supply chain transparency • Business ethics in procurement	• GHG emissions from transportation • Release of hazardous substances occurring during rehabilitation activities • **Waste management at rehabilitation sites** • **Material utilization and recycling** • **Health and safety of own employees** • **Labor rights** • **Local job creation**	• Energy use in admin offices • Waste management in admin offices • **Diversity, inclusion, and anti-discrimination** • **Employee education and development** • **Anti-corruption and bribery** • **Anti-competitive behavior**	• **Ease of maintenance and repair** • **End of life product management (reuse, repair, recycling)** • Long-term health impacts of toxic materials • Product reliability and quality • Partner and customer integrity
WORLD'S IMPACT ON HÅNDVERKSGRUPPEN	• Scrutiny of the environmental impact of raw materials and end-of-life management of products	• Current regulations are not promoting widespread adoption of circular solutions (i.e., reuse of materials) • Positive momentum on biobased products (e.g., water-based paint), and requirements on zero-emission construction zones • Part of the industry has issues with regards to short term employment, unlawful payments, and lack of HSE practices	• Regulatory changes and standards for sustainable building practices	• Increased demand for sustainable rehabilitation and repairs, as well as climate resilient solutions, taking into account material selection and circularity • Demand for treatment services delivered in socially sustainable ways, with HSE practices and fair wages

THE COMMERCIAL VALUE OF ESG AT HÅNDVERKSGRUPPEN IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. WE CARE FOR EACH OTHER AND AIM TO BE AN ATTRACTIVE EMPLOYER WHO TAKES SOCIAL RESPONSIBILITY	• 1a. Share of apprentices • 1b. eNPS • 1c. Lost time injury frequency rate (LTIFR) (entity build up) • 1d. Participation at HG Academy[1] • 1e. Diversity and inclusion	• 1a. 12% • 1b. eNPS of 55, Winningtemp implemented in all companies • 1c. LTIFR of 6 by 2030 • 1d. On average 20% of the employee workforce receive a training of more than 3 hours/year • 1e. Improve diversity and sence of inclusion	• 1a. 8.2% • 1b. eNPS of 29 Shareholders NPS of 56 • 1c. Reduced LTIFR from 22.8 to 10.5 as a result of internal awareness campaign and improved reporting • 1d. 10% of employees attended HG Academy • 1e. Developed a concept for "Inclusive Leadership" training in all leadership programs	• 1a. 10% • 1b. eNPS of 40 all employees Shareholders NPS of 60 • 1c. LTIFR: 9 • 1d. HG Academy: 10% of employees to attend. Conduct change management training of Regional Managers • 1e. Diversity and inclusion: Implement inclusive training in all HG Academy programs and organize specific training of GMT in inclusive leadership DK Pilot project in inclusive leadership training for all MDs incl. case study with Professor Sara Louise Muhr Inclusion score on engagement survey >8.0 Define baseline for female share of apprentices Establish internal network for women: Women's Inclusive Council
2. WE SHALL UNDERSTAND THE ENVIRONMENTAL IMPACT OF OUR BUSINESS AND STRIVE TOWARDS LIMITING OUR ENVIRONMENTAL FOOTPRINT AND PROMOTE CIRCULAR ECONOMY	• 2a. GHG emissions • 2b. % of companies with ISO14001 for NO, SE (DK optional) • 2c. Share of EVs in car fleet • 2d. Kg waste reduced	• 2a. Net-Zero • 2b. 100% of companies being certified • 2c. To be defined when baseline has been set • 2d. To be defined when baseline has been set	• 2a. Defined baseline for SBTi – improved coverage and accuracy of scope 1, 2, and 3 reporting • 2b. 100% of companies being certified in NO,SE[3] • 2c. Started to measure share of EVs in car fleet • 2d. Identified waste reduction as material topic	• 2a. Define baseline and submit Science-Based Targets for validation • 2b. 100% of companies closed as of 12/2024 • 2c. Define baseline of EVs in car fleet • 2d. Start to measure waste and identify reduction opportunities
3. WE GOVERN OUR BUSINESS IN A RESPONSIBLE WAY	• 3a. % of suppliers who have signed Supplier Code of Conduct (SCoC) • 3b. ESG training for employees	• 3a. Maintain 100% SCoC signup rate • 3b. 100% of employees undergo regular ESG training	• 3a. 100% of existing key suppliers signed HG's SCoC • 3b. New concept for Code of Conduct (CoC) training implemented, including a new e-learning platform	• 3a. 100% of existing key suppliers signed HG's SCoC training[2] • 3b. 100% of all employees having completed CoC training[4]

1. HG Academy is HG's own education institution. The purpose of the HG Academy is to provide an arena for personal development and is comprised of the following modules; culture, leadership, project management and expertise matters. Target excludes CoC training mandatory for all employees
2. Materiality threshold
3. For OpCos closed by Q3 2024
4. For OpCos closed by Q3 2025

FSN Portfolio Company since 2017

↗ holmbergs.se
↗ Holmbergs Sustainability Page

Holmbergs has a mission to be a world-leading safety and technology provider. Their solutions save lives and keep people around the world comfortable and protected on the roads, while creating sustainable long-term business opportunities.

Every day, their solutions save lives and minimize injuries for millions of children travelling in child car seats. Their engineering capacity for developing child safety solutions is world-leading, and they have 500 employees around the globe working to make transportation safer.

Holmbergs develops and produces critical safety components and systems for child safety car seats, including harness systems, ISOFIX connectors, retractors, and covers. The company serves B2B customers globally, primarily child seat OEMs (original equipment manufacturers).

They also provide customers in other transportation niches with safety belt solutions, including buses, agriculture machinery, and rescue vehicles.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
HOLMBERGS' IMPACT ON THE WORLD	• **GHG emissions and energy use from plastic, metal, and textile production** • Biodiversity impact of raw material sourcing (metal, plastic, textile) and production sites • Water use and waste in plastic, metal, and webbing/textiles production • Hazardous waste from chemicals • Labor and human rights in production and sourcing • Workers' health and safety • Socioeconomic impact of corruption and bribery in the supply chain	• Energy use in own production • Emissions from in- and outbound logistics • Biodiversity impact of production sites • Water use and waste • Hazardous waste • **Labor conditions and human rights for employees in factories and production sites** • Workers' health and safety • Socioeconomic impact of corruption and bribery in the supply chain	• Office waste • Energy use in offices • Employee and business travel • Employee education and development • Diversity and inclusion • Anti-corruption and bribery • Anti-competitive behavior • Tax policies and payments	• **Product durability** • Waste from used/torn products • **End-of-life management (recycling of metal, fabric, and plastic)** • Access and affordability • **Traffic safety** • **Product safety and user information** • Contract conditions (B2B customers) • Data privacy and security of customer data
WORLD'S IMPACT ON HOLMBERGS	• Scrutiny of the environmental impact of raw materials and end-of-life management of products	• Human and labor rights concerns in high-risk locations (e.g., China)	• High corruption and bribery risks in key markets (e.g., China)	• Demand for high-quality and innovative products that increase safety on the road • Demand for low-impact and circular products produced in socially sustainable ways, with fair wages and HSE practices • Increasing regulatory requirements drive additional business opportunities

THE COMMERCIAL VALUE OF ESG AT HOLMBERGS IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SOCIAL – "PEOPLE" Our vision is "Making transportation safer for everyone" Commitment to our employees	• 1a. Zero field failures • 1b. Product development that improve safety on the roads • 1c. Quality and environmental certifications • 1d. Zero workplace safety accidents • 1e. eNPS & HR KPIs	• 1a. Zero field failures • 1b. Continuous Product Development to improve safety features • 1c. Maintain relevant certifications • 1d. Zero workplace safety accidents • 1e. Improve eNPS + HR KPIs	• 1a. Zero field failures • 1b. Awarded booster seats business with Thule and Axkid, using our digital safety products to improve awareness and usage of safety products • 1c. IATF 16949 audit completed • 1d. 4 accidents registered in 2024. Actions taken to improve based on them • 1e. Improved eNPS by 24	• 1a. Zero field failures • 1b. Follow New Product Development plan, set in Strategic plan • 1c. Define timing for ISO 14001 certification. Complete annual IATF 16949 Surveillance audit • 1d. Continuous improvement of HSE focus by identifying and implementing new initiatives to reduce incidents and accident • 1e. Define relevant HR KPIs and initiatives to improve eNPS
2. ENVIRONMENT – "PLANET" Minimize our environmental footprint	• 2a. Reduce GHG emissions • 2b. Include Reduce, Reuse and Recycle in New Product Development process	• 2a. Become Net Zero • 2b. Strive to have minimal negative impact on the environment from New Product Development	• 2a. Continued scoping and data collection for scope 1, 2, and 3. CEMAsys reporting shows lower tCO2e over the same categories as those reported in 2023 • 2b. Started roll out of the Digital Safety (App), which is an installation guide with child monitoring features and data collection. The data collection allows us to make analysis of actual use of our products and the seat	• 2a. Develop and start executing on a decarbonization plan • 2b. Include ESG target in New Product Development projects Use consumer data from App in New Product Development
3. GOVERNANCE Ethical business conduct Responsible Supply chain management	• 3a. Ethics training & controls • 3b. Number of supplier audits performed • 3c. Share of suppliers having signed Holmbergs Supply Chain Code of Conduct (SCoC)	• 3a. High ethical businesses conduct • 3b. Reduce risk in supply chain • 3c. >80% of suppliers to sign SCoC	• 3a. Whistleblower process and CoC e-learning initiated • 3b. 28 audits performed YTD • 3c. 80% of prioritized suppliers signed SCoC	• 3a. Implement e-whistleblower process Implement CoC e-learning for defined groups of employees • 3b. Perform supplier audits according to supplier audits plan • 3c. Achieve >80% of signed SCoC for prioritized suppliers at each production site

ilionx

FSN Portfolio Company since 2023

↗ ilionx.com
↗ ilionx' Sustainability Page

Creating simplicity in a complex world. That is the goal of IT knowledge and implementation and managed service partner ilionx. By innovating, clarifying and connecting, ilionx is offering IT solutions that work simply and connect closely to organizational processes since 2002. All expertise is available to move organizations forward and to let people work with pleasure. ilionx supports its clients in the field of digital strategy, cloud applications, data & AI, hyperautomation & integration and managed services. This approach has led to numerous successful projects and implementations for healthcare institutions, (semi-) governmental organizations, and commercial enterprises. With its strong Dutch footprint and social relevance, ilionx employs over 1,500 experts working from 12 locations throughout the Netherlands.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
ILIONX' IMPACT ON THE WORLD	• GHG emissions and energy use from suppliers of hardware • GHG emissions and energy use from leased data center services • Water and cooling used in data centers • Labor and human rights in operations of hardware suppliers	• **Company vehicle fleet** • Energy consumption at branch offices • **Employee commuting and business travel** • End-of-life management of IT equipment (e-waste) • **Diversity, equity & inclusion** • **Working conditions for employees (incl. employee health and safety)** • **Employee education and opportunities** • **Data security and privacy**	• Office waste • Employee commuting • Employee education and development • Employee well-being and health & safety • Anti-competitive behavior • Employee pensions • **Data security and privacy**	• **Reduction of customers' negative ESG impact through reducing inefficiencies and creating transparency and automation (e.g., carbon footprint measuring and reduction)** • **Data privacy and security of customer data** • **Customers' ESG data** • Customers' supply chain due diligence requirements • Corruption and bribery (especially dealing with public clients and where sales agents are used)
WORLD'S IMPACT ON ILIONX	• Scrutiny of environmental and social impacts of data centers and hardware	• Industry characterized by lack of diverse candidates for technical jobs • Heightened cyberattack risks globally, putting pressure on data privacy and security measures	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for expertise in data analytics and consulting capabilities to help companies measure their environmental footprint and identify reduction potential • Stringent ESG and ABC requirements from public sector customers • Scrutiny of environmental and emissions reduction targets

THE COMMERCIAL VALUE OF ESG AT ILIONX IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE (NET ZERO)	• 1a. % reduction GHG emissions • 1b. % EV car fleet • 1c. % green energy consumption • 1d. % socially responsible procurement • 1e. % corporate E-waste made waste neutral	• 1a. Become Net-Zero by 2050 • 1b. 100% of our car fleet is fully electric by 2030 • 1c. Using 100% green energy for all our offices by 2025 • 1d. All our procurement decisions are socially responsible and sustainable by 2030 • 1e. Zero corporate E-waste by 2030	• 1a. Completed mapping and measuring of scope 1, 2, & 3 emissions. Reduction plan will be developed in 2025 • 1b. Achieved 82.0% (255/311) electric lease car orders, surpassing the 60% target. Introduced a new more sustainable mobility policy • 1c. 82% (9/11) of our offices use green energy • 1d. Introduced socially responsible procurement guidelines for hardware • 1e. 100% of new corporate laptops and phones purchased in 2024 are made waste neutral. E-waste is being monitored in CSR dashboard	• 1a. Report on emissions and develop reduction plan based on Science-based Targets. Achieve a 4.2% scope 1 & 2 reduction • 1b. 90% of lease car orders are fully electric • 1c. 100% of our offices and the data centers we use utilize 100% green energy • 1d. Develop procurement guidelines for CO2 reduction and select a central hotel supplier based on socially responsible procurement guidelines • 1e. Ensure all new corporate laptops, phones, and computer screens purchased in 2025 are waste neutral. Implement a waste-management platform for our offices
2. HAPPY AND HEALTHY EMPLOYEES	• 2a. Improve mental & physical health • 2b. (%) absenteeism • 2c. eNPS • 2d. Attrition rates • 2e. # male/female in promotion, recruitment, and selection • 2f. % gender diversity	• 2a. Happy employees by improving our employees mental & physical health • 2b. We strive to reduce our absenteeism below 2.5% by 2030 • 2c. eNPS score of 30 by 2030 • 2d. Annual attrition of <10% by 2030 • 2e. D&I is incorporated in our promotion & hiring processes • 2f. Female representation of 25% across all levels of the company by 2030	• 2a. Established a vitality baseline and organized health activities in each branches. HQ organized several health activities/events and introduced worklife/wellbeing coach • 2b. Monitored frequent absenteeism (absent 3 times or more): Absenteeism rate was 3.3% • 2c. Achieved an eNPS of 12. Organized eNPS survey with overall satisfaction of 7.6 (above benchmark). Further implemented BOOST!-Program to enhance employee engagement • 2d. Attrition rate of 16.8% • 2e. Conducted a gender analysis inflow, flow and outflow of employees and integrated DE&I into internal CSR & Sustainability Dashboard • 2f. Set up new DE&I governance and Employee Resource Groups (= Female ilionx & Pride ilionx); female workforce = 18.7%	• 2a. Min. 2 activities that contribute to the employees' mental or physical health per branch. Min. 2 health & wellbeing projects for all employees (e.g. bike leasing or vitality program • 2b. Strive to reduce absenteeism to between 2.5% and 3%. Conduct eNPS survey and set up growth paths including skills for every employee • 2c. We strive to achieve an eNPS score of 15 • 2d. Attrition rate of <15% • 2e. All hiring managers to follow the established application procedure • 2f. We have a male/female workforce of at least 80%/20% (2024=18.7%)
3. LOCAL IMPACT	• 3a. Community impact • 3b. # of kids getting more resilient for their future jobs • 3c. Digital inclusion	• 3a. Together, making a positive contribution to a more social society • 3b. We have trained at least 15,000 kids to get more resilient for their future jobs by 2030 • 3c. Bridging the gap around digital inclusion	• 3a. 3 out of 10 of our branches organized an activity with a sponsored local disabled athlete; donated our knowledge (965 hours) to Fonds Gehandicaptensport to make sports accessible to all • 3b. Trained 1241 kids to get more resilient for their future jobs. Our employees participated in 65+ JINC projects which equals 336 impact hours. Introduced a new voluntary JINC Project called Taaltrip • 3c. Donated 300+ laptops, computer screens and other hardware directly to Allemaal Digitaal to promote digital inclusion; taught digital skills to 678 kids through JINC – Digitale Vaardigheden	• 3a. To improve awareness and participation amongst employees, each branch organizes at least one activity with a sponsored local disabled athlete • 3b. We aim to train at least 1,500 kids to become more resilient for their future jobs and introduce one new type of voluntary JINC project that employees can contribute to • 3c. Donate all our 'old' IT hardware to promote digital inclusion
4. ESG PRODUCTS & SERVICES	• 4a. % revenue is ESG related • 4b. # of new products & services based on SbD framework • 4c. % of expertises have integrated ESG • 4d. % of disciplines that have integrated ESG	• 4a. Introducing ESG specific products& services to help our customers on their sustainability journey • 4b. Apply sustainability by design in all our new products & services • 4c. In every area of expertise within the ilionx portfolio, the impact of the green choices that can be made is measured • 4d) Every expert is informed about how sustainability is applied within their field	• 4a. Conducted a CO2 reduction analysis on services & products. set sustainability goal across all offerings, developed a green customer journey, introduced ESG Insights to track ESG performance, implemented an SbD scan, and hosted a Green Waves Hackathon with 175+ participants • 4b. Developed a framework for implementing Sustainability by Design in software development • 4c. Please see 4a • 4d. N/A	• 4a. + 100% revenue growth in products & services directly related to ESG • 4b. All new ilionx products and services are scanned on Sustainability by Design 4c. Every service has integrated sustainability (managed services, digital strategy, cloud applications, hyper-automation and data & AI) • 4d. Sustainability is integrated into the job role of every consultant
5. GOOD GOVERNANCE & HIGH ETHICAL BUSINESS STANDARDS	• 5a. % employees that are trained on compliance • 5b. Data Leakage Prevention is implemented through the entire company • 5c. # employees that are trained on ESG	• 5a. All employees (internal and external) have followed the appropriate compliance training • 5b. Data Leakage Prevention is fully implemented and monitored by 2026 • 5c. All employees have followed the appropriate awareness training on ESG	• 5a. 95.95% of all active employees have completed the security/privacy tooling courses. 100% of all employees have received security/ privacy awareness training in 2024. 100% of finance employees have followed the fraud training module • 5b. Basic Data Leakage Prevention is implemented. Further improvements are scheduled for 2025 • 5c. Development of the ESG awareness tool for employees is postponed to 2025	• 5a. 100% of all active employees have followed the respective awareness training modules; 100% of all active employees have followed the corporate compliance training module and 100% of all active MS&P employees have followed the BCM training module • 5b. Improvements on Data Leakage Prevention (technical) controls • 5c. Develop an ESG awareness tool for employees

FSN Portfolio Company since 2019

↗ impreg-group.com
↗ iMPREG's Sustainability Page

iMPREG is the global leader of fiberglass reinforced liners for trenchless pipe rehabilitation, sustainable cured-in-place-pipe (CIPP) wastewater & stormwater infrastructure solutions. The company is headquartered in Germany and operates four dedicated manufacturing sites in Germany, China, and the US, with local management, production, and sales teams in AMS, APAC, and EMEA. To be close to regional markets, iMPREG also operates three distribution centers in Australia, the UK, and Latin America.

Key raw material inputs include fiberglass and resin. Through its local production, iMPREG is close to its customer in Europe, the Middle East, Asia-Pacific, and the Americas.

The main customers are installers and contractors that conduct rehabilitation work for pipe owners, including municipalities.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
IMPREG'S IMPACT ON THE WORLD	• **GHG emissions and energy consumption in raw material production (styrene, fiberglass, foil)** • Chemical use and hazardous waste • **Labor conditions and human rights in the supply chain** • **Workers' health and safety in the supply chain** • Socioeconomic impact of corruption and bribery in the supply chain	• **Local pollution and hazardous waste from production sites (leakage, chemicals)** • **GHG emissions at production sites** • **Climate impact of transport and logistics** • Sustainable packaging • **Resource efficiency (energy and water consumption)** • **Employee health and safety** • **Labor conditions and human rights of own employees** • Employee development • Train global operators to facilitate experience in critical infrastructure rehabilitation	• Business travel and employee commuting • **Diversity and inclusion** • Employee education and development • Corruption and bribery • Anti-competitive behavior • Tax policies and payments	• **Product longevity and quality** • Product take-back, recycling, and reuse (plastics, wood, fiberglass) • End-of-life management • Environmental impact during usephase (styrene leakage) • **Climate change capacity building (prevent flooding, reduce water contaminations)** • **Trenchless: non-disruptive to the communities we serve** • Product safety • Contract conditions (B2B customers)
WORLD'S IMPACT ON IMPREG	• Corruption and bribery risks in some markets (e.g., China)	• Scrutiny of environmental and health effects of chemical toxins • Human and labor rights concerns in some markets (e.g., China) • Corruption and bribery risks in some markets (e.g., China)	• Increasing market demand for sustainable and innovative solutions pushes iMPREG to enhance its marketing strategies, attracting new customers, and strenghtening retention	• Demand for climate change mitigation solutions, e.g., products and services with lower CO2 emissions than alternatives • Demand for climate change adaptation solutions, e.g., solutions that mitigate flooding, ensure safe water, and reduce cross contamination of water/wastewater

THE COMMERCIAL VALUE OF ESG AT IMPREG IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. ENABLE CLIMATE RESILIENCE IN SOCIETY	• 1a. UV penetration of pipe rehabilitation worldwide • 1b. Amount of CO2 saved by using UV vs. felt	• 1a. Achieve 80% UV penetration of pipe rehabilitation worldwide • 1b. Target to be established	• 1a. EMEA at 80% penetration in wastewater pipes, USA 10-15%, APAC at approximately 10% • 1b. CO2 study accomplished, first publications done	• 1a. Continue market penetration, keep EMEA level, USA 15%, APAC >10% • 1b. Publish a scientific article on emission comparison of repair technologies + conduct an impact assessment on the general business case of water treatment and market the results internally and externally
2. MINIMIZE ENVIRONMENTAL IMPACT OF OUR OPERATIONS	• 2a. Carbon emissions • 2b. Waste as percentage of products produced	• 2a. Achieve SBTi target: 42% reduction in scope 1 and 2 by 2030, from a 2022 base year • 2b. Annual reduction of 2-5%	• 2a. Detailed study performed to identify CO2 reduction levers and cost of abatement • 2b. Ongoing waste tracking	• 2a. Focus on continued reduction initiatives and reduce CO2 emissions (scope 1 and 2) by 5% in alignment with SBTi target • 2b. Establish baseline and reduce waste in EMEA production compared to 2024 baseline
3. ENSURE HEALTHY, SAFE AND SATISFIED EMPLOYEES	• 3a. Lost Time Injury Rate (LTIR) • 3b. Employee satisfaction score (eNPS) • 3c. Employee turnover in %	• 3a. Zero incidents • 3b. eNPS >20 • 3c. Turnover below 10%	• 3a. LTIR established, resources dedicated, continuous improvement measures in place. 2024 LTIR of 0.9 • 3b. Negative eNPS trend iMPREG Group in 2024 (white collar workers only); eNPS = 8 • 3c. Annual employee turnover <10%	• 3a. Continue to stay below industry benchmark LTIR of 3.6 • 3b. Include all colleagues and achieve eNPS >10 for blue collar and a 10% improvement for white collar employees • 3c. Annual employee turnover of <10%
4. ENSURE ETHICAL SUPPLY CHAIN	• 4a. Zero human rights violations; risk screening and whistleblower mechanisms; Supply Chain Code of Conduct (SCoC) rollout; and supplier audits	• 4a. Best-in-class supply chain management	• 4a. SCoC established and dispatched, >90% signed	• 4a. Perform supplier risk screening and background research
5. PROMOTE ESG AWARENESS INTERNALLY AND EXTERNALLY	• 5a. ESG awareness amongst employees; whistleblower scheme known to all employees • 5b. Whistleblower scheme known to all employees • 5c. ESG content on website and social channels, publishing of ESG-related articles and posts	• 5a. 100% of employees trained annually on ESG topics • 5b. 100% of employees know the whistleblower scheme • 5c. Consistent communication of our ESG efforts externally	• 5a. Awareness training pending • 5b. Internal whistleblower scheme established • 5c. Start of external ESG campaign for website and social channels	• 5a. & 5b. Deploy corporate ESG information campaign and training • 5c. Launch of ESG campaign on website and social channels including monthly content updates

INSTALLATØR GRUPPEN

FSN Portfolio Company since 2023

↗ installatørgruppen.dk
↗ InstallatørGruppen's Sustainability Page

InstallatørGruppen (IG), established with 11 companies in early 2023, is a leading technical installation company in Denmark. By the end of 2024 IG comprised 31 companies with over 1,400 employees. In late 2024, IG expanded to Switzerland. IG's decentralized approach promotes strong local ties and customer relationships while facilitating best practice sharing for national reach. Each company maintains its local essence and becomes an IG co-owner. Serving a broad client base, including developers and end consumers, IG covers essential services like electrical, plumbing, and cooling systems. It leads in the green transition, integrating sustainable options such as heat pumps, solar panels and energy optimization, reflecting a commitment to net zero ambitions. IG emphasizes skilled labor and quality materials from top Nordic distributors and suppliers, ensuring superior service and quality.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
INSTALLATØRGRUPPEN'S IMPACT ON THE WORLD	• **Climate impact from production of Installation materials and tools (energy use and transport)** • Waste generation from production • Labor and human rights in production of materials • Supply chain management • Business ethics in procurement	• **Waste, refrigerant and hazardous materials management** • Climate impact from operations • **Workers' health and safety** • **Diversity and inclusion** • Employee engagement and development • Business ethics	• Energy use in offices • Working conditions and culture • Diversity and inclusion • Employee well-being • **Anti-corruption and integrity** • Anti-competitive behavior • Whistleblowing mechanisms	• **Energy efficient products and solutions** • **Reduced energy consumption** • Renewable energy integration • **Indoor climate** • Product quality and safety
WORLD'S IMPACT ON INSTALLATØRGRUPPEN	• Risks of supply chain disruptions due to increased demand for (sustainable) materials • Climate change impacts on operational resilience and supply chain stability	• Lack of skilled personnel • Part of the industry has issues with regards to short term employment, unlawful payments, and lack of HSE practices	• Regulatory changes and standards for sustainable building practices	• Technological advancements in energy-efficient systems and sustainable building solutions • Market demand for green and sustainable installation solutions

THE COMMERCIAL VALUE OF ESG AT INSTALLATØRGRUPPEN IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUSTAINABLE PRODUCTS & SERVICES TO ENABLE CUSTOMERS' GREEN TRANSITION	• 1a. % of projects offering LCA calculations and/or product EPDs by 2030 • 1b. # of large-scale energy optimization projects for municipalities with/without financing • 1c. % reduced CO2e emissions for customers	• 1a. 100% of projects offering LCA calculations and/or product EPDs by 2030 • 1b. Several municipalities have reached energy savings on selected buildings in line with EU's EED and/or EPBD directives • 1c. Reduce customers' CO2e emissions 30% by 2030	• 1a. IT tool developed and tested to automixe EPD collection and LCA calculation. The tool is expected to go live in 2025. Ongoing dialogue with wholesalers and suppliers to deliver ESG related documentation • 1b. Pilot project with municipalitiy to test the concept. Meetings with other interested munipalities • 1c. Participated in an increasing number of sustainability certified projects. Most of our companies carry out energy and resource saving projects for customers. It has not been possible to collect data for customers CO2 savings in 2024	• 1a. Launch the IT tool. Create overview of % purchased materials with EPDs (spend based) • 1b. Continue pilot projects with selected municipalities and continue meetings with new municipalities • 1c. Develop method for estimation of customers' CO2e emission reductions in selected projects
2. MINIMIZE OUR OWN ENVIRONMENTAL IMPACT	• 2a. CO2e emissions (scope 1, 2, 3) • 2b. % reduced energy consumption • 2c. Renewable energy share (%) • 2d. Reduced the % of waste sent to landfill or incineration	• 2a. Become Net-Zero by 2050 across scope 1, 2, and 3 and reduced CO2e emissions by 30% in 2030 • 2b. 30% reduced energy consumption by 2030 • 2c. 100% renewable energy in own/leased premises by 2030 • 2d. Max. 35% of waste sent to landfill or incineration	• 2a. Committed to the Science-based Targets initiative. Created baseline for scope 1, 2 and 3. All companies in the Group introduced to ESG strategy and goals. • 2b. Focus on installing solar cells and heat pumps on premises • 2c. All companies introduced to "green" electricity agreements • 2d. All companies introduced to new waste legislation and process initiated to measure and reduce waste	• 2a. Set targets for CO2e emissions with SBTi. Communicate concrete reduction initiatives to companies • 2b: Continue to push for installation of solar cells and heat pumps in our companies • 2c. Continue the switch towards "green" electricity agreements • 2d. All companies to have sufficient system for measuring and reporting waste handling
3. A HEALTHY AND REWARDING WORK LIFE	• 3a. All employees introduced to work safety and sustainability in the Group • 3b. Lost Time Injury Frequency Rate (LTIFR) • 3c. eNPS	• 3a. All employees must know how to work safely in the Group and our goals for safety and sustainability • 3b. Have industry leading LTIFR ≤5.5 • 3c. Have industry leading eNPS	• 3a. Safety information created and distributed to selected companies. Conducted internal leadership meetings with all companies on sustainability and all new companies are onboarded to sustainability. Group of ESG contact persons from all companies created 2 webinars with focus on sustainability conducted. (1 on electrical vehicles, 1 on waste management) • 3b. Target communicated to all companies and process for collecting LTIFR data has been developed • 3c. eNPS for 2024 was 41	• 3a. More training material developed and distributed to all companies. Continue to host ESG webinars and physical meetings with companies. • 3b. LTIFR ≤5.5 • 3c. On par with or better than 2024 (41)
4. TRANSPARENCY AND RESPONSIBILITY IN EVERYTHING WE DO – FOR US AND CUSTOMERS	• 4a. Companies adopting governance frameworks (CoC, SCoC, whistleblower policies) • 4c. Ethical breaches	• 4a. All companies must adopt governance frameworks (CoC, SCoC, whistleblower policies) • 4b. Zero incidents of ethical breaches	• 4a. Ongoing work with new and existing companies to implement governance frameworks • 4b. Established the policies that define guidelines and thereby what is considered a breach. 3 potential breaches have been reported in 2024. All have been investigated and 0 has needed any concrete actions	• 4a. Implementation and education in policies in all companies • 4b. Continue to handle whistleblower channel and potential breaches

Lobster

FSN Portfolio Company since 2023

↗ lobster-world.com
↗ Lobster's Sustainability Report 2024

Lobster is a software development company dedicated to connecting people and data for a better future. The Lobster Data World is a global data ecosystem that provides a 360° data view and empowers teams to solve challenges effectively. The Lobster Data Platform eliminates complexity by enabling real-time integration, intelligent automation, and built-in quality control, while the Lobster Data Network breaks down silos and fosters secure collaboration across complex supply chains. For industry-specific needs, Lobster Data Products offer ready-to-use solutions that accelerate impact. With a presence in DACH, the UK, France, Scandinavia, and the Benelux – serving over 2,000 customers globally – Lobster enables companies to unlock the full potential of their data and stay agile in a rapidly evolving digital world.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
LOBSTER'S IMPACT ON THE WORLD	• **GHG emissions and energy use from leased data center services and cloud providers** • **Local emissions from mineral extraction (hardware)** • Environmental and biodiversity impacts from data centers (water consumption used for cooling, sound pollution, e-waste, etc.) • **GHG emissions and energy use from production of IT hardware** • Environmental impacts from production of IT hardware (hazardous waste, pollution, etc). • **Labor and human rights risk from hardware production (incl. health and safety related to handling hazardous materials and work)**	• Energy consumption at HQ • Employee commuting and business travel • **End-of-life management of IT equipment (e-waste)** • Work-life balance • Working conditions for employees (incl. employee health and safety) • **Employee education and opportunities (esp. persons from non-tech background)** • **Diversity and inclusion** • **Data security and privacy**	• Office waste • Employee commuting • Employee education and development • Employee well-being and health & safety • Work-life balance (incl. flexible working, subsidized canteen and fitness) • Anti-competitive behavior • **Anti-corruption and bribery** • Employee pensions • **Data security and privacy**	• Low energy use of No-Code software • Digital literacy • Contributing to more efficient work management • **Data privacy and security of customer data** • **Customers' ESG reporting and data requirements** • **ESG data integration across value chain** • Cybersecurity in critical infrastructure sectors, including transportation • B2B customer contract conditions (ABC, human rights, etc.)
WORLD'S IMPACT ON LOBSTER	• Scrutiny of environmental and social impacts of data centers and hardware	• Heightened cybersecurity threats globally, putting regulatory pressure on product security and system reliability, esp. on critical sectors (incl. transports)	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for ESG data integration solutions allowing for quantifying environmental impact across value chain • Demand for solutions that facilitate supply chain transparency and emissions tracking across supply chain, driven by regulatory requirements

THE COMMERCIAL VALUE OF ESG AT LOBSTER IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. A SUSTAINABLE PLAYER TO REDUCE CLIMATE AND ENVIRONMENTAL IMPACTS	• 1a. GHG emissions (scope 1, 2, 3)	• 1a. Become Net-Zero by 2050 (under SBTi)	• 1a. Defined relevant categories, tracked baseline for scope 1-3, and committed to SBTi	• 1a. Continue to track baseline for scope 1-3, and define + execute reduction plan
2. A DIVERSE AND FAIR EMPLOYER WHERE TALENT CAN PROSPER	• 2a. Gender diversity rate (%) inside the company • 2b. Gender diversity rate (%) at board-level • 2c. eNPS	• 2a. Firm-wide gender diversity rate of 30% • 2b. Board-level gender diversity rate of 50% • 2c. Stable eNPS	• 2a. Firm-wide gender diversity rate of 22% • 2b. 50% of external board members are female • 2c. Implemented eNPS, and set targets and actions based on first results	• 2a. Continue progress towards firm-wide gender diversity rate of 30% • 2b. Board-level gender diversity rate of 50% • 2c. Implement initiatives that contribute towards maintaining a stable eNPS
3. AN ETHICAL AND RELIABLE BUSINESS PARTNER WITH GOOD GOVERNANCE	• 3a. % of employees trained on ESG and governance • 3b. Number of ESG reports	• 3a. 90% of employees trained on ESG and governance • 3b. Up-to-date ESG report	• 3a. 90% of employees trained on ESG and governance • 3b. Created Lobster ESG report and further rollout marketing of ESG initiatives	• 3a. 90% of employees trained on ESG and governance and implement electronic whistleblower portal • 3b. Publish an updated ESG report
4. A COMPETENT TECHNOLOGY PROVIDER TO EMPOWER CUSTOMERS FOR GREEN TRANSITION	• 4a. Number of customers who implemented Lobster's Sustainability Data Product • 4b. Number of Sustainability Connectivity Partners	• 4a. Min. 100 customers who implemented Lobster's Sustainability Data Product • 4b. Min. 10 Sustainability Connectivity Partners	• 4a. Defined Sustainability Lobster Data Product for scope 3 reporting data along the supply chain • 4b. Established partnerships with 4 Sustainability Connectivity Partners	• 4a. Continue to onboard customers to Lobster's Sustainability Data Product • 4b. Continue to grow the number of Sustainability Connectivity Partners

KONCENTON

FSN Portfolio Company since 2022
An Obton daughter company

↗ koncenton.com
↗ Koncenton's Sustainability Page

Koncenton is a leading investment provider of residential real estate projects, focusing on providing high net worth individuals with access to Danish residential real estate investment opportunities. Koncenton offers passive investments into future-proof residential properties carefully selected and developed to accommodate the trend-specific need for new housing. The properties are primarily located in the largest Danish cities with high population growth.

Koncenton's in-house rental department, Go' Bolig, handles marketing and rental of all properties under Koncenton administration and delivers industry-leading vacancy rates adding to the unique value proposition.

The company is headquartered in Aarhus, Denmark and employs 82 people in its two offices in Aarhus and Copenhagen.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
KONCENTON'S IMPACT ON THE WORLD	• **GHG emissions from extraction and transportation** • **Nature impacts (e.g., biodiversity, pollution) from the extraction of raw materials** • Water use in the production of materials • **Human and labor rights in resource extraction and construction** • Anti-corruption and bribery in the supply chain	• **Building design and life cycle management** • **GHG emissions from machinery and transportation** • **Land use and ecological impacts** • **Waste from construction activities** • Climate risk assessments • **Labor health and safety** • Work-life balance • Diversity and inclusion • Local community impacts of construction and choice of areas • Business ethics • Product quality and safety	• Office waste • Energy use in own offices • GHG emissions from employees' travel activities • Waste handling • Employee education and development • Work-life balance • Diversity and inclusion • **Investment policy and strategy** • **Compliance processes** • Anti-corruption and bribery • Anti-competitive behaviour • Data security and privacy	• **Energy consumption in the use-phase of buildings** • Water consumption in the use-phase • **Inclusive and affordable housing** • Health and safety of tenants • Fair access and affordability • Critical incident risk management
WORLD'S IMPACT ON KONCENTON	• Scrutiny and regulatory reporting requirements concerning emissions and human rights in the supply chain	• Extreme weather events increase the need and cost of maintenance, repairs, and preparations • Scrutiny of the environmental and social impact of the construction value chain, leading to increased regulations and requirements	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for climate resilient properties designed to minimize the environmental impact of full life-cycle of a building • Investor sentiment toward and demand for climate-friendly investments • Urbanization leading to increasing demand for accessible, affordable, safe, and energy-efficient housing in cities

THE COMMERCIAL VALUE OF ESG AT KONCENTON IS BEING DRIVEN BY

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. RESPONSIBLE INVESTMENT PRACTICES	• 1a. UN PRI Principles • 1b. Quarterly review and annually report on compliance processes including recommendations and actions • 1c. Share of suppliers with signed Supplier Code of Conduct (SCoC)	• 1a. UN PRI Principles, with all Principles implemented (1-6) • 1b. Ensure annual fulfillment of action points within the respective compliance areas • 1c. 100% of suppliers to sign SCoC	• 1a. Further improved implementation of Principle 2 ("We will be active owners and incorporate ESG issues into our ownership policies and practices") and 5 ("We will work together to enhance our effectiveness in implementing the Principles") • 1b. Implemented quarterly review and annual report on compliance processes and improved policies. Implemented improved frequent financial and risk reporting towards our investors, which have strengthened the status as an active fund manager. • 1c. New KPI	• 1a. Continue implementation of Principle 2 and 5 and implementation of Principle 1 ("We will incorporate ESG issues into investment analysis and decision-making processes") • 1b. Continue quarterly compliance review and annual report. Strengthen the governance structure, improve policies, and business procedures and workflows • 1c. Roll out SCoC to suppliers
2. CLIMATE & NATURE-FRIENDLY HOUSING	• 2a. GHG emissions • 2b. Share of properties in operation powered by green energy	• 2a. Net-Zero in scope 1-3 GHG emissions • 2b. Maintain 95% of properties in operation that are powered by green energy	• 2a. First year of reporting full scope 1 and 2 GHG emissions. Started discussions with software providers to measure scope 3 from properties • 2b. Agreements have been entered with energy suppliers to ensure energy from renewable sources and thereby ensure that properties in operation are predominantly supplied with energy from renewable sources	• 2a. Implement necessary procedures to be able to implement a reporting setup on scope 3 • 2b. Start up initiatives to motivate tenants to elect green energy suppliers, and reduce use of overall energy
3. QUALITY HOUSING	• 3a. Share of properties with certification • 3b. Share of properties with community promoting areas • 3c. Tenant satisfaction • 3d. Operation and maintenance plans	• 3a. All properties must achieve the Nordic Ecolabel (Svanemærket) or other recognized certifications • 3b. Acquisition of properties with community promoting areas • 3c. Achieve a rating of 4.0 or above on Trustpilot • 3d. Operation and maintenance plans for all properties	• 3a. 2 out of 2 new projects in 2024 fulfilled the DGNB[1] Gold certification • 3b. The two projects purchased in 2024 included community promoting areas • 3c. Go' Bolig achieved Trust Pilot rating of 3.9 out of 5.0 • 3d. Entered into a collaboration with external consultant to develop the operation and maintenance plans	• 3a. Continue to include sustainability certifications such as DGNB[1] and the Nordic Ecolabel as an important parameter in connection with the assessment and selection of investments in new construction • 3b. Continue to include communal areas such as communal housing as an important parameter in connection with assessments and selection of investments in new construction • 3c. Reach the long-term target of 4.0 • 3d. 90% of all properties to have an operation and maintenance plan
4. HAPPY, SATISFIED, AND HEALTHY EMPLOYEES	• 4a. Employee satisfaction • 4b. Social employee events • 4c. Absenteeism rate • 4d. Manager performance	• 4a. eNPS score of ≥60 and a Pulse[2] score of >75 • 4b. Organize five social events for employees annually • 4c. Healthy employees with absenteeism rate below 2% • 4d. Management performance level evaluated by the employees to be higher than 75 out of 100	• 4a. Increased eNPS score to 7. Pulse score reached an average of 65 in 2024 • 4b. More than four social events have been held in 2024 • 4c. Absenteeism was reduced from 2% in 2023 to 1.4% in 2024 • 4d. We measured our five leadership values (responsibility, clear communication, trust, presence, development/growth) for the first time in April 2024, where the overall leadership index was 80 out of 100	• 4a. Measurement of employee satisfaction (Populum) 4 times per year. Improve eNPS to 20 and Pulse score of 70 • 4b. Organize four or more social events for employees • 4c. Maintain a low absenteeism rate below 2% and host a health week in April • 4d. We will continue to measure our five leadership values. In 2025, we will conduct a measurement in June, with a target leadership index above 65, considering the newly assembled leadership team

1. An international certification system for sustainable construction.
2. An index 0 - 100 that consists of the average score for the measurement areas included in the Pulse Index

NORDLO

FSN Portfolio Company since 2018

↗ nordlo.com
↗ Read the Nordlo Sustainability Report

Nordlo is a cloud and infrastructure services provider in the Nordic region, helping customers improve their IT environment by offering scalable operational solutions, managed services and full outsourcing of IT and digitalization services to companies and public sector organizations. Through close cooperation and sustainable choices of innovative technology, Nordlo helps customers to strengthen their competitiveness and drive digitalization forward. The company offers a broad range of services, including managed IT, cloud services, IT infrastructure, IT security services, hardware and software management, as well as digital transformation. Services are provided through Nordlo's data centers and public cloud partners. Nordlo is headquartered in Stockholm, Sweden, and employs approximately 1,000 people at locations throughout Sweden and large parts of Norway. The main customer segments are medium-sized enterprises, public institutions, and NGOs.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS

NORDLO'S IMPACT ON THE WORLD	• **E1 Climate change**
	  • **Emissions: Raw material extraction**
	• E2 Pollution
	  • Pollution: Air, water & soil
	• E4 Biodiversity & ecosystems
	  • Biodiversity loss
	• **E5 Circular economy**
	  • **Resource inflows: Raw material**
	• S2 Workers in the value chain
	  • Working conditions
		• **E1 Climate change**
		  • **Emissions: Hardware production**
		  • **Energy: Data centers**
		• E2 Pollution
		  • Substances of concern & very high concern
		• E3 Water
		  • Water consumption: Data centers (cooling)
		• **E5 Circular economy**
		  • **Resource inflows: IT equipment**
		  • **Resource outflows: Circular principles**
		  • **Resource outflows: Waste management**
		• S2 Workers in the value chain
		  • Working conditions
			• **E1 Climate change**
			  • **Emissions: Procurement & travel**
			  • Energy: Offices
			• E5 Circular economy
			  • Resource inflows & use
			  • Waste: Office & E-waste
			• **S1 Own workforce**
			  • Working conditions
			  • **Equal treatment & opportunities for all**
			  • Work-related rights: Privacy
			• **G1 Business conduct**
			  • **Corporate culture**
			  • Protection of whistle-blowers
				• E1 Climate change
				  • Emissions: Use of sold products
				  • Energy: Use of sold products
				• **E4 Circular economy**
				  • Resource inflows: Use of sold products
				  • Resource outflows: E-waste
				• **S4 Consumers and end-users**
				  • **Information-related: Privacy**
				  • **Business continuity[1]**
				  • **Security[1]**

WORLD'S IMPACT ON NORDLO	• S2 Workers in the value chain
	  • Risk: Work-related rights
	• G1 Business conduct
	  • Risk: Corruption and bribery
		• S2 Workers in the value chain
		  • Risk: Information-related: Privacy
		  • Risk: Security[1]
		• G1 Business conduct
		  • Risk: Relationships with suppliers
			• **S1 Own workforce**
			  • **Risk/Opportunity: Attract talent**
			  • Risk: Information-related: Privacy
			  • Risk: Security[1]
			• G1 Business conduct
			  • Risk: Relationships with suppliers
				• E1 Climate change
				  • Opportunity: Low-carbon services
				• **E4 Circular economy**
				  • **Opportunity: Circular services**
				• **S4 Consumers and end-users**
				  • **Risk: Cyber attacks[1]**

THE COMMERCIAL VALUE OF ESG AT NORDLO IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE & CIRCULARITY	• 1a. GHG emissions, tCO2e • 1b. Renewable electricity, % • 1c. Reused & recycled IT equipment, %	CORPORATE TARGET – NET-ZERO BY 2040 • 1a. Net-Zero by 2040[2] • 1b. 100% renewable electricity by 2030 • 1c. 100% reused and recycled IT equipment by 2030	• 1a. Nordlo has an ambition to become Net-Zero by 2040. Throughout the year, Nordlo assessed various decarbonization initiatives related to both internal activities and services provided to our customers. The decarbonization initiatives served as a foundation for developing near- and long-term targets according to Science Based Target initiative (SBTi), which will be submitted for validation during 2025 • 1b. As part of the decarbonization initiatives run throughout the year, Nordlo has set higher expectations on ensuring that the quality of our renewable electricity consumption can be validated with Renewable Energy Certificates (RECs) or similar. During 2024, Nordlo had 59% renewable electricity with validated RECs or similar across its offices and data centers • 1c. Nordlo has an ambition to increase our "as-a-service"-offering, in which we have developed an additional target to emphasize circular principles to continue supporting our customers in increasing reused and recycled IT equipment together with our value chain partners	• 1a. Develop a climate transition plan and validate SBTi targets • 1b. 80% renewable electricity with validated RECs or similar • 1c. Develop group-wide process for reused and recycled IT equipment
2. DIVERSITY & INCLUSION	• 2a. Female employees, % • 2b. Diversity & Inclusion index[3], 0 -100	CORPORATE TARGET – MOST ENGAGED EMPLOYEES • 2a. Increase the number of female employees, especially within manager and technical roles • 2b. Increase Diversity & Inclusion index[3]	• 2a. Nordlo has revised its gender diversity target and aims to increase women's representation across all roles. During 2024, women made up 13.3% of our workforce. We have also identified a need to better track gender diversity on role-level, which will be further developed during 2025 • 2b. Nordlo More is our group-wide initiative to actively work with diversity and inclusion at Nordlo. We have a corporate ambition to reach an eNPS of 33 and reached an eNPS score of 29 (+6 from 2023) during 2024. This year, we introduced a new "Diversity & Inclusion index" as part of the employee engagement survey to better measure our progress and track improvements. The result of the Diversity & Inclusion index in 2024 was 88/100	• 2a. Track gender diversity at role level and develop process to attract more female employees • 2b. Develop program to promote diversity & inclusion
3. SECURITY	• 3a. Security awareness score[4], 0-100	CORPORATE TARGET – CUSTOMERS ARE OUR AMBASSADORS • 3a. Security awareness score[4] of >85 (high awareness)	• 3a. Security and integrity are of key importance for Nordlo to ensure trust among our customers. Hence, Nordlo performs regular employee trainings related to security awareness. During 2024, the security awareness across the group reached a score of 59/100	• 3a. Security awareness score[4] 70/Unit
4. RESPONSIBLE BUSINESS	• 4a. Code of Conduct training, % • 4b. ESG screenings, %	CORPORATE TARGET – PROFITABLE GROWTH • 4a. 100% employees have performed annual Code of Conduct training • 4b. 100% of material acquisitions and suppliers have been screened on ESG-criteria	• 4a. To ensure continued alignment of our values and ethical principles while growing organically and through acquisitions, we have developed a new target related to Code of Conduct trainings that will be implemented during 2025 • 4b. During 2024, Nordlo developed a process for and conducted a double materiality assessment, which also served as the foundation for risk-based due diligence according to the Transparency Act	• 4a. Develop Code of Conduct training • 4b. Develop process for ESG due diligence

1. Entity-specific disclosures
2. Near-term targets have been set and will be communicated after validation by SBTi
3. The Diversity & Inclusion Index is part of Nordlo's employee engagement survey
4. Security awareness is determined by course participation, click simulations and knowledge decay based on the following scores: critical < 31, low > 31, normal > 50, high > 85

OBTON

FSN Portfolio Company since 2021

↗ obton.com
↗ Read Obton's Annual and ESG Data Report

Obton is a specialized alternative investment provider developing, structuring, and managing solar photovoltaic (PV) and battery storage projects. Headquartered in Denmark, Obton has offices around the world and is one of the largest solar PV and battery storage developers in Europe. Obton manages more than 1,500 solar PV plants with a total capacity of nearly 2 GWp. Obton's projects are predominantly located in Europe and Asia where some of the key markets are Italy, Germany, Denmark and Japan. The majority of solar panels and other key components are sourced from the leading suppliers in China. Batteries are likewise sourced from Asia. The produced energy is sold primarily through power purchase agreements but also merchant. Currently, Obton is undergoing organizational restructuring to become an independent power producer, meaning it will keep the ownership of the projects instead of reselling to investors.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
OBTON'S IMPACT ON THE WORLD	• **GHG emissions from the production of components** • **Local environmental impacts (e.g., biodiversity, pollution) from production of raw materials** • GHG emissions from transport of solar panels and battery modules • Water use from manufacturing solar cells • Human rights risks related to conflict minerals used in solar PV components and battery modules • **Human and labor rights in the supply chain** • Workers' health and safety in raw material extraction and production • Corruption and bribery risks in the supply chain	• **Biodiversity impacts from changes in land use due to solar and battery storage development** • GHG emissions during the construction and operation of solar and battery storage plants • Water use for cleaning/maintenance of solar panels • **Choice of location - other utilization value of solar and battery storage plant (e.g., agricultural land, rich biodiversity, or habituated land)** • **Health and safety risks during construction, operation, and maintenance** • Local job creation • Professional integrity and honest advice	• Office waste • Energy use in own offices • GHG emissions from employee travel • **Product design and life cycle management** • **Employee engagement, education, and development** • **Diversity and inclusion** • Corruption and bribery risks • Anti-competitive behavior • Data security and privacy • **Systemic risk management**	• Environmental impact of disposal and reuse of solar systems and battery modules at end of life • **Biodiversity and green initiatives during operation, and restoration after project decommissioning** • **Positive environmental impact from the production of renewable energy and energy storage** • **Access to affordable sustainable energy** • Solar plant potential for recreational areas • Opportunity to co-own solar farms for local residents • **System reliability (lagging, down-time)**
WORLD'S IMPACT ON OBTON	• Scrutiny of the environmental impact of raw material sourcing and end-of-life	• Human and labor rights concerns associated with the supply chain in higher-risk locations (e.g., China)	• Management of solar panels and battery modules	• Demand for solar panels produced in socially and environmentally sustainable ways • Demand for renewable energy generation technology to meet global climate targets and achieve energy security in Europe • Immature market for reuse solutions

THE COMMERCIAL VALUE OF ESG AT OBTON IS BEING DRIVEN BY

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE CHANGE MITIGATION	• 1a. GHG emissions reduced (tCO2e) • 1b. GHG emissions avoided (tCO2e) • 1c. % of sites with completed climate risk assessment • 1d. % EU Taxonomy aligned revenue	• 1a. Become Net-Zero in 2035 • 1b. Produce energy from development projects equivalent to cover 400,000 Danish households' energy need p.a.[1] • 1c. 100% of projects have conducted climate risk assessment • 1d. >50% EU Taxonomy aligned revenue	• 1a. Continued reporting of GHG emissions. Baseline not set due to organizational restructuring but conducted scope 3 inventory to identify new reporting points • 1b. The production of Obton-administered solar parks reached a peak of 1.9 GWh, a 17% increase from 2023 production • 1c. Performed relevant and country-specific climate risk assessments for both acquisition projects and development projects • 1d. Identified eligibility per the EU Taxonomy	• 1a. Implement procedures and processes to be able to get data to report on 100% of activities • 1b. Develop solar projects accumulating to +0.15 GW corresponding to approximately 40,000 Danish households'[1] energy need p.a. and establish method for calculating avoided emissions, taking upstream and downstream activities into consideration • 1c. Identify and implement reporting platform for climate risk • 1d. Conduct assessment of Obton's economic activities according to the EU taxonomy
2. ENVIRONMENT AND NATURAL RESOURCE PRESERVATION	• 2a. % recycled materials in components • 2b. % of packaging and components recycled • 2c. % of GW installed with tailored biodiversity plan • 2d. Number of agri-PV pilot projects	• 2a. Overall min. 25% recycled materials in the components used in development projects • 2b. Recycle >80% of waste from solar plants and BESS[2] • 2c. Increase biodiversity by implementing tailored biodiversity plans targeting >50% of installed GW • 2d. Execute three pilot projects to investigate benefits of agri-PV	• 2a. Started asking suppliers about % of recycled materials in their products • 2b. Further investigated how waste is and can be tracked at the plants • 2c. Implemented project-specific biodiversity initiatives in the project plan for first Danish development project • 2d. Identified this area as important to Obton and to investigate the benefits of agri-PV	• 2a. Track share of components containing recycled materials and assess feasibility of increasing share in development projects • 2b. Further improve management system to track waste from projects • 2c. Implement tailored biodiversity plans for Danish solar development projects and conduct biodiversity study at first solar project in Denmark to identify positive impacts and supportive initiatives on biodiversity • 2d. Investigate and evaluate benefits of agri-PV
3. ATTRACTIVE AND DYNAMIC WORKPLACE	• 3a. eNPS • 3b. Gender ratio females vs. males across senior management team and Board of Directors	• 3a. Achieve eNPS of >30 • 3b. 40/60 gender ratio females vs. males across senior management team and Board of Directors	• 3a. Average eNPS at -23 due to unclarity and organizational restructuring • 3b. The gender ratio females vs. males was 33/67 in Obton and 22/78 in senior management team at the end of 2024	• 3a. Measure and calculate base eNPS and strive for an eNPS >5 • 3b. Gender ratio of 40/60 females vs. males in Obton and 25/75 across senior management team and Board of Directors
4. HEALTH & SAFETY	• 4a. Code of Conduct certification • 4b. Share of revenue from ISO27001 certified business	• 4a. All employees share core values • 4b. All business units ISO27001 certified	• 4a. All employees certified in digital Code of Conduct training • 4b. Re-certified for ISO27001	• 4b. All employees re-certified in Code of Conduct • 4b. Additional subsidiaries included in ISO27001 certification
5. ETHICAL AND TRANSPARENT BUSINESS CONDUCT	• 5a. % of direct suppliers with completed ESG DD • 5b. Number of industry activities participated in	• 5a. ESG DD of 100% of direct suppliers for main spend categories[3] with min. annual review • 5b. Actively participate in min. two activities per year	• 5a. Further developed ranking system and started ranking suppliers based on ESG performance • 5b. Participated in workshops on human rights in the solar industry	• 5a. Develop ranking system and rank direct suppliers based on risk and ESG performance, including having 100% of direct suppliers signing CoC, to create a whitelist for each main spend category • 5b. Participate in human rights forum

1. Danish household corresponding to 4,500 kWh/year
2. Battery Energy Storage System
3. Main spend categories cover solar modules, battery modules, inverters, cables, racks, switch gear, transformers

FSN Portfolio Company since 2021

omegapoint.se

Omegapoint is a thought leader in cybersecure digitalization and protective security. The company builds, operates, and defends technology solutions that need to work under any circumstances.

Omegapoint serves a wide range of industries, including healthcare, retail, banking, manufacturing, utilities, and government. A large part of Omegapoint's revenue is generated in long-term customer relationships.

Omegapoint has 900 employees spread over offices in Sweden, Norway, Denmark and Canada. The company culture is based on curiosity and a willingness to always learn more. Competence conferences, mentor networks and an internal trainee program allow all employees to constantly develop.

Together with its customers, Omegapoint strives to create a future where technology can be trusted. Projects include safer banking, top national security, more reliable trains, better child daycare, more efficient building maintenance, and new cancer treatments.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
OMEGAPOINT'S IMPACT ON THE WORLD	• GHG emissions and energy consumption from the production of hardware and suppliers' data centers • Environmental footprint of hardware • Local emissions from mineral extraction (hardware) • Impact on biodiversity at data center sites • Water and cooling used in data centers • Labor and human rights in hardware production • Workers' health and safety • Corruption and bribery risks in the supply chain • Potential of malware in hardware	• E-waste and end-of-life management of IT equipment • Employee commuting and business travel • GHG emissions and energy consumption • **Employee education and development** • Work-life balance • **Diversity and inclusion** • Professional integrity and honest advice	• Office waste • **Energy use in own offices** • **Employee education and development** • Work-life balance • **Diversity and inclusion** • Corruption and bribery risks • Anti-competitive behavior • Data security and privacy	• **Energy use of products and services** • Impact on customers' resource efficiency • Digital literacy • **Data protection and personal information** • **Cybersecurity** • System reliability (lagging, downtime)
WORLD'S IMPACT ON OMEGAPOINT	• Scrutiny of environmental and social impacts of data centers and hardware	• Scrutiny of emissions and e-waste from industry • Industry characterized by lack of diverse candidates for technical jobs • Risk of cybersecurity affecting company reputation and market share	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• High demand for digitalization services as the world moves more online • Increasing demand for cybersecurity services

THE COMMERCIAL VALUE OF ESG AT OMEGAPOINT IS BEING DRIVEN BY

TALENT

Demonstrated ESG excellence is giving companies a distinct advantage in attracting and retaining top-tier talent, thus securing a competitive edge over their peers.

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. VISION GOAL: A SAFE AND SECURE DIGITAL SOCIETY	• 1a. cNPS • 1b. Tier 1 media presence	• 1a. cNPS ≥50 • 1b. Omegapoint recognized as leading cybersecurity firm	• 1a. Strengthened customer insights through annual customer survey with good result (cNPS of 60) • 1b. Enhanced industry presence through opinion pieces in leading news outlets, the publication of the Swedish Security Index survey, and participation as panel speakers at major events such as Almedalen and Radar Summit	• 1a. Increase cNPS by 5 points per subsidiary • 1b. Tier 1 Media presence count 20
2. ENVIRONMENT GOAL: REDUCE CARBON DIOXIDE FOOTPRINT	• 2a. SBTi	• 2a. Become Net-Zero	• 2a. Measured scope 1, 2, and 3 emissions and achieved reduction in line with targets, and undertook the following actions: office moves for easier commute, reduced travel in relation to competence conferences, and further electrified our carpool	• 2a. Reduce scope 1 and 2 emissions by 6% and reduce scope 3 emissions by 4%
3. SOCIETY GOAL: THE BEST WORKPLACE IN THE INDUSTRY	• 3a. eNPS • 3b. Gender balance • 3c. Short-term absence	• 3a. eNPS ≥50 • 3b. Gender balance in the range of 45-55% • 3c. Short-term absence below 3.5%	• 3a. eNPS of 32. Targeted activities to increase eNPS: Strengthened internal communication + Workshops with managers • 3b. Female mentor and recruitment program to increase recruitment and retention rates • 3c. HR system provides good tracking, short-term absence of 2.4%.	• 3a. Increase eNPS by 5 points • 3b. At least 1/3 of new hires should be female • 3c. Short-term absence below 3.5%
4. GOVERNANCE GOAL: TRUSTED AND ETHICAL BUSINESS PARTNER	• 4a. Code of Conduct certification • 4b. Share of revenue from ISO27001 certified business	• 4a. All employees share core values • 4b. All business units ISO27001 certified	• 4a. All employees certified in digital Code of Conduct training • 4b. Re-certified for ISO27001	• 4b. All employees re-certified in Code of Conduct • 4b. Additional subsidiaries included in ISO27001 certification

OPTI GROUP

FSN Portfolio Company since 2022

↗ optigroup.com
↗ OptiGroup Sustainability Page

OptiGroup is a leading European distribution group offering customized supply solutions to B2B customers. We acquire and develop companies specializing in providing customers with products and services that enhance efficiency and contribute to a more successful business. Through active and long-term ownership, OptiGroup contributes with industry expertise and synergies between the subsidiaries.

The companies within the Group's four business areas – Facility & Safety, Packaging, Medical and Paper & Business Supplies – support more than 100,000 B2B customers, primarily within cleaning & facility management, hotel & restaurant, health & medical care, manufacturing industry and the graphical sector, with reliable and sustainable supply solutions that free up resources and save costs.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
OPTIGROUP'S IMPACT ON THE WORLD	• Biodiversity and ecosystems • Responsible use of natural resources (water resources, microplastics) • Pollution of air, water, soil and living organisms • General human rights and labor conditions in raw material extraction	• Low carbon supplier network and GHG emissions from goods for resale • Workers in the value chain - general human rights and labor conditions • Socioeconomic impact of corruption and bribery	• GHG emissions and energy use in own operations • Low impact products - Broad offering of renewable, recycled, compostable and biodegradable products • GHG emissions in downstream distribution • Own workforce - employee wellbeing, diversity and work-life balance • Compliance to OptiGroup's policy framework	• Transparent and objective product information • Help customers make well-informed buying decisions in terms of sustainability, circulator design and closed/open-loop solutions
WORLD'S IMPACT ON OPTIGROUP	• Scrutiny of environmental impact of wood fiber, production, and end-of- life management of products	• Growing need to account for emissions, materials, waste, and labor conditions presents an opportunity to develop deeper, high-impact relationships with value chain partners • Reputational risks associated with human and labor rights in higher-risk locations (e.g., China) • Changing regulatory requirements with regards to single-use items and plastics	• Increasing legal sustainability reporting requirements (CSRD) • Increasing reporting requirements from customers (GHG reporting)	• Demand for low impact and circular products produced in environmental and socially sustainable ways • Global health problems drives need for medical, facility, and safety gear

THE COMMERCIAL VALUE OF ESG AT OPTIGROUP IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE CHANGE AND EMISSIONS	• 1a. GHG emissions • 1b. Scope 1 - Share of energy usage in buildings from burning oil • 1c. Scope 2 - Renewable and fossil free electricity share of total electricity usage • 1d. Scope 3, Category 1 - CO2e emissions from product and services • 1e. Scope 3 Category 4 - Share of outbound forwarders providing detailed carbon emissions reports	• 1a. Net-Zero 2050 • 1b. Zero usage 2030 • 1c. 70% of total purchased electricity by 2030 • 1d. Ability to report CO2e emissions for products and services for the year 2030 • 1e. 90% by 2035	• 1a. Committed to the SBTi and set near-term targets for scope 1, 2, and 3. Ongoing reduction initiatives include solar panel installations and energy efficiency initiatives in buildings • 1b. 0.2% (2023: 2%) • 1c. 36% (2023: 25%), 59% excl. BFG (2023: 47%) • 1d. Focus on guiding customers to sustainable supply solutions resulted in an improved mix of low emission intensity products • 1e. 69% (2023: 69%)	• 1a. Submit science-based targets to SBTi for validation and reduce accordingly. Ongoing GHG reduction initiatives: 1) Solar panel installations and energy efficiency initiatives in buildings, 2) Increased proportion of transportation using electric and biofuel powered vehicles, 3) Increased proportion of renewable energy in the electricity mix • 1b. Keep at = <2% • 1c. 30% of total purchased electricity (60% excl. BFG) • 1d. Ability to report scope 3, category 1 • 1e. >70%
2. CIRCULAR ECONOMY	• 2a. Sales share of bio-based, recycled and/or reusable products • 2b. Recycling of waste generated in own operation	• 2a. >70% of product sales by 2030 • 2b. >80% of waste generated	• 2a. 52% (2023: 53%) • 2b. Waste procedures that include sorting routines of waste fractions at all OptiGroup companies	• 2a. >58% of sales to be bio-based, recycled, and/or reusable products • 2b. >75% recycling rate
3. RESPONSIBLE PURCHASING	• 3a. Share of total suppliers who have signed Code of Conduct • 3b. Share of suppliers from high-risk countries who have signed Code of Conduct • 3c. Comply with EU Deforestation Regulation (EUDR)	• 3a. 100% by 2030 • 3b. 100% by 2030 • 3c. Compliance with EUDR	• 3a. 84% (2023: 89%) • 3b. 91% (2023: 86%) • 3c. Monitored EUDR regulation	• 3a. >70% of said suppliers having signed Supplier CoC • 3b. 100% of said suppliers having signed Supplier CoC. Standardized supplier risk management process in place. Close collaboration with relevant suppliers, who are ESG driven and committed to SBTi • 3c. Report according to EUDR
4. PEOPLE	• 4a. Share of female managers with direct reporting employees • 4b. Number of discrimination incidents reported	• 4a. >35% • 4b. Zero discrimination incidents	• 4a. 33% (2023: 35%) • 4b. Zero discrimination incidents	• 4a. >35% (reflecting share of women in the organisation) • 4b. Zero discrimination incidents
5. BUSINESS ETHICS AND COMPLIANCE	• 5a. Number of trained employees in OptiGroup's Code of Conduct	• 5a. 90% of employees by 2030	• 5a. 78% (2023: 68%)	• 5a. 90% of employees trained Elements in place to support high level of ethical norms: Annual policy certification of employees in leading positions Group wide ESG network with regular meetings Onboarding of acquired companies to policy framework Business ethics eTrainings accessible to all employees (Competition law, ABC, business practices)

Polytech
Wind for life™

FSN Portfolio Company since 2023

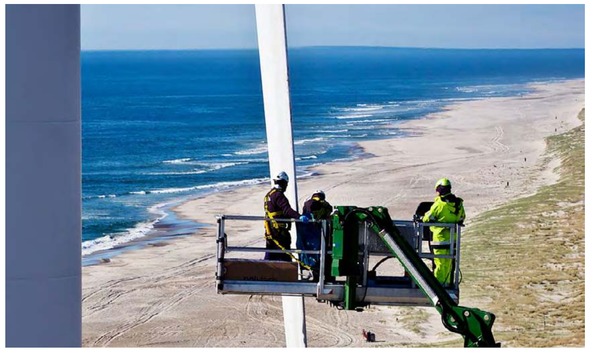
↗ polytech.com
↗ Polytech Sustainability Page

At Polytech, we aim to make wind energy even better. We develop, design, and produce some of the most sophisticated systems for protecting and improving wind turbines anywhere in the world. Our vision is to make wind the preferred source of energy through innovation and collaboration.

Polytech is a global company with locations in Denmark, China, and México – totaling +400 colleagues.

We cooperate with our customers regarding new sustainable solutions and innovative techniques that can improve the durability and performance of the wind turbine.

Polytech's mission is to offer solutions that can be a central part of the future sustainable society, by bringing sustainable solutions to life that improve the durability and performance of wind turbines.



MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
POLYTECH'S IMPACT ON THE WORLD	• **GHG emissions generated from fossil-fuel based materials** • Use of petrochemicals in the production of thermoplastics • Water depletion from production of petrochemical materials • Hazardous waste from chemicals • **Health & safety of workers exposed to hazardous materials in the production process** • Labor and human rights in the supply chain	• **GHG emissions from operations in China and Mexico that have a low percentage of renewable energy in their energy mix** • **R&D and product innovation reducing carbon footprint** • **Hazardous waste from chemicals** • **Health & safety of blue-collar workers in less regulated markets (China and Mexico)** • Human rights and environmental impact from supply chain management • Employee training and development • Gender equality in the wind sector • Work-life balance	• GHG emissions from inbound and outbound logistics • Employee commuting & business travel • Gender equality at company management level • Employee morale and work-life balance • Corruption and bribery risks	• **Products contribute to the Green Transition** • **Avoided emissions** • **Extending life cycle of wind turbines, reducing waste** • **Product recycling and reuse** • **Products mitigate negative impact on biodiversity** • Circular products support customers' ESG strategy • Unrecycled polyurethane can produce microplastics • Recycling process can be energy intensive • Integrity of customers
WORLD'S IMPACT ON POLYTECH	• Scrutiny and regulatory reporting requirements concerning emissions and human rights in the supply chain	• Long testing and approval process by customers slows down product development and roll out of lower emission solutions • Wind sector volatility impact on talent retention and employee morale	• Ambitious political targets in the EU and in the US to accelerate the share of renewable energy in the energy mix, complemented with regulations to ensure compliance	• Demand for solutions that can reduce the carbon footprint of wind turbines and extend their life expectancy • Demand for circular solutions (e.g., recycling and reuse) by customers to address own sustainability strategies and reporting requirements

THE COMMERCIAL VALUE OF ESG AT POLYTECH IS BEING DRIVEN BY

INDUSTRY TRANSFORMATION

Major corporations and public entities are actively pursuing net-zero targets, imposing emissions reporting and reduction mandates on their supply chains, often leading to transformative changes across entire industries.

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. GOOD GOVERNANCE & HIGH ETHICAL BUSINESS STANDARDS	• 1a. % of employees signed Code of Conduct and trained on it • 1b. Top xx suppliers to sign Supplier CoC (according to risk screening) • 1c. % of relevant stakeholders along the value chain are familiar with and trained in the Whistleblower system (In case of incidents: % of reports received and resolved within 2 months) • 1d. Compliance with relevant ESG regulations	• 1a. 100% of employees sign the Employee Code of Conduct (CoC) and trained in it • 1b. 100% of high-risk suppliers signed Supplier Code of Conduct (CoC) • 1c. 100 % of relevant stakeholders along the value chain are familiar with and trained in the Whistleblower system (In case of incidents: 100% of reports received and resolved within 2 months) • 1d. 100% compliance with relevant ESG regulations	• 1a. All employees in DK and Board of Directors have signed Employee CoC • 1b. Initiated the process to contact suppliers according to signing and comply with Polytech Supplier Code of Conduct. "Supplier risk screening" software is implemented - EcoVadis • 1c. Whistleblower scheme known to all employees and selected suppliers. Extended communication about whistleblower scheme (internal & external) 2 incident reports received and solved on time • 1d. Prepare for upcoming relevant ESG regulations. Implemented reporting on: CBAM, EPR (packaging)	• 1a. All employees in Mexico and China to sign Employee Code of Conduct and undergo training • 1b. Top 50 suppliers who deliver "purchased goods" acc. scope 3, to commit to Supplier Code of Conduct. Full risk mapping of suppliers in EcoVadis IQ+. Explore embedding EcoVadis into RFI/RFP-processes. Ensure Top-Criticality/Spend/ High risk suppliers invited to take the EcoVadis assessment • 1c. Continue to communicate about the Whistleblower scheme. 100% processing of whistleblower reporting within 2 months from the receipt • 1d. Continued compliance with relevant ESG regulation
2. PRODUCTS FOR A SUSTAINABLE FUTURE	• 2a. % reduction of CO2 emissions achieved through production of sustainable products • 2b. % of recycled or renewable material used in own products • 2c. Improve Polytech's focus on sustainability in new projects. % of new projects to undergo sustainability screening before starting. % of projects where sustainability is integrated in every stage from ideation to final delivery to end-of-use	• 2a. Develop and manufacture sustainable products that reduce our own and our customers' CO2 emissions (exact amounts to be defined) • 2b. 40% recycled or renewable materials used in own products by 2030. Full overview of packaging materials and possibilities for optimization • 2c. 100% of new projects undergo sustainability screening before starting. Initiatives must be financially feasible. 100% of projects where sustainability is integrated in every stage from ideation to final delivery to end-of-use	• 2a. Matured our plant based raw material process in collaboration with a talent from the local university • 2b. Advanced mechanical and chemical recycling processes by establishing new operational targets. Initiated a baseline project of packaging materials (EU-regulation) • 2c. Incorporate future business processes into the new execution model. 100% of new projects undergo sustainability screening before starting. Initiatives must be financially feasible. 100% of projects where sustainability is integrated in every stage from ideation to final delivery to end-of-use	• 2a. Scoping potential business lines and engaging with local talents to refine and mature the sustainable raw material process even further • 2b. Initiate scoping the content of renewable materials used in own production. Optimize registration of packaging – streamline IT-systems to support the reporting of packaging (EPR) • 2c. Continue to perform 100% sustainability screenings in new projects (Sustainability Checklist)
3. MINIMIZE ENVIRON-MENTAL FOOTPRINT	• 3a. Scope 1, 2 and 3 CO2-emissions in tCo2e • 3b % of renewable energy use • 3c. % of production waste recycled • 3d. Business lines Scope 4 initiatives (Avoided emissions)	• 3a. Become Net-Zero by 2050, with: 80% reduction in CO2e (in 2030 vs. 2022 in scope 1 & 2), 40% reduction in CO2e (in relation to revenue in 2030 vs. 2022 in scope 3) • 3b. 100% renewable energy use by 2030 globally • 3c. 70% recycling of all production waste in 2030 • 3d. Increase customer awareness on Polytech's potentials for avoided emissions	• 3a. Full baseline emissions tracking for scope 1-3 (upstream) from 2022 to 2024 (according to GHG-protocol) • 3b. 65% renewable energy use (68%-November 24) • 3c. Initiated approach of substituting landfill waste materials • 3d. Tested first draft of ELLETM calculation model for internal use	• 3a. Start tracking scope 3 – downstream-activities (Cat 9 & 12). Initiate collecting primary data on main raw materials for more accurate carbon footprint. Consolidating suppliers with highest impact possibilities for reducing our scope 3 emissions • 3b. Scoping possibilities for PPAs globally • 3c. Define approach with Top Management • 3d. Calculation models for internal use. Finalize ELLETM calculation model. Initiate "Refurbishment" calculation model
4. MOTIVATED EMPLOYEES IN A DIVERSE AND INCLUSIVE WORKPLACE	• 4a. Employee well-being and engagement • 4b. Total Recordable Incident Rate (TRIR) • 4c. % of employees with sustainability awareness & knowledge through training • 4d. Gender diversity ratio % of males and females in Board of Directors (BoD), L1, L2 and L3 • 4e. # of attracted local talents. # of local talents initiatives and engagements	• 4a. eNPS >30 (in 2030) • 4b. TRIR ≤1 (in 2030) • 4c. 100% of employees with sustainability awareness & knowledge through training • 4d. Improve diversity in organization (L1, L2, L3). At least 40% managers of each gender represented by YE (in 2030) • 4e. # of attracted local talents. # of local talents initiatives and engagements	• 4a. eNPS = 30 • 4b. TRIR ≤7.4 • 4c. ESG-training (Extented): C-level, R&D, Procurement, QHSE, Finance & production employees, 8 ESG training sessions across departments • 4d. 12.5% female in BoD (14% 2023) 25% female in L1 (20% 2023) 27% female in L2 + L3 (24% 2023) • 4e. Engaged with 10 new talents within different departments across the organization	• 4a. eNPS ≥30 • 4b. TRIR ≤3 • 4c. ESG Awareness Training: Minimum 10 ESG training sessions across departments (global), Implement DMA-process with relevant stakeholders and report GAP-analysis and data collectionon Polytech material impacts (cross-organizational data collection) • 4d. >12.5% female in BoD >25% female in L1 >27% female in L2 + L3 • 4e. Engaging with a minimum of 5 local talents across the organization

SAFEROAD

FSN Portfolio Company since 2018

↗ saferoad.com
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Saferoad Group is a leading road safety supplier in Europe, with 100+ years of industry experience. The Group offers a broad range of innovative, high-quality products and services, tailored to contribute to a safer life on the road and shape the future of road safety infrastructure. These span from a comprehensive range of vehicle restraint systems, noise barriers, crash-friendly and aesthetic light poles, masts, outdoor furniture, fences, traffic and message signs, to work zone protection services, road marking applications and complex maintenance services. The Group has four core business areas (BAs) – Restraint Systems, Traffic, Infrastructure and Services, – and employs ~2,500 employees, spread across 13 countries, 19 production facilities, and 30 sales offices.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
SAFEROAD'S IMPACT ON THE WORLD	• **GHG emissions from sourcing and production of materials, as well as transport** • Energy consumption from sourcing and production of materials • Pollution to air due to fossil fuel usage in transport, sourcing and production of materials • Pollution to air, water, soil due to unsafe handling of hazardous waste • Resource intensity • **Incidents relating to labor rights and working conditions in the supply chain** • **Improved working conditions and more secure employment for suppliers' employees, and economic growth for suppliers**	• **GHG emissions from sourcing and production of materials, as well as transport** • Energy consumption from sourcing and production of materials • Pollution to air due to fossil fuel usage in transport, sourcing and production of materials • Pollution to air, water, soil due to unsafe handling of hazardous waste • Pollution of microplastics to soil and/or water due to wear and tear of marking on roads • Resource intensity • **Occupational health and safety** • **Incidents relating to labor rights and working conditions**	• **Prevention and detection of corruption and bribery** • Protection of whistleblowers • **Transparency and accountability** • **Strong business conduct and corporate culture** • Professional development through training and development actions	• **Providing road safety products and services**
WORLD'S IMPACT ON SAFEROAD	• **Increasing cost and/or limited access to energy due to shortage of resources and/or regulations**	• Improved productivity and innovation from employee satisfaction and retention	• **Difficulty of attracting workers with the right skills** • **Professional development through training and development actions**	

THE COMMERCIAL VALUE OF ESG AT SAFEROAD IS BEING DRIVEN BY

REGULATION

By taking a proactive, rather than reactive, approach to compliance with ESG regulations, companies are securing a competitive advantage versus peers.

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. RESPONSIBLE PROCUREMENT	• 1a. Supply chain overview • 1b. Responsible procurement program	• 1a. Transparency in our supply chain for high risk products, materials or services • 1b. Responsible procurement program in place	• 1a. Integrated human rights risks in the supplier due diligence process • 1b. All BUs have identified high risk suppliers to be audited	• 1a. Map key supply chain of top two steel suppliers • 1b. Implement software for supplier due diligence. Conduct annual trade sanctions screening. Implement procurement regulations (e.g., EUDR, CBAM, CSDDD)
2. CLIMATE ACTION	• 2a. GHG emissions	• 2a. Net-Zero by 2050 with: 35% scope 3 reduction by 2034, 60% scope 1 & 2 reduction by 2034, 90% of purchased steel from suppliers with SBT by 2029	• 2a. Targets in line with SBTi and decarbonization plan for scope 1, 2, and 3 emissions established. Also started measuring carbon intensity, along with absolute emissions	• 2a. Internal working groups to build knowledge on key decarbonization levers incl. low-carbon steel, fossil-free trucks, energy efficiency, etc. Develop fossil-free vehicles policy. Improve and digitalize supplier data collection for scope 3 emissions
3. CLOSING THE MATERIAL LOOP	• 3a. Material waste volumes • 3b. ISO 14001 certifications	• 3a. Reduce our most material waste • 3b. 100% of production units ISO 14001 certified	• 3a. First baseline for waste using ESRS 2023 reporting, with added improvements expected after 2024 reporting • 3b. ISO 14001 delayed due to market uncertainty and other pending clarifications	• 3a. Improve waste sorting and reporting based on identified gaps. Start microplastic contribution mapping • 3b. Continue ISO 14001 production certifications
4. CULTURE OF INTEGRITY	• 4a. Training and awareness • 4b. Cases of corruption and fraud • 4c. Cases of modern slavery, child labor abuse and severe human rights breaches	• 4a. Regular training schedule on relevant topics for key personnel • 4b. Zero confirmed cases of corruption and fraud through systems, controls and processes • 4c. Zero tolerance of human rights breaches through systems, controls and processes	• 4a. New and refreshed compliance training materials and new e-learning developed, to be rolled out in 2025 • 4b. No new corruption cases in 2024 • 4c. New structured approach to evaluating impacts, risks and opportunities related to human rights through Double Materiality Analysis (DMA)	• 4a. Roll out compliance training and e-learning • 4b. Run annual Conflict of interest confirmation • 4b & 4c. Run annual compliance policy suite review, including Code of Conduct. Develop new Sustainability policy, including human rights policy
5. SAFE, HEALTHY AND THRIVING PEOPLE	• 5a. Fatalities • 5b. Lost time injury (LTI) • 5c. eNPS • 5d. Attractive employer with focus on working conditions	• 5a. Zero fatalities • 5b. LTI <30 • 5c. eNPS >70 and no negative eNPS scores • 5d. Working conditions in line with best practices	• 5a. Zero fatalities. New LTI reporting and investigation system implemented. • 5b. LTI of 66 • 5c. eNPS of 33; 2 business units with negative eNPS; all BUs have follow-up plans • 5d. Established HR Functional Team to drive improvements	• 5a. Zero fatalities. Implement reporting system for total recordable injuries. • 5b. LTI of 56 • 5c. Drive improvements based on eNPS result, achieving an eNPS of 34 • 5d. Build knowledge and awareness on discrimination & harassment. Map employment contracts in Poland to ensure compliance
6. PRODUCTS AND SERVICES AS A FORCE FOR GOOD	• 6a. Low-carbon products or services available by 2030 • 6b. Collaboration initiatives • 6c. EPD • 6d. Taxonomy alignment • 6e. Transparency for stakeholders through comprehensiveness in ESRS reporting	• 6a. Support customers with Vision Zero (eliminate all traffic fatalities and severe injuries). Work towards offering low-carbon products or services by 2030. • 6b. Establish customer, supplier and industry collaboration on ESG matters, especially low-carbon solutions • 6c. All production units have EPD generator system • 6d. Grow business in activities eligible for EU Taxonomy, including renewable energy infrastructure • 6e. Maintain transparency on our sustainability efforts and challenges, and ensure comprehensive ESRS reporting	• 6a. Several projects to understand how to market and offer low-caron product or service initiated across the Group • 6b. Joined the European Road Federation's (ERF) sustainability network, and a dedicated sustainability network for sustainability professionals. • 6c. Entered a EPD generator framework agreement for the full Group • 6d. Awaiting FSN portfolio Taxonomy assessment • 6e. Published the first Integrated Annual Report based on CSRD and implemented a new ESRS reporting system	• 6a. Continue developing road safety products and services with lower emissions • 6b. Leverage ERF to push sustainability agenda. Explore commercial partnerships • 6c. Roll out new EPD generator to min. two BUs • 6d. Conduct EU Taxonomy assessment • 6e. Conduct second full Group and BA DMA & Value Chain Mapping (VCM) in line with ESRS. Improve ESRS data gaps. Improve internal and external communication, including strengthening Integrated Annual Report

FSN Portfolio Company since 2022

↗ seriline.com
↗ Seriline Sustainability Page

Seriline offers a one-stop-shop for physical access management solutions, incl. systems for physical credentials (primarily access cards and tokens), RFID/card readers and identity management systems – most customers have an integrated software and hardware solution.

Headquartered in Stockholm, Sweden, the company primarily operates in Sweden and Denmark but with growing sales in the Nordics and select Western European countries. The company supplies a wide range of customers spanning across society both in the private and public sector. The company employs ~60 people, with production sites in Sweden and Denmark, as well as sales offices across Sweden and Denmark. The main raw materials are electronics and PVC plastics sourced from Europe and Asia.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
SERILINE'S IMPACT ON THE WORLD	• Pollution and emissions generated by raw material extraction and production (petroleum, chlorine, chalk) • Health impact of vinyl chloride, phthalates, and other additives used and released in the PVC manufacturing/recycling process • Human rights and labor conditions across the raw materials supply chain	• GHG emissions and energy consumption from own RFID card and credential production facilities • Sales force car emissions • Logistics emissions, especially for products sourced from Asia • Logistics emissions for packages sent to customers using postal service • Data security and privacy	• **Sustainable product innovation, energy reduction, and circular design** • **Employee wellbeing and company culture** • Diversity and inclusion • Employee education and development • Supplier mgmt. focused on eco-friendly practices, health & safety, and protection of human rights • Corruption and bribery risks • **Data and information security**	• Product durability and recyclability • Energy efficient products & digital tools for building management • Climate impact of buildings • **Customer safety and privacy** • System reliability (downtime) • Transparency of materials, labelling and product safety • Contributing to compliance with data security regulations (e.g., GDPR, NIS2)
WORLD'S IMPACT ON SERILINE	• Environmental and human rights concerns related to industry hardware components historically being sourced from China	• Increased macro uncertainty leading to growing trend of more localized production closer to home markets	• Increased employee awareness of sustainability and purpose • Industry characterized by a lack of diverse candidates for technical jobs	• Increased expectations for environmentally friendly (recyclable) solutions • Customers not yet willing to pay premium for non-plastic hardware alternatives for their corporate IDs • Increased security awareness leading to growing demand for access control solutions • Increased compliance regulations (e.g., GDPR and NIS2)

THE COMMERCIAL VALUE OF ESG AT SERILINE IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. ENABLE SAFE BUILDINGS AND SYSTEMS	• 1a. Customer GDPR compliance on Serix IAM connected systems • 1b. # identities enabled annually	• 1a. 100% • 1b. 50 Million identities	• 1a. 100% • 1b. 4.1 Million identities	• 1a. 100% • 1b. 5.0 Million identities
2. MINIMIZE OUR ENVIRONMENTAL FOOTPRINT	• 2a. Reduce GHG emissions • 2b. ID cards: sell more environmentally friendly cards (e.g., from PVC to PET versions) • 2c. Card accessories: move from PVC into recycled and biodegradable materials	• 2a. Net-Zero 2050 (42% reduction in scope 1 and 2 on 2023 baseline by 2030) • 2b. 100% ecofriendly hardware • 2c. 100% ecofriendly hardware	• 2a. Scope 1, 2, and 3 quantified for the Seriline Group (including Seriline AB, Areff Systems AB and ID Company) • 2b. 512k PET cards • 2c. 0.7 ton, 87k pieces	• 2a. Reduction in scope 1 and 2 combined of 7% for the Group. Apply for SBTi for scope 1 and 2 • 2b. 600k PET cards sold • 2c. Convert 1 ton of PVC hardware into biodegradable materials (120k pcs)
3. PEOPLE EMPOWERMENT	• 3a. Employee Net Promoter score (eNPS) • 3b. Gender balance in the organization	• 3a. Be the employer of choice within our industry, continuously maintaining eNPS >50 • 3b. 50/50 gender balance	• 3a. eNPS of 29 • 3b. 16%	• 3a. eNPS >50 • 3b. 20% in the Group
4. TRUSTED & ETHICAL BUSINESS PARTNER	• 4a. Strenghten supply chain risk management process • 4b. Code of Conduct (CoC) training for our employees	• 4a. 100% of our suppliers abiding by our CoC policies • 4b. 100% of our staff completed annual CoC training	• 4a. Group purchasing forum established • 4b. Newly acquired ID Company staff signed CoC	• 4a. Strengthen supply chain management – risk assessment and screening/heatmap • 4b: 100% of our staff signed CoC

Solcellespesialisten

FSN Portfolio Company since 2023

↗ solcellespesialisten.no
↗ Solcellespesialisten Sustainability Page

Solcellespesialisten is a leading Norwegian solar EPC (Engineering, Procurement, and Construction) player, active in the residential, commercial, and utility-scale segments. Established in 2005, the Company has experienced rapid growth in recent years and gone from being a minor EPC with 3 employees in 2016 to becoming a key player in Norway. Headquartered in Fredrikstad, Norway, Solcellespesialisten today employs ~250 people across all offices in Norway. The majority of solar panels and other key components are sourced from leading suppliers in China, EU and Norway. Going forward Solcellespesialisten seeks to leverage its differentiated competitive positioning to cement its leadership in the Norwegian market.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
SOLCELLESPECIALISTEN'S IMPACT ON THE WORLD	• Risk of unsustainable extraction of raw materials used as input factors in production of solar panels • Human rights risks in sourcing of raw materials in upstream panel supply chain	• **Energy, chemical, & water-intensive production process of solar panels** • **Human rights risks in production process of solar panels**	• GHG emissions from transportation to installation sites • Packaging waste from installation sites • **Health and safety hazards at installation sites** • Diversity and inclusion	• **Increased access to renewable energy generation technology** • Avoided emissions
WORLD'S IMPACT ON SOLCELLESPECIALISTEN	• Pressure from stakeholders to ensure sustainable extraction processes in sourcing of raw materials • Pressure from stakeholders to ensure human rights are upheld in sourcing of raw materials	• Pressure from stakeholders to ensure GHG emissions and pollution are minimized in production of solar panels • Pressure from stakeholders to ensure human rights are upheld in production of solar panels (Norwegian Transparency Act) • Structural dependency on Chinese production of solar panels	• Demand for strong HSE practices and compliance with regulations (Working Environment Act)	• Demand for low-carbon solutions to reduce GHG emissions and achieve better sustainability ratings in line with upcoming building regulations

THE COMMERCIAL VALUE OF ESG AT SOLCELLESPESIALISTEN IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. LEADING THE INDUSTRY IN ESG AND SUPPLY CHAIN MANAGEMENT	• 1a. Share of suppliers signed SCoC • 1b. Share of solar modules ordered with 3rd party verified supply chain • 1c. Zero tolerance for human rights violations: % of key suppliers have undergone comprehensive DD and visits • 1d. Certifications and ratings • 1e. Public reports	• 1a. 100% of suppliers signed SCoC • 1b. 100% • 1c. 100% of top 90% purchase • 1d. Uphold ESG certification • 1e. Best in class ESG reporting	• 1a. Currently 0%. Strong supplier audit procedures in place with qualitative comparison versus suppliers' own CoC and SCoC • 1b. 90% of C&I orders with 3rd party verification mapping supply chain from raw material to finished project - we have selectively focused on safer supply chains in Sichuan and Yunnan, also undergone visits in 2023 • 1c. 80% suppliers (in volume) undergone comprehensive DD process in 2023 or 2024 with research, supplier visits and third party verifications • 1d. Eco-lighthouse certified • 1e. First ESG report, second Transparency Act report published	• 1a. 100% of key suppliers to sign SCoC • 1b. Verified supply chain: 90% of C&I orders and 30% of residential orders • 1c. 90% of key suppliers undergone DD, any new Chinese suppliers undergo comprehensive DD • 1d. Re-certify Eco-Lighthouse • 1e. Publish third Transparency Act report
2. GREAT GOVERNANCE AND HIGHEST ETHICAL STANDARDS	• 2a. No. of H1 or H2 accidents • 2b. Share of employees signed and trained in CoC • 2c. No. of breaches of the CoC • 2d. eNPS (employer Net Promotion Score)	• 2a. 0 H1 or H2 • 2b. 100% of employees signed and trained in CoC • 2c. 0 breaches of the CoC • 2d. Stable +50-80	• 2a. 4xH1, 5xH2 accidents. Stronger HSE routines and follow up implemented, with HSE being top focus in Q3/Q4, strengthening the delivery substantially • 2b. 50% of employees trained, cut short due to restructuring • 2c. 1 breach of the CoC, corrective actions implemented • 2d. Reduced from +17 to -27 due to organizational changes and restructuring process in response to substantial market contraction	• 2a. 0 H1 or H2 achieved through better on-site control, training of PMS (Project Management Staff), bas (foremen) and installers, and improved routines and practical solutions • 2b. 100% signed and trained in CoC during extensive training of employees in Q1 • 2c. 0 breach of CoC achieved through training • 2d. +20 eNPS, achieved through employee training and teambuilding in Q1 and Q2
3. DRIVING CLIMATE SUSTAINABILITY	• 3a. Save the climate with installation of MWp of solar energy • 3b. Reported and reduced total emissions (incl. scope 3) • 3c. Circularity - recycling rate	• 3a. 600MWp/yr • 3b. Net-Zero by 2030 • 3c. 100%	• 3a. 70MWp • 3b. Full scope 1-3 reporting. • 3c. Reduction from 85% to 64% recycling rate due to practical challenges - being addressed in Q1 2025	• 3a. Install 80MWp/yr • 3b. Full scope 1-3 reporting. Set reduction targets. • 3c. 80% circularity achieved through better solutions and training

FSN Portfolio Company since 2021

↗ megabad.com

Swash Group is a leading eCommerce retailer of bathroom sanitary products in Europe, dedicated to uphold strong Environmental, Social, and Governance (ESG) principles. With one of the largest and most diverse portfolio offering of brands and products, Swash Group aims to offer a large selection of products at an affordable price and thereby create a positive impact for its customers and stakeholders.

Since the end of 2023, Swash Group has encompassed both MEGABAD, a leading online retailer of bathroom products in the DACH region, and Groupe Le Monde du Bain, a French-based provider of comprehensive bathroom design with business operations in five European countries.

Swash Group sources the majority of its products from third-party OEMs based in the EU. Its private- label products are produced in the EU, Turkey, and to a small extent China, with fully outsourced production. The primary customer group is B2C, and goods are delivered to customers through third-party distributors.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
SWASH GROUP'S IMPACT ON THE WORLD	• **Climate impact from production (energy use, fuel type)** • Industrial chemical handling, storage, and treatment • **Emissions of particulate matter in the production** • **Environmental impact of transporting products and materials** • Biodiversity impact from the extraction of raw materials and production • Labor and human rights • Workers' health and safety • Material certificates and supplier management • **Supply chain transparency**	• **Climate impact of transport, logistics, and warehouse** • Waste management • Sustainable packaging • Labor and human rights • Workers' health and safety • Diversity and inclusion • Business ethics	• Sustainable and circular design • Working conditions and culture • Diversity and inclusion • Local community engagement and job creation • Anti-corruption and integrity • Anti-competitive behavior reporting • Whistleblowing mechanisms	• Product longevity • Product take-back, recycling, and reuse • Climate impact of shipping and delivery • Customer welfare • Product quality and safety • Product labelling and certification • Selling practices • Contract conditions for customers
WORLD'S IMPACT ON SWASH GROUP	• Scrutiny of human rights and labor conditions in the full supply chain	• Scrutiny of environmental impact of production, transportation, and end-of-life treatment of products	• Evolving ESG-related regulations with regards to sustainability claims of consumer-facing businesses	• Demand for low-impact products produced and transported in environmentally sound ways, considering water, waste, and associated emissions • Demand for products made in socially sustainable ways, with full supply chain transparency

THE COMMERCIAL VALUE OF ESG AT SWASH GROUP IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. SUSTAINABLE PRODUCTS AND PACKAGING	• 1a. Focus on spare parts	• 1a. Become the top provider of spare parts in the sanitary industry with an exclusive service offering, promoting conscious consumerism	• 1a. Optimized landing pages with updated product photos, harmonized filters, and catalogues. Encouraged self-repair by linking products to stories about increasing longevity	• 1a. Spare parts directly linked on product pages to facilitate access
2. ENVIRONMENTAL FOOTPRINT REDUCTION	• 2a. Reduce GHG emissions	• 2a. Become Net-Zero by 2050	• 2a. Data collection for GHG baseline completed	• 2a. Continue emissions tracking and reduction
3. EMPLOYEE SATISFACTION	• 3a. Increase eNPS	• 3a. Regarded 1st choice as employer in region	• 3a. Remodeled the employee satisfaction tool to have a more precisive picture of the general mood in the departments and the company	• 3a. Improving the participation rate (esp. in the logistics) and improving eNPS
4. ETHICAL SUPPLY CHAIN	• 4a. Private label brands: Proven supply chain transparency including onsite supplier verification	• 4a. Private label brands: 100% supply chain transparency	• 4a. 80% of suppliers have signed the SCoC. The first on-site supplier visits have taken place	• 4a. Increase number of suppliers signing the SCoC
5. ETHICAL BUSINESS CONDUCT	• 5a. Achieving 100% of commitment in ESG	• 5a. Being ESG compliant	• 5a. Reworked the requirements for a new e-learning tool. Achieved around 55% of employees to complete e-learning training in Whistleblowing, CoC and safety briefing	• 5a. Continue to increase % of employees completing e-learning training in Whistleblowing, CoC and safety briefing

TASKING

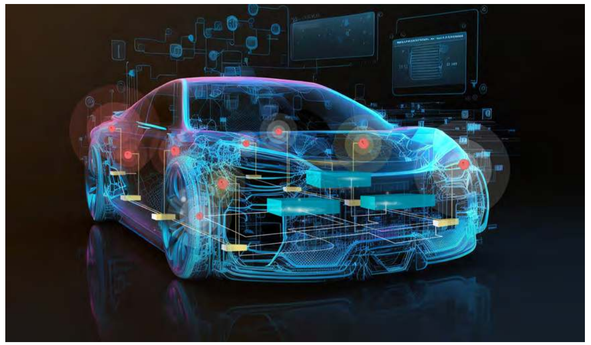
FSN Portfolio Company since 2021

tasking.com

TASKING is a leading provider of software tools used by software developers for safety-relevant applications in the automotive, industrial, and aerospace/defence spaces. TASKING tools include compilers, debuggers and code analysis, among others, and are used for the development of safety-relevant applications such as breaking systems, airbags, or sensors in assisted driving systems. Software developers in the automotive space use TASKING tools to compile, debug and analyze their software code.

Demand for TASKING products is driven by trends such as the software defined vehicles, assisted driving systems, autonomous driving and the electrification of the car.

TASKING is a global business with its headquarter in Munich and employs approximately 319 FTEs around the globe.



MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
TASKING'S IMPACT ON THE WORLD	• GHG emissions and energy use from purchased hardware • Local emissions from mineral extraction (hardware) • E-waste and hazardous waste • Labor and human rights in hardware and raw material sourcing • Workers' health and safety • Socioeconomic impact of corruption and bribery in the supply chain	• **GHG emissions from own operations** • Energy consumption • Water use own operations • Sound pollution from data centers • **Employee training and development** • **Labor conditions and human rights for employees** • **Work-life balance** • **Diversity and inclusion** • **Cyber security**	• Energy use in offices • **Employee commuting and business travel** • **Employee benefits and working conditions** • **Diversity and inclusion** • Corruption and bribery risks • Tax policies and payments • Anti-competitive behavior	• Energy use after sales • **Streamlining of resource consumption of customers products** • **Climate impact of services in use** • **Road safety** • **Customer data privacy** • **Product safety** • **System reliability (lagging, down time)** • Contract conditions • **Cybersecurity**
WORLD'S IMPACT ON TASKING	• Geopolitical instability, and bribery and corruption risks in high-risk jurisdictions	• Requires highly specialized technical workforce • Heightened cyberattack risks globally, putting pressure on product security and system reliability	• Increased customer awareness of sustainability and ethical aspects in marketing and purchasing decisions • Increased employee awareness of sustainability and purpose	• Demand for products that enable road safety • Demand for products that enable reduction in GHG emissions when in use

THE COMMERCIAL VALUE OF ESG AT TASKING IS BEING DRIVEN BY

EFFICIENCIES

ESG-focused investments, such as diversity hiring and retention programs, resource efficiency enhancements, or transitions to clean energy are yielding long-term cost savings and operational benefits.

FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. CLIMATE	• 1a. Reduce GHG emissions	• 1a Net-Zero for company's GHG emissions and quantify life-cycle GHG emission reductions from TASKING's activities	• 1a. Promoting sustainability locally in the offices and raising awareness about small actions that are possible (separating waste, reducing waste generation, reducing electricity consumption, arranging car pools for buisness trips or team events. Extending the reporting for scope 3 for missing categories: categories 1,4,7	• 1a. Set science-based targets, make a GHG emission reduction plan for TASKING's activities and enroll the measures
2. DIVERSITY & INCLUSIONS	• 2a. Increase gender minorities share across levels, promote th DE&I in a frame of Employer Brand activities • 2b. Foster intercultural exchange and increase cultural diversity through cross-regional cooperation and staff rotation	• 2a. Increase share of gender minorities across levels, surpassing the IT industry benchmark of approximately 25-30% and 20-25% of leadership roles • 2b. Empower cultural diversity on a global level, strive for 20-25% employees with intercultural background	• 2a. Working with Marketing team on Rebranding project as part of Employer Branding project. Started social activity on LinkedIn from HR site, promoting TASKING as an employer open for all gender and cultural groups. FY 2024 21% of female & diverse • 2b. Organized global meetings to support intercultural awareness: Global Sales Meeting, Hackaton, Global Application Engineering Meeting, Support Team Workshop, Marketing wokshop and Finance Team Meeting. Diversity index 2024: 10.5%	• 2a. Develop a clear social media strategy that aligns with TASKING's values of diversity, equity, and inclusion. Partner with two organizations or initiatives that promote workplace inclusivity for underrepresented groups. Introduce TASKING ratings on employer platforms (i.e. Glassdoor, Indeed, Kununu) • 2b. Organizing regular global meetings within larger departments to foster intercultural exchange and enhance team spirit
3. EMPLOYEE HAPPINESS	• 3a. Increase eNPS score • 3b. Development of our team • 3c. ESG leadership	• 3a. Increase eNPS score to 20+ and 100% employee participation in employee surveys • 3b. Performance reviews and development trainings offered across levels and departments globally • 3c. ESG considered in all business decisions	• 3a. eNPS at 31, participation rate in employee surveys at 75% (Q1 68%, Q2 77%,Q3 83%, Q4 71%) • 3b. Ensured regular talent management review with employees, including quarterly HR alignment with managers on the team dynamics • 3c. ESG topics enrolled as part of HR strategy (Social and Governance)	• 3a. Keep the high level of the eNPS (min. 28) and increase the participation rate to min. 80-85% • 3b. Continue working on concept of talent management at TASKING, incl. performance reviews, quarterly alignment etc. • 3c. Focus on enrolling Environmental part of ESG (derived from GHG emission plan) as part of HR strategy in 2025 and communicate transparently the goal via common HR tool
4. ETHICAL BUSINESS CONDUCT	• 4a. Products for safety relevant applications • 4b. ESG policies & control • 4c. Training for all employees covering topics such as ABC, Code of Conduct, Whistleblowing • 4d. Data security and privacy training • 4e. Resellers, partners, and customer compliance process documentation	• 4a. Continuously push the bar for safety products • 4b. ESG and whistleblower policies regularly updated to follow best practice • 4c. All employees complete regular ESG trainings • 4d. All employees complete data security and privacy training with an assessment/exam at the end • 4e. Best in class procedures in compliance	• 4a. Maintaining high level of safety and quality of our products in receiving TÜV Certificate for TriCore, SmartCode and QCLib and some additional external safety certificates • 4b. Rolled-out the global solution for e-whistlblower channel (Q1); keeping policies up to date • 4c. Adjusted Code of Conduct training with ESG topics • 4d. Regular Data privacy and Data Security trainings are completed on a global level with 100% employee participation; introduced global Cyber Security training • 4e. Moved to 2025 due to lack of resources	• 4a. Keep on retaining the certificates we have achieved, following the safety procedures and requirements, analyzing the gaps regularly • 4b. Review ESG and whistleblower policies regularly to follow best practice • 4c. Introduce Code of Conduct+ESG training as part of HR onboarding process, keep organizing regular annual global trainings (short version). First global training to be completed in Q1 2025 • 4d. Keep organizing regular Data privacy and Data Security meetings on a global level and ensure 100% employees complete the training • 4e. Review options on risk screening of supplier, as well as for e-whistleblower channel for our customers

VIACON

FSN Portfolio Company since 2018 (first as part of Saferoad Group)

↗ viacongroup.com
↗ Read Viacon's Annual Report with Sustainability Report

ViaCon provides mission critical sustainable infrastructure products and solutions to customers across Europe, the Middle East and North Africa. The company is organized in three business units (BUs): BU 1) Bridges & culverts – consists of the design, engineering, manufacturing and installation of corrugated steel structures and culverts solutions; BU 2) Geotechnical – solutions used in a range of applications from soil reinforcement in infrastructure projects to solutions for groundwater protection in landfills; and BU 3) Stormwater – consists of the design, engineering, manufacturing, and installation of water management systems, e.g., to manage flood water.

ViaCon employs ~700 people across 18 countries, with its main production plants being in Poland, Lithuania, France, UK and Turkey. Main raw materials are steel coils and plastics. Most geotechnical products are procured by suppliers. ViaCon often acts as a sub-supplier to construction companies that participate in larger public tenders for road and tunnel construction. Stormwater solutions are sold to B2B customers.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Topics of greater importance in **bold**

- Environmental
- Social
- Governance

	RAW MATERIAL SUPPLY	PRODUCTION	MANAGEMENT & MARKETING	CUSTOMERS & END-USERS
VIACON'S IMPACT ON THE WORLD	• **Energy consumption in raw material (steel, plastic) production** • Greener produced raw materials (steel) • Water use in supply chain • Biodiversity impact of raw material sourcing (steel, plastic) • Labor and human rights in the supply chain • Workers' health and safety in the supply chain • Supply chain transparency • Business ethics in procurement practices	• **Energy use at production sites** • Hazardous waste at production sites • Water consumption at production sites • Emissions from in- and outbound logistics • Labor and human rights • Workers' health and safety • Anti-corruption and bribery	• **Energy consumption in sales offices** • Commute and business travel • Office waste (food from cafeteria, stationary and paper) • Employee education and development • Diversity and anti-discrimination • Anti-corruption and bribery • Anti-competitive behavior	• **Product longevity and maintenance** • GHG emissions from product installation • **End-of-life: machine reuse, repair, recycling** • Product and packaging waste occurring when installing • **Products' interaction in nature** • **Partner and customer integrity** • B2B contract condition
WORLD'S IMPACT ON VIACON	• Scrutiny of environmental impact of raw material sourcing, transportation, and production	• Corruption and bribery risks in some higher-risk markets • Human and labor rights concerns associated with higher-risk markets	• CSRD reporting directive procedure and materiality assessments • Direct supplier risk assessments	• Demand for climate change mitigation solutions, e.g., products and services with lower CO2 emissions than alternatives • Demand for climate change adaptation solutions, e.g., solutions that mitigate flooding, ensure safe water, and reduce cross contamination of water/wastewater

THE COMMERCIAL VALUE OF ESG AT VIACON IS BEING DRIVEN BY

CUSTOMERS

Customers increasingly demand enhanced ESG performance from their suppliers, many with a growing willingness to pay a premium for products and services aligned with standards of ESG excellence.

EFFICIENCIES

ESG-focused investments, such as diversity hiring and retention programs, resource efficiency enhancements, or transitions to clean energy are yielding long-term cost savings and operational benefits.

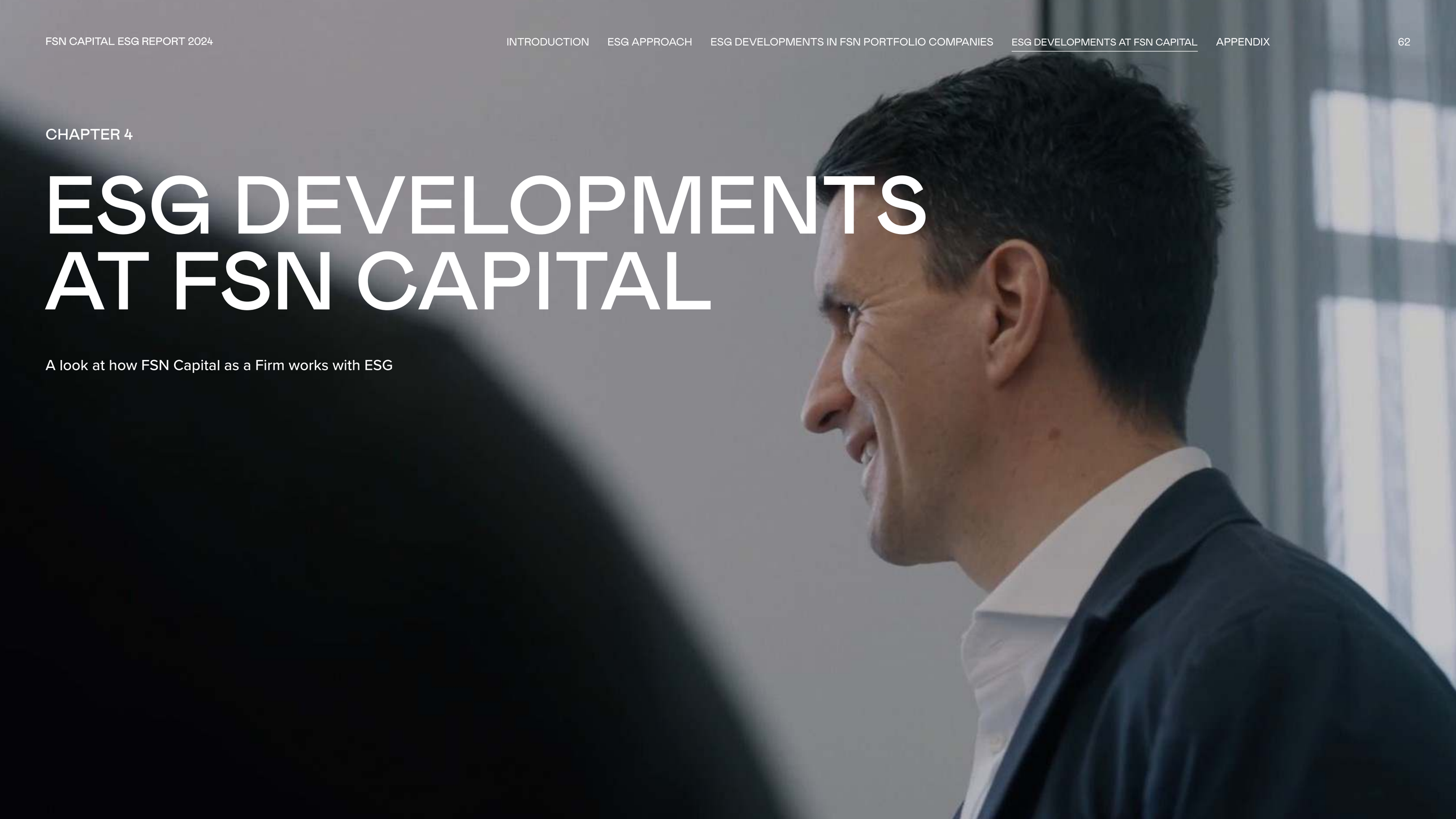
FOCUS AREA	KPIS	LONG TERM TARGET	PERFORMANCE 2024	ANNUAL TARGET 2025
1. IMPROVE CLIMATE RESILIENCE OF THE SOCIETY	• 1a. Lifecycle analysis (LCA) calculation tool for each business unit (BU) • 1b. Environmental product declarations (EPDs) • 1c. ISO certifications • 1d. Emissions free solutions • 1e. Commercial excellence training	• 1a. LCA calculation tool for key solutions in each BU • 1b. EPDs for all product categories • 1c. ISO certifications for all production units • 1d. Launch the first "hydrogen-based" soil steel bridge and water tank by 2028[1] • 1e. 100% of ViaCon's sales personnel can articulate ESG benefits of ViaCon solutions	• 1a. Improved LCA tool, expanded number of units covered in BU1, and incorporated EPDs for BU3 • 1b. Added 3 EPDs to the group • 1c. ISO9001 UK management system created & ISO37001 implemented for group – external audits to be done 2026 • 1d. No customer adoption in X-Carb or Green steel in 2024. Alternative supplier option being used for 25% tCO2e reduction in selected viable projects • 1e. Identified the need to provide our sales personnel with sufficient training on ESG and the advantages of ViaCon solutions. Training to be offered in 3 modules: 1)ESG overview, 2) ESG legislation and effects, 3) Business unit specific training	• 1a. Improve LCA calculator in all 3 business units. All 3 business units to have LCA tools in 2025 • 1b. Update and align 24 product EPD certificates with new product naming • 1c. ISO9001 to be externally certified in UK 2025 • 1d. Integrate reduced carbon footprint offerings into ViaCon-produced solutions. Classify solutions according to their environmental profile to allow smart environmental customer choices. Conduct one smart watertank pilot in BU3, providing customers with operational efficiency savings optimizing water usage • 1e. 100% of sales personell to complete business unit specific ESG training by end 2025
2. BECOME NET ZERO	• 2a. Reduce GHG emissions • 2b. EU taxonomy eligibility and alignment • 2c. Energy efficiency in plastic pipe production	• 2a. Become Net-Zero by 2050 • 2b. Be ahead of the industrial manufacturing average in relation to eligibility and alignment • 2c. Improve ViaCon energy usage by 7% 2027	• 2a. SBTi target validation completed and approved April 2024. Achieving CO2e emission reduction of 3955[2] tCO2e in line with ViaCon's decarbonization plan • 2b. EU Taxonomy: 62% eligible and 46% aligned activities. ViaCon have completed a CSRD pilot with Celsia and FSN for readiness, audited successfully by EY • 2c. Upgraded plastic pipe extruders in Romania, Poland & Lithuania to more energy efficient extruders	• 2a. Track and compare scope 3 emissions bi-annually, and report progress towards SBTi targets • 2b. Increase EU Taxonomy eligibility and alignment in BU2, through LCA tools for plastic pipes. Explore alignment and eligibility in the other BU2 products that we install • 2c. Achieve 5% reduction in energy usage across the group
3. MATERIAL UTILIZATION AND RECYCLING IN PRODUCTION	• 3a. Operational production waste	• 3a. Operational production efficiency waste ≤4.2% of production volumes by 2027	• 3a. Operational production efficiency waste 4.2% in 2024	• 3a. Group operational production waste to be =<4.3% of production volume
4. BE THIS INDUSTRY'S PREFERRED EMPLOYER	• 4a. eNPS • 4b. Engagement index (EI) • 4c. Lost days per 1000 employees • 4d. Employee voluntary turnover rate • 4e. Share female employees • 4f. Share female C-Suite employees	• 4a. eNPS of +15 in 2027 • 4b. EI ≥7.6 in 2027 • 4c. Lost Days at ≤400 in 2027 • 4d. Employee voluntary turnover rate of ≤5% in 2027 • 4e. 24.5% female employee by 2027 (world average) • 4f. Female C-Suite share to be 25% by 2027	• 4a. eNPS -6, below target • 4b. Engagement index at 7.5 and on target • 4c. Lost Days at 352 in 2024 • 4d. Employee voluntary turnover rate of 3.75% in 2024, on target • 4e. Female employee share of 18% • 4f. Female C-Suite 14.3% 2024	• 4a. eNPS +6 • 4b. Engagement index at or above 7.5 • 4c. Lost Days at <400 in 2025 • 4d. Maintain employee voluntary turnover rate of ≤6% in 2025 • 4e. New hire female share of >20% • 4f. C-Suite female employee share 14.3% after restructuring
5. ENSURE BUSINESS ETHICS	• 5a. Business ethics/ Code of Conduct (CoC) trainings • 5b. Suppliers and distributors signing CoC • 5c. Supply chain management	• 5a. 95% of all employees to complete Business ethics training • 5b. 90% of suppliers and distributors to sign CoC by 2027 • 5c. Best in class supply chain management	• 5a. 97% of employees completed eLearning in 2024 • 5b. Maintained 90% of suppliers and distributors to sign CoC • 5c. 4 systems identified for CSDDD (supply chain due diligence) – not fully implemented by EU	• 5a. 95% of employees complete eLearning annually • 5b. Maintain 90% of suppliers and distributors to sign CoC including supplier changes • 5c. Increase number of direct material suppliers that we carry out risk evaluations of from 90% to 95%.

1. Pending Green steel initiative
2. Pending final update

CHAPTER 4

ESG DEVELOPMENTS AT FSN CAPITAL

A look at how FSN Capital as a Firm works with ESG



DRIVING INDUSTRY CHANGE

Engaging with industry initiatives enables us to stay at the forefront of ESG best practices. By collaborating with global organizations, we contribute to the development of standards, share insights, and enhance transparency across our investments.

PRINCIPLES FOR RESPONSIBLE INVESTMENT

As an early signatory to the UN Principles for Responsible Investments (PRI), alignment with the six PRI principles is a natural part of FSN Capital's Investment Technology and the foundation for our Responsible Investment Policy *(see p. 72)*.

In 2023, we achieved a PRI of score of 100/100 across all applicable categories. See our website for details on how we work to meet our PRI commitments.

Signatory of:

PRI Principles for Responsible Investment *Signatory since 2012*

EXTERNAL ENGAGEMENT

PRI encourages promotion of responsible investing practices and industry cooperation. We actively engage in and apply a broad range of industry initiatives. This enables us to participate in developing and raising the bar on ESG best practices. Further, we seek to support the industry initiatives on standardization of investor ESG questionnaires, and we align and make available reports in line with Invest Europe, EDCI, and PMDR.

HISTORICAL PRI SCORECARD

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Strategy & Governance	C(B)	B(B)	B(B)	B(A)	A(A)	A(A)	A+(A)	94/100[1]	79/100[3]	100/100
Private Equity	B(B)	A(B)	A(B)	A+(B)	A+(B)	A+(B)	A(A2)[2]	99/100	100/100	100/100
Confidence Building Measures										100/100[4]

1. In 2021 PRI used another methodology referring to Investment & Stewardship Policy rather than Strategy & Governance
2. Due to a reporting error on the existence of our responsible investment policy we were awarded an A rather than an A+ in 2020
3. In 2022 we included our listed equities held as part of our exit process in our PRI reporting, resulting in a lower score due to a lack of a standardized approach for handling those listed equities.
4. First year reporting category became relevant to FSN Capital.

INITIATIVE CLIMAT INTERNATIONAL (ICI)

Member since 2021

FSN is an active participant in both the Net Zero and Regulatory Working Groups

SCIENCE BASED TARGETS INITIATIVE (SBTI)

Signatories since 2021

FSN was among the first six private equity firms globally with validated science-based targets

NET ZERO ASSET MANAGERS INITIATIVE & RACE TO NET ZERO

Member since 2021

FSN is committed to reaching Net Zero by 2050 through our NZAM and RaceToZero memberships

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Incorporated approach since 2019

See p. 71 for our 2024 TCFD Report

LEVEL20

Member since 2018

FSN is an active contributor to Level20, an organization promoting diversity within the PE industry. Our Principal Adeline Jennische has served as Co-Chair of Level20 Denmark.

PRIVATE MARKETS DECARBONISATION ROADMAP (PMDR)

Supporter since 2023

FSN uses the PMDR to report on decarbonization progress, *see p. 70*

INVEST EUROPE*

Supporter since 2003

FSN is a member of Invest Europe's ESG Working Group and aligns sustainability reporting to Limited Partners (LP) with their standards

ESG DATA CONVERGENCE INITIATIVE

Signatory since 2023

FSN aligns sustainability reporting to Limited Partners with EDCI's standards

UNITED NATIONS GLOBAL COMPACT

Signatory since 2021

FSN reports annually our Communication on Progress

* Previously EVCA

ESG EXCELLENCE

In 2024, FSN Capital continued to champion the role of ESG in value creation. We are also honored to have once again received international recognition and awards for our ESG leadership.

SuperReturn CFO/COO

ESG Manager Mia Sørli Wikborg was a speaker at SuperReturn CFO/COO in Amsterdam

Investment Manager Kristina Wiren participated in a panel discussion at the FEA Summit in Frankfurt

Senior FEF Director Pål Dale participated in a panel discussion at Arendalsuka on the Green Transition

Founder and Chairperson Frode Strand-Nielsen participated in a panel debate for Level20

Investment Director and Green Transition sector co-lead Eirik Wabø presented at Real Deals Forum

ESG AAA A WINNER

Diversity Initiative of the Year: Management Company

Won A rating for Diversity Initiative of the Year at ESG AAA Global Awards

Decarbonization Director Frederik Juhl Dagø presented at PEI's Responsible Investment Forum: Europe 2024

Head of ESG Rebecca Svensøy and Decarbonization Director Frederik Juhl Dagø spoke at Real Deals' ESG Conference 2024

ESG/24 RealDeals DRAWDOWN

ESG Manager Mia Sørli Wikborg and Decarbonization Director Frederik Juhl Dagø presented at FSN's Annual General Meeting

Principal Adeline Jennische spoke at the Women's Private Equity Summit Europe

Partner and COO Morten Welo joined a panel discussion at RFK Compass Summer Investors Conference

Nominated for PE House of the Year – Mid Cap at Real Deals ESG Awards 2024

Nominated for Responsible Investor of the Year at Reuters Sustainability Awards 2024

Classified as "Leading Company" at EUPD's ESG Transparency Award 2024

DECARBONIZATION

Through targeted decarbonization initiatives, we achieved our science-based target to reduce scope 1+2 emissions by 60% two years earlier than the target year. Going forward, we will continue to implement decarbonization initiatives related to scope 3 emissions.

FSN CAPITAL'S SCIENCE-BASED TARGETS

FSN Capital participated in developing the guidelines for the private equity industry on how to set science-based targets in 2021. As part of this work, we were among the first six private equity firms worldwide to have our science-based targets validated. FSN has committed to reduce scope 1 and 2 emissions by 60% and reduce scope 3 emissions (business travel and waste) by 29% by 2026, from a 2019 baseline. We are also committed to reaching Net Zero through the Net Zero Asset Managers (NZAM) Initiative.

To meet our ambitious emissions targets we have developed a detailed decarbonization plan outlining how to reduce our corporate emissions. During 2024 we also continued our involvement with the SBTi by participating in the consultation for the upcoming Financial Institutions Net-Zero standard.

FSN CAPITAL'S DECARBONIZATION ROADMAP

Five years after setting our ambitious target, we recognize that we still have a way to go to meet our goals. While we achieved our target for scope 1 and 2 emissions in 2024, a rise in scope 3 emissions due to increased travelling has led to an overall increase in total emissions.

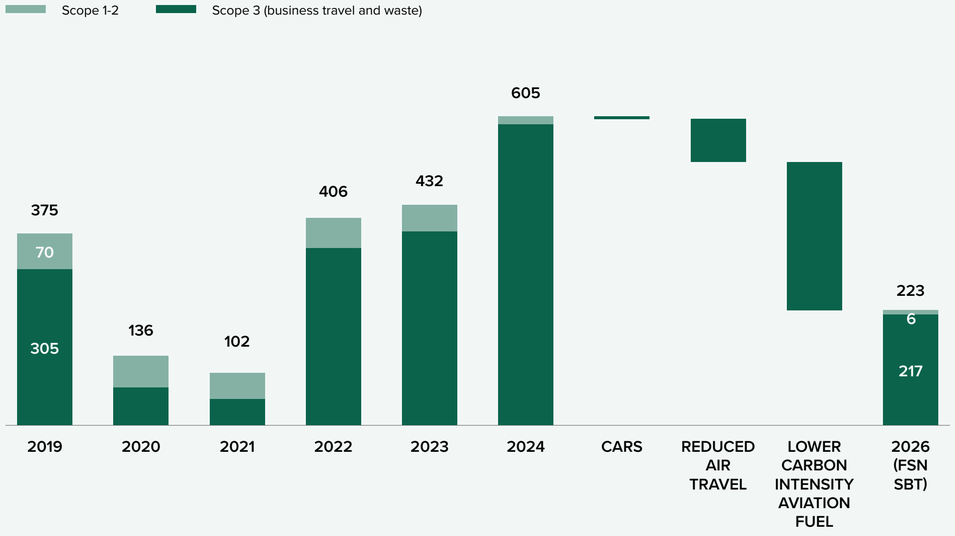
Applying the same Decarbonization approach we use with our portfolio companies, we identified key initiatives, calculated their expected abatement potential and costs, and prioritized those with the greatest impact. This analysis is available in FSN's decarbonization roadmap, shown on the right.

Key initiatives includes purchasing renewable electricity for our offices through Guarantee of Origin certificates ("GOs") and seeking to reduce air travel. This entails smarter use of online conferencing, replacing some short-haul flights with trains, and, eventually, using air travel that offers lower-carbon aviation fuels. These fuels are designed to meet strict requirements around feedstock use to help reduce emissions intensity when flying is necessary for business purposes.

FSN'S SCIENCE-BASED TARGETS

SCIENCE-BASED TARGETS	STATUS 2024	COMMENT
Reduce absolute direct emissions (scope 1 and 2) by 60% by 2026, from a 2019 baseline	-89% from 2019 baseline	Achieved our scope 1+2 target in 2024 by purchasing Guarantee of Origin certificates
Reduce absolute emissions from business travel and waste (scope 3) by 29% by 2026, from a 2019 baseline	+96% from 2019 baseline	Not on track: we seek to reduce air travel

FSN'S DECARBONIZATION ROADMAP



WINNING TOGETHER

At FSN Capital, we believe the best team wins. In 2024, we continued to invest in the development of the FSN team by implementing several Winning Together initiatives.

In 2023 we conducted a firmwide initiative to create a diversity and inclusion (DE&I) strategy that reflects our values and cultural DNA. The initiative – "Winning Together" – involved the full FSN Capital team, who researched, collaborated, and developed recommendations for the firm.

The initiative resulted in a vision and definition that are purpose-built for our firm, with buy-in from across the organization.

OUR DE&I VISION

We want a workplace where the unique perspectives and qualities of our employees drive better collective decisions in generating outstanding returns for our investors.

OUR DE&I DEFINITION

We believe in diversity of thought as the foundation for understanding risks and identifying opportunities others don't. We are committed to embrace differences in genders, ethnicities and educational backgrounds.

We believe in a one-team meritocracy and mutual generosity where everyone has equal opportunities for success and career advancement. We are committed to understanding our biases and listening to every voice.

We believe in a creating a sense of belonging and respecting the individual. We are committed to inclusive leadership and transparency on expectations to our employees.

INITIATIVES IN 2024

Key initiatives implemented in 2024 include:

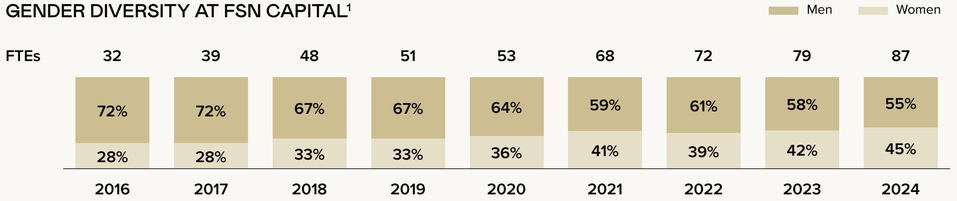
- Redesigning the promotion and review process to enhance transparency into promotion criteria and improve communication to employees
- Launching TeamKit, a tool for fostering high-performance teams and enabling collaboration
- Updated our generous parental leave and family support policy, clarifying processes and expectations

As we enter 2025, we will continue to implement the recommendations made in the Winning Together initiative.

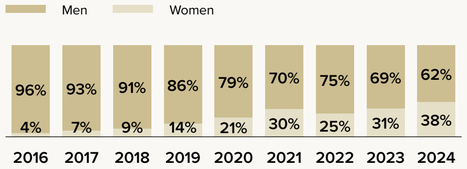
Learn about FSN Capital's Winning Together initiative on our website

PEOPLE PERFORMANCE AT FSN CAPITAL

GENDER DIVERSITY AT FSN CAPITAL[1]

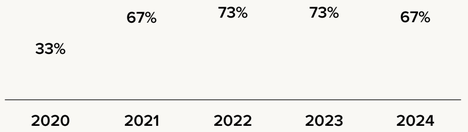


GENDER DIVERSITY IN INVESTMENT TEAM

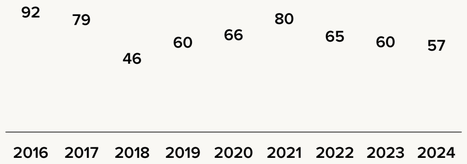


NEW HIRES THAT ARE DIVERSE[2]

TARGET: 66%

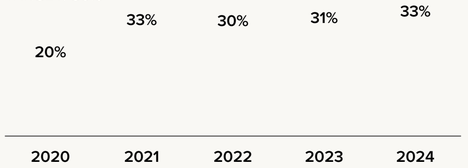


ENPs AT FSN CAPITAL



FEMALE EXECUTIVE ADVISORS

TARGET: 50%



1. Numbers are as of 31.12 each calendar year, interns not included
2. In terms of gender, ethnicity or educational/professional background compared to the team you are hired into (i.e. a male is considered diverse if hired into a female-dominated team) – no double counting

GOVERNANCE

Governance is a key pillar in our active ownership approach. Internally at FSN, we focus on clear roles and responsibilities, transparency, and ethical business conduct.

ROLES AND RESPONSIBILITIES

Rebecca Christine Svensøy, General Counsel & Head of ESG, leads FSN Capital's dedicated ESG team. The team comprises five professionals with backgrounds in law, business, decarbonization, sustainability consulting, management consulting, and impact investing.

Senior ESG Advisor Jeanette Fangel Løgstrup works closely with the team and chairs the FSN Capital ESG Advisory Board, which includes Frode Stand-Nielsen (Founder and Chairperson) and Knut N. Kjær (Senior Advisor and former Chairperson).

The FSN Capital ESG team is part of both the value creation team (FEF) working with portfolio companies, and the internal FSN business support team. Internally at FSN, the ESG team oversees FSN Capital's decarbonization strategy, ESG stakeholder engagement, ESG reporting, and ensures that the Firm operates in alignment with its core values and high ethical business standards.

TRANSPARENCY

Transparency drives accountability and trust. This is our 12th annual ESG report, and all previous reports — along with our Norwegian Transparency Act report — are available on our website. Because several FSN Capital Funds are classified as Article 8 under the EU's Sustainable Finance Disclosure Regulation (SFDR), the required disclosures are also available on our investor portal.

See more information about our Values on our website

Over the years, we have witnessed a growing emphasis on ESG considerations from our investors, who share our view that ESG should be naturally considered in risk management and value creation. The FSN Capital ESG team engages in regular one-on-one meetings with investors to discuss ESG-related matters and responds to investor questionnaires.

ETHICAL BUSINESS CONDUCT

At FSN Capital, our Ethos, Values and Code of Conduct is the foundation of how we conduct business.

Extract of FSN Capital's Code of Conduct, see full version on *p. 73-75*.

"The purpose of this Code of Conduct is to breathe life into the definition of who we are and what we stand for, and to inspire and steer our team members, Executive Advisors and portfolio companies to do the right thing every day – even when no one is looking."

We want all our stakeholders to clearly understand what is expected of them. Therefore, new employees are required to complete e-learning on FSN Capital's Code of Conduct, in addition to individual onboarding sessions with FSN Capital's Compliance Officer. We also provide ongoing, ad-hoc training on governance, the Code of Conduct, and other policies to the full FSN team, Executive Advisors, and portfolio company board members.

As a control mechanism, FSN Capital has an electronic whistleblower channel where both FSN Capital employees and external stakeholders can report any concerns they may have in relation to our business conduct.

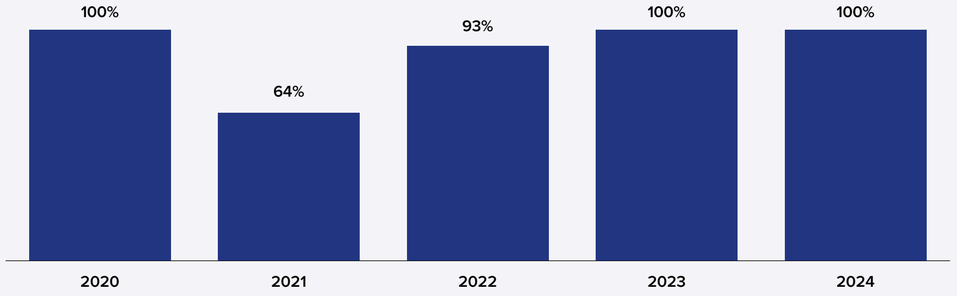
FSN CAPITAL'S ESG TEAM

Rebecca Svensøy, Frederik Juhl Dagø, Mia Sørli Wikborg, Gereon Wellmann, and Lars Veen Uldal

PERFORMANCE

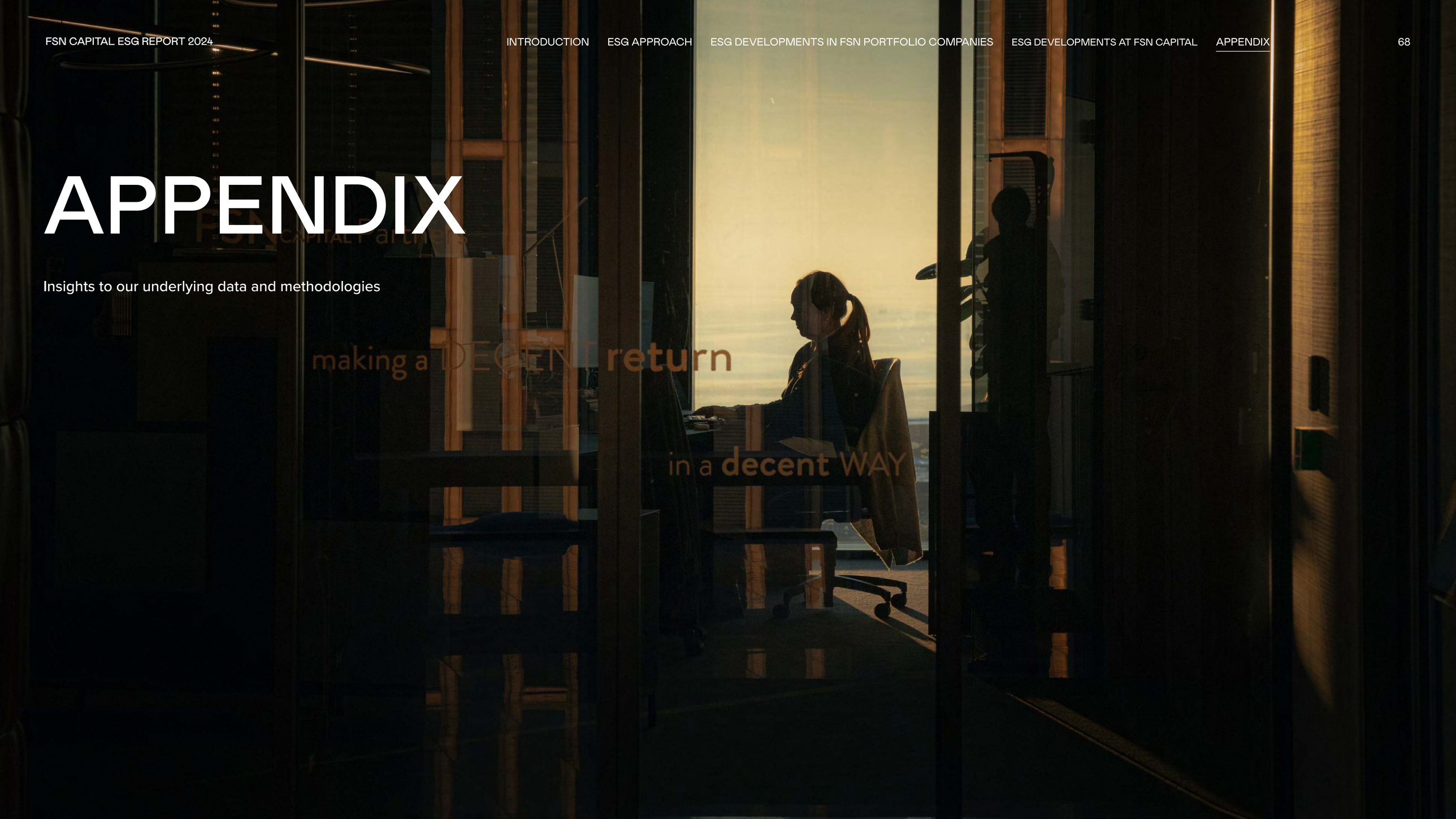
NEW FSN CAPITAL EMPLOYEES TRAINED ON CODE OF CONDUCT

TARGET: 100% of new employees completed e-learning on Code of Conduct



APPENDIX

Insights to our underlying data and methodologies



SUSTAINABILITY-LINKED FINANCING FACILITY

We use sustainability-linked financing to incentivize implementation of our standard ESG approaches in select portfolio companies[1]. As the table below shows, on an aggregated level, all KPI targets were achieved in 2024.

FSN CAPITAL FUND VI

As of 31.12.2024

KPIs to be met by Dec 31st 2024 or earlier

KPIs to be met from 2025 and onwards

Missed KPIs as of Dec 31, 2024; requires catch-up

KPI metric	KPI 1a ESG Strategy & Climate Assessment	KPI 1b ESG Ownership	KPI 1c ESG Board Meeting Status Report	KPI 2a GHG System	KPI 2b GHG Emissions Scope 1 & 2	KPI 2c GHG Emissions Scope 3	KPI 2d GHG Emissions Target	KPI 3 Diversity Ratio KPI
Omegapoint Closed June 2021	Yes *(see p. 53)*	Yes	Yes	Yes	Yes	Yes	Yes	10/25 professional board members are women = 40%[2]
Swash Group Closed August 2021	Yes *(see p. 59)*	Yes	Yes	Yes	Yes	Yes	Yes	
Adragos Pharma Closed September 2021	Yes *(see p. 35)*	Yes	Yes	Yes	Yes	Yes	Yes	
OptiGroup Closed March 2022	Yes *(see p. 54)*	Yes	Yes	Yes	Yes	Yes	Yes	
Active Brands Closed April 2022	Yes *(see p. 34)*	Yes	Yes	Yes	Yes	Yes	Yes	
Bäcker Görtz Closed October 2022	Yes *(see p. 36)*	Yes	Yes	Yes	Yes	No	No	
ilionx Closed February 2023	Yes *(see p. 46)*	Yes	Yes	Yes	Yes	Yes	Not yet	
Lobster Closed February 2023	Yes *(see p. 49)*	Yes	Yes	Yes	Yes	Yes	Not yet	
InstallatørGruppen Closed March 2023	Yes *(see p. 48)*	Yes	Yes	Yes	Yes	Partly Reporting	Not yet	
Obton From November 2024[3]	Yes *(see p. 52)*	Yes	Yes	Yes	Partly Reporting	Partly Reporting	Not yet	
Aggregate results	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved[4]	KPI achieved[4]	KPI achieved

1. Excludes investments where FSN is a minority shareholder, i.e., Polytech
2. Female board members to total independent board members (excludes minority shareholders, FSN Capital employees, and employee representatives)
3. Majority owner since November 2024
4. Compliance above a bespoke success rate but below 100%.

FSN CAPITAL COMPASS I

As of 31.12.2024

KPIs to be met by Dec 31st 2024 or earlier

KPIs to be met from 2025 and onwards

KPI metric	KPI 1a ESG Strategy & Climate Assessment	KPI 1b ESG Ownership	KPI 1c ESG Board Meeting Status Report	KPI 2a GHG System	KPI 2b GHG Emissions Scope 1 & 2	KPI 2c GHG Emissions Scope 3	KPI 2d GHG Emissions Target	KPI 3 Diversity Ratio KPI
Seriline Closed February 2022	Yes *(see p. 57)*	Yes	Yes	Yes	Yes	Yes	Yes	5/11 professional board = 43%[2]
Epista Closed May 2022	Yes *(see p. 39)*	Yes	Yes	Yes	Yes	Yes	Yes	
Firesafe Closed June 2022	Yes *(see p. 42)*	Yes	Yes	Yes	Yes	Yes	Yes	
Solcellespesialisten Closed July 2023	Yes *(see p. 58)*	Yes	Yes	Yes	Yes	Partly Reporting	Not yet	
Aggregate results	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved	KPI achieved

1. Excludes investments where FSN is a minority shareholder
2. Female board members to total independent board members (excludes minority shareholders, FSN Capital employees, and employee representatives)

PRIVATE MARKETS DECARBONIZATION ROADMAP

The Private Markets Decarbonization Roadmap (PMDR) provides an addition lens through which we assess decarbonization progress.

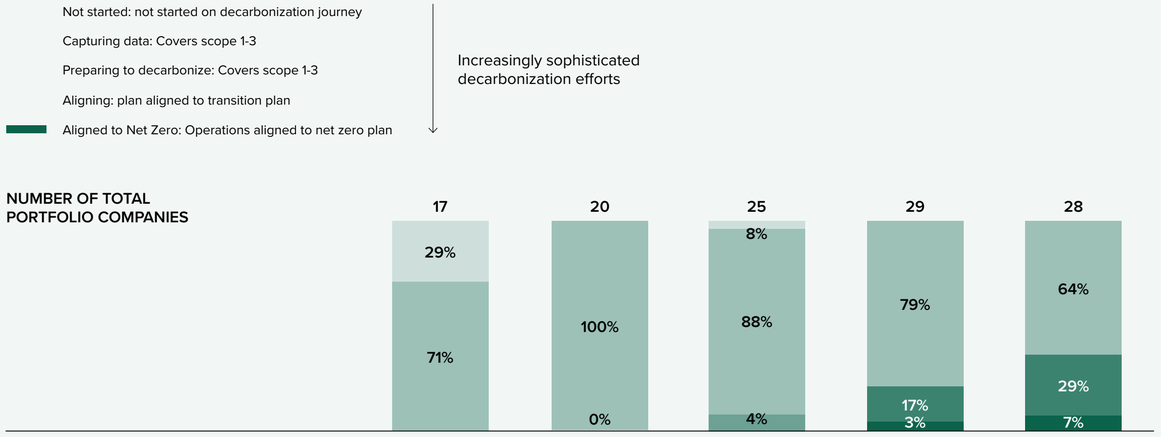
In addition to the indicators covered on *p. 19*, we use the Private Markets Decarbonization Roadmap's (PMDR) alignment scale to assess decarbonization progress across the portfolio. The PMDR is a collaborative initiative developed by the iCI, Sustainable Markets Initiative's Private Equity Force, and Bain & Company. The tool enables financial sponsors to classify and communicate to stakeholders the decarbonization status of their investments and to track their progress over time. Additionally, it helps classify companies as "Decarbonization Enablers", and "Emerging Decarbonization Enablers", defined as companies that support the transition to a low-carbon economy through the products or services they offer. Please visit PMDR's website to learn more about the tool's methodology.

Since 2020, we have made significant progress moving portfolio companies along PMDR's alignment scale. The share of companies who are not reporting emissions has dropped to zero, while the share of companies being classified as aligning or aligned to a Net-Zero path has increased to 29% and 7%, respectively.

The trend points to the effectiveness of our approach to support the portfolio companies on their decarbonization journeys and that they are realizing the value of decarbonization.

PMDR PERFORMANCE

DEVELOPMENT OF PORTFOLIO ALIGNMENT BY PORTFOLIO COMPANIES, 2020-2024



	2020	2021	2022	2023	2024
ALIGNMENT LEVEL	0%	0%	4%	21%	36%
# OF TOTAL PORTFOLIO COMPANIES	17	20	25	29	28
# OF DECARBONIZATION ENABLERS	0	1	2	3	3
# OF EMERGING DECARBONIZATION ENABLERS	1	1	1	2	2

EMERGING DECARBONIZATION ENABLERS[1] AND DECARBONIZATION ENABLERS[2]

EMERGING DECARBONIZATION ENABLERS

VIACON
INSTALLATOR GRUPPEN

DECARBONIZATION ENABLERS

OBTON
Polytech Wind for life™
Solcellespesialisten

Please note that the numbers above may not add up due to rounding

1. Defined as greater than 10% of revenue is related to an economic activity that is enabling net zero transition and <50% of revenue from high-emitting assets
2. Defined as greater than 50% of revenue is related to an economic activity that is enabling net zero transition

TCFD

GOVERNANCE

FSN Capital is the Investment Advisor to the FSN Capital Funds (jointly referred to as FSN). The GP boards of each FSN Capital fund are responsible for the management of the respective FSN Capital Funds, including considering climate-related risks and opportunities. At least once annually, the GP boards integrate climate-related risks and opportunities when reviewing and developing strategy and business plans. FSN Capital, acting as an Investment Advisors to the funds, encompassing the FSN ESG Team, the ESG Advisory Board, and external advisors, provide expert advice on climate issues to the GP boards. This ensures the boards are well-equipped to manage climate-related risks and opportunities effectively.

FSN Capital has developed a standard climate change assessment and ESG due diligence approach *(see p. 15 for further details)* and a standard approach for decarbonization to ensure appropriate consideration of climate-related risks and opportunities throughout the lifecycle of an investment. FSN Capital investment teams are responsible for applying these approaches both in the due diligence and ownership phase, while FSN Capital's ESG team provides support to these investment teams and portfolio companies in their application.

To ensure that employees are adept at managing the pre-investment processes and overseeing the implementation of our standard decarbonization approach, all new employees are required to attend an ESG onboarding session organized by the FSN Capital ESG team. In this session, new employees are introduced to the FSN Capital Execution Framework (FEF), which includes our standard decarbonization approach. Moreover, employees must complete an online ESG training module that covers a wide array of climate change-related topics. On a regular basis, the FSN Capital ESG team organizes training sessions on climate change-related topics. In 2024, the FSN ESG team developed a firm-wide decarbonization plan, and will in 2025 implement continue to implement decarbonization initiatives.

FSN requires all portfolio companies to designate an ESG Officer responsible for managing and coordinating ESG initiatives, including the implementation of our standard decarbonization approach. To support this process, the FSN Capital ESG team holds semi-annual status meetings with the ESG Officers of the portfolio companies to monitor progress and offer support with implementing the approach. Additionally, the FSN Capital ESG team organizes quarterly ESG workshops for the ESG officers, providing training on selected climate change-related topics.

While the ESG Officers manage the execution of our standard decarbonization approach, the ultimate implementation accountability of the approach lies with the company's board and management. FSN Capital maintains board-level oversight of the process through FSN Capital board members, who coordinate with the ESG team to ensure adherence to the approach.

STRATEGY

FSN Capital is a Northern European private equity firm, and the FSN Funds make control investments in growth-oriented Northern European companies, to support further growth and to transform companies into more sustainable, competitive, international, and profitable entities.

FSN Capital believes that the green transition represents the largest investment opportunity of our generation. To capitalize on the opportunities presented by this trend, FSN Capital has organized Green Transition as one of four sector sourcing groups. As part of a wider climate strategy, FSN Capital has both set science-based targets and committed to Net Zero by joining the Net Zero Alliance for Asset Managers (NZAM).

The process used to identify short-, medium-, and long-term climate change risks and opportunities both internally and for portfolio companies is explained in the Risk Management Section. The defined time horizons align with those of the EU's Corporate Sustainability Reporting Directive (CSRD): up to one year for short-term, two to five years for medium-term, and more than five years for long-term.

RISK MANAGEMENT

To manage and capitalize on climate change related risks and opportunities, FSN Capital assesses short-, medium-, and long-term climate change risks and opportunities at every stage of the investment lifecycle.

In the pre-investment phase, FSN Capital investment teams apply the climate change and ESG due diligence approach *(see p.15 for further details)* to assess material climate change related risks and opportunities. This process begins with screening potential investees against FSN Capital's Responsible Investment Policy to identify and avoid investments in assets with significant climate-change related risks. Subsequently, the investment team examines transition and physical risks and opportunities across the company's value chain.

When the transaction moves one step further, an ESG due diligence is conducted by external experts. Employing a double materiality approach, the ESG due diligence identifies material climate change related risks and opportunities under different temperature scenarios. For each risk or opportunity identified, the consultants assess how the target company performs against it, and recommends strategic and operational improvements to bridge the gap between the current and ideal state. Furthermore, the external consultants also assess material sources of GHG emissions for the company, and recommend decarbonization levers the company can utilize to reach Net Zero. Finally, for selected investments, an impact assessment of the company is also conducted.

The findings from the exclusion screening, the climate change assessment and the ESG due diligence are incorporated into the investment decision material and is also used as input in FSN's Risk Framework. Material topics identified also inform the process of defining portfolio companies' ESG priorities, which always include at least one priority related to climate.

In the ownership period, FSN Capital portfolio companies to apply our standard decarbonization approach. Broadly speaking, this involves three steps:

1. Measure scope 1, 2 and material scope 3 GHG emissions
2. Create decarbonization plan and set science-based targets
3. Implement decarbonization plan and map GHG emission reductions

Implementation is supported by the FSN Capital ESG team and external experts throughout the investment lifecycle. Additionally, in line with FSN Capital's goal of having 100% of invested capital set science-based targets by 2030, all new investments are expected to set science-based targets within 2 years of acquisition.

METRICS AND TARGETS

In 2021, FSN Capital set science-based targets to:

- Reduce scope 1 and scope 2 GHG emissions by 60% by 2026 from a 2019 base year;
- Reduce scope 3 emissions (waste and business travel) by 29% by 2026 from a 2019 base year; and
- Have 60% of invested capital by the FSN Funds with validated targets in 2026 and 100% by 2030.

FSN Capital measures scope 1, 2, and selected scope 3 GHG emissions in line with the GHG Protocol. The status towards achieving our science-based targets is set out on pages 19 and 65.

FSN portfolio companies are also required to report on their GHG emissions in line with the GHG Protocol. Please see page 32 for reported numbers, as well as number of portfolio companies that have committed to the SBTi or have validated science-based targets.

RESPONSIBLE INVESTMENT POLICY FOR FSN CAPITAL

WE ARE DECENT PEOPLE SEEKING TO MAKE A DECENT RETURN IN A DECENT WAY

FSN Capital seeks to act with the highest level of integrity, taking a responsible approach when interacting with our portfolio companies, our advisors, our investors, local communities, and the environment. FSN Capital publishes an annual ESG report to be transparent about our performance and keep ourselves accountable.

With our investment approach, FSN Capital doesn't see a need for a responsible investment policy that is treated separately from our general investment strategy. Our policy for responsible investments and our investment philosophy are intertwined and in fact two sides of the same coin; tools we apply to ensure that we over time get the best possible combination of controlling risk and enhancing value.

COMPLIANCE WITH UN'S PRINCIPLES FOR RESPONSIBLE INVESTMENT (UN PRI)

FSN Capital became a signatory to the United Nations-backed Principles for Responsible Investment on September 14, 2012 to align with our Responsible Investment Policy.

UN PRI promotes integrating ESG perspectives into the investment process and active ownership policy. For FSN Capital, being a signatory falls naturally within our investment approach and being compliant with these six UN PRI principles is a natural part of an investment strategy to safeguard and enhance return of our portfolio investments:

1. We always incorporate ESG risks and opportunities into the investment analysis and decision-making process.
   - This Responsible Investment Policy defines our formal exclusion criteria.
   - We conduct a climate change due diligence in every transaction.
   - We conduct an ESG due diligence in every transaction.
   - A summary of the key risks and opportunities identified in the climate and ESG due diligence is always included in the investment decision material.
   - We always consider the likely impact of key sustainability risks on return by having ESG risks integrated in our Risk Framework.
2. We are active owners and incorporate ESG into our ownership policies and practices.

ESG is a core part of FSN Capital's value creation approach.

We implement both the FSN Capital Governance approach and the FSN Capital ESG Strategy approach in every Portfolio Company. With the FSN Capital Governance approach we set the tone from the top and set minimum requirements with regards to ESG policies, implementation of ESG policies, and governance. The FSN Capital ESG Strategy approach is our method for establishing an individualised ESG strategy for each Portfolio Company.

As responsible owners, we are dedicated to continuing to push the frontier of what constitutes good ESG governance. Our standard ESG approach will therefor evolve over time in line with international conventions, standards, and guidelines.

3. We seek appropriate disclosure on ESG risks and opportunities by the entities in which we invest.
4. We promote acceptance and implementation of the UN PRI within the investment industry.
5. We work together to enhance our effectiveness in implementing the Principles.
6. We will each year report on our activities and progress towards implementing UN PRI by completing the annual PRI signatory survey.

FSN CAPITAL'S EXCLUSION CRITERIA

FSN shall not invest in assets that:

1. Have contributed to systematic denial of human rights.
2. Demonstrate a pattern of non-compliance with environmental regulations.
3. Show a pattern of engaging in child labour or forced labour.
4. Have an unacceptably high greenhouse gas footprint and have failed to take reasonable steps to reduce these emissions.
5. Produce weapons that through their normal use may violate fundamental humanitarian principles (e.g. Anti-personnel landmines, Production of cluster munitions, Production of nuclear arms).
6. Are directly related to the following industries: adult entertainment, tobacco, gambling, or alcohol

FSN CAPITAL'S ANNUAL ESG REPORT

FSN Capital has published an annual ESG report since 2014.

We will continue to publish an annual ESG report to transparently report on the progress of both FSN Capital and the Portfolio Companies.

In the annual ESG report we will describe in more detail how ESG is integrated in our investment process and ownership approach, as this naturally evolves over time.

This policy will be reviewed and amended as appropriate from time to time.

REVISED MARCH 2021

FSN CAPITAL'S CODE OF CONDUCT

INTRODUCTION

Our ethos reads "We are decent people making a decent return in a decent way".

Integrity and honesty are at the heart of who we are. We maintain high ethical standards in everything we do and take pride in living by these standards, both in our professional and personal lives.

We believe that FSN Capital has three assets – people, capital and reputation. If any of these are ever compromised, reputation is the most difficult one to restore. Reputation takes years to build, but only one wrong act to ruin. Each and all of us at FSN Capital have a responsibility to act with utmost integrity. Doing what is right is our North Star, even when it may be against short-term business or personal interest.. Be mindful that how we behave in our private life may also pose a reputational risk to the firm. Clear requirements and consistent business conduct build trust and loyalty among employees, business partners, investors, customers and communities

The purpose of this Code of Conduct is to breathe life into the definition of who we are and what we stand for, and to inspire and steer our team members, Executive Advisors and portfolio companies to do the right thing every day – even when no one is looking. A breach of laws or regulations, or of our Code of Conduct is a threat to our Firm's culture, our competitiveness and our reputation. We strive, therefore, to ensure that we do not compromise our ethos, integrity or values and that every member of the FSN Capital team is encouraged to raise the following question if in doubt: "Is this behaviour in line with our ethos and values?"

CODE OF CONDUCT FOR FSN CAPITAL

Ethics deals with ideas about what is right and wrong. We believe that ethics in professional life must be directly linked to the ethics that set the standards for us as individuals and as a society. Combining ethical judgement with personal strength to act out that judgement is our definition of integrity.

1. PERSONAL CONDUCT

FSN Capital sets high ethical standards for everyone who acts on behalf of the Firm. All board members and employees must conduct themselves with courtesy, respect and integrity in business relationships, towards customers, colleagues and others who they encounter in professional life.

All board members and employees must protect FSN Capital's assets to ensure that they are used efficiently and properly for legitimate business purposes. Each employee is personally accountable for the use of any Firm assets which he or she controls. Incidental personal use of telephones, copy machines, personal computers and similar equipment is allowed provided that there is no significant cost to the Firm, it does not interfere with duties to the Firm, and it is not related to any illegal activity or is otherwise outside the Firm's business activity.

FSN Capital team members must not use assets of the Firm or the FSN Capital Funds directly or indirectly for contributions of any kind to any political party, political committee or candidate for, or holder of, any public office. Board members and employees may participate in political activities solely in their personal capacity and never in the capacity of being an employee or representative of FSN Capital, and always with due consideration to FSN Capital's Code of Conduct.

All leaders and managers, regardless of country or location, are responsible for setting the right tone at the top to cultivate a strong corporate culture for ethics and compliance. They are expected to act as role models for ethical conduct, educate and support employees in complying with the Code and underlying policies, perform oversight to detect violations, identify and mitigate compliance risks, and finally yet importantly, promote a culture of speaking up in good faith without fear for retaliation.

Employees are responsible for seeking advice when in doubt regarding any of the topics in the Code.

2. LAWS AND REGULATIONS

All board members and employees are personally responsible for complying with applicable laws, regulations and guidelines issued by public authorities, and compliance shall always prevail over our business goals and needs.

It is also our policy to respect the principles set out in the UN Global Compact as attached hereto as Appendix A, (principles derived from the UN Convention against Corruption, the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development), the OECD guidelines for corporate governance for multilateral enterprises and the UN Convention on the Rights of the Child.

Where differences exist between applicable laws, regulations and our Code and underlying policies, the highest standard of behaviour shall always prevail. Furthermore, employees must not engage in activities, even if legal, that could harm the reputation of FSN Capital. If you are unsure about what is acceptable, please seek advice.

3. WORK ENVIRONMENT AND SAFETY

FSN Capital shall provide a professional, inspired and safe workplace in accordance with mandatory legislation and will show respect for all individuals and make active efforts to ensure a good and inclusive working environment characterised by equality and diversity. A healthy workforce contributes to stronger and safer performance in the workplace.
FSN Capital's suppliers are required to apply the same principles.

No form of harassment, discrimination, differential treatment or other conduct which may be interpreted as threatening or degrading shall ever be permitted

4. CONFLICTS OF INTEREST

Board members and employees must behave impartially in all business dealings and not give other individuals, companies or organisations improper advantages. Everyone shall avoid situations where conflicts of interest may arise between their personal and/or financial interests and those of FSN Capital or any of the FSN Capital Funds.

No one must work on or deal with any matter in which they themselves, their spouse, partner, close relative or any other person with whom they have a close relationship, has a direct or indirect financial interest. Further, the same applies when special circumstances exist which may weaken the perceived impartiality or the trust and integrity of employees or of their work.

Employees who consider themselves not to be impartial in relation to any particular matter, or who are uncertain as to their impartiality, shall notify their sponsor or point person of their situation and may then be excused from having any further involvement in the matter concerned.

5. DIRECTORSHIP, EMPLOYMENT AND OTHER ASSIGNMENTS

Board members, Executive Advisors and employees are expected to show loyalty towards FSN Capital and the FSN Capital Funds and shall not participate in any competing business.

No one must engage in other directorships, employment or assignments of any material significance outside FSN Capital unless otherwise agreed with FSN Capital. Should a conflict of interest arise, or if the relevant person's ability to perform their duties or fulfil their obligations to FSN Capital is compromised, such approval will be evaluated and could be withdrawn.

6. PERSONAL INVESTMENTS

No FSN Capital employee will participate for its own account in any investment opportunity in listed single name securities with their primary listing in the Nordics or DACH or unlisted securities with incorporation and principal activities in the Nordics or DACH, unless:

1. such investment is made through a delegated discretionary portfolio investment mandate, or into EFTs or mutual funds; or
2. such investment is in a private company outside FSN Funds' target universe with written prior approval from both sponsor and FSN Capital's compliance officer.

All FSN Capital employees are required to report their investments to the FSNC compliance officer on a semi-annual basis.

7. CONFIDENTIALITY

Everyone at FSN Capital shall maintain all proprietary and confidential information in strict confidence, except when disclosure is authorised by FSN Capital's Managing Partner or required by law.

Proprietary and confidential information generated and gathered in the Firm's business is a valuable FSN Capital asset. Protecting this information is critical to FSN Capital's reputation for integrity and its relationship with the FSN Capital Funds, and ensures compliance with the complex regulations governing the financial services industry.

"Proprietary information" includes all non-public information that might be useful to competitors or that could be harmful to FSN Capital, the FSN Capital funds, its investors, portfolio companies or other connections if disclosed. It includes, for example, intellectual property, business plans, personal employee information, unpublished financial information and identification of target portfolio companies. "Confidential information" is information that is not generally known to the public about FSN Capital, the FSN Capital Funds, or other parties with whom FSN Capital or the FSN Capital Funds have a business relationship and that have an expectation of, or legal right to, confidentiality.

8. INSIDER INFORMATION

All Executive Advisors, FSN Capital board members and employees shall comply with applicable laws and regulations regarding insider information. Everyone is advised to take necessary measures to ensure that insider information regarding a potential target portfolio company is not received. FSN Capital should under no circumstance advise the FSN Capital Funds to act (purchase or sell shares) as a result of insider information.

9. ANTI-CORRUPTION AND FRAUD: REMUNERATION AND GIFTS

FSN Capital is strongly opposed to all forms of corruption and fraudulent behaviour. Corruption and fraudulent behaviour undermines legitimate business activities, distorts competition, ruins reputations and exposes companies and individuals to risk.
FSN Capital makes active efforts to ensure that corruption and fraud does not occur in its business activities.

The purpose of entertainment and gifts in a business setting is to create and enhance goodwill and working relationships to better serve the FSN Capital Funds and their investors, and not to gain an unfair business advantage.

No Executive Advisor and no one at FSN Capital shall offer, promise, request, demand, receive or accept unlawful or inappropriate gifts or other remuneration. In some countries, "facilitating" (paying a "small token" to smooth a process or transaction) is not uncommon, but FSN Capital does not accept this as a way of doing business.

No one shall gain personal business-related benefits other than gifts or services of insignificant value.

FSN Capital's policy for gifts is as follows:

a. No gift, entertainment or preferential treatment can ever be solicited, provided or accepted by any individual at FSN Capital unless (i) it is a non-cash gift, (ii) it is consistent with customary business practices, (iii) it is of insignificant value, (iv) it cannot be construed as a bribe, payoff or kickback, (v) is in accordance with FSN Capital's ethos and (vi) it does not violate any laws;
b. All directors and employees of FSN Capital shall notify the Compliance Officer of any gifts, entertainment or preferential treatment prior to such being provided or accepted. The Compliance Officer shall maintain a gift-log and approve gifts, entertainment or preferential treatment only when such are in compliance with FSN Capital's anti-corruption policy set out herein;
c. As a general rule, one should decline invitations to paid events or trips hosted by service providers or other business contacts. Participation at paid events must always be authorised by FSN Capital's Compliance Officer.

Agreements with consultants, suppliers, partners or other middle-men must never be used to channel payment or other remuneration to anyone within or outside FSN Capital.

10. FAIR COMPETITION

FSN Capital will compete in a fair and ethically justifiable manner within the framework of the antitrust and competition rules in the markets in which the Firm operates. Anti-competitive activities undermine confidence and trust from society, our customers, suppliers and other third parties.

11. CORRECT INFORMATION

FSN Capital requires that all employees are truthful in their dealings with one another, our clients and other business partners. In our interaction with investors, each other, intermediaries and potential sellers of portfolio companies, FSN Capital will always be honest and fair in terms of how we act in processes and "only promise what we can deliver".

We will never take short-cuts in terms of due diligence of potential portfolio companies. We will view each deal in isolation and only base our investment recommendations on the merits of that particular transaction.

FSN Capital's business information will be communicated accurately and fully, both internally and externally. All accounting information must be correctly registered and reproduced in accordance with laws and regulations, including relevant accounting standards. Any intentional act that results in material misstatements in financial statements will be treated as fraud.

12. SOCIAL MEDIA

Social media can work as a rewarding platform to share your opinions and moments of your life. But social media also brings with it certain risks and responsibilities. Employees are personally responsible for their content posted in social media. Any representative of FSNC shall refrain from sharing content that may compromise FSN Capital's values or reputation. Keep in mind to always act in the best interest of FSN Capital and FSN fund investors.

Everyone at FSN Capital shall strive to demonstrate appropriate and respectful social media conduct. Be mindful that even when you make a statement or share content in a personal capacity, your content may reflect on FSN Capital. No representative of FSN Capital shall publish content, whether published in a private or professional capacity, that may reflect negatively on the professionalism or reputation of FSN Capital or FSN fund investors, such as malicious, hostile or intimidating content or content that might constitute discrimination or harassment.

Be particularly careful in respect of entries relating to FSN Capital, FSN fund investors and portfolio companies. Use a professional tone of voice when referring to FSN Capital and make sure you are fair, honest and courteous in any content reflecting on FSN Capital and FSN fund investors and portfolio companies.

Confidential information shall never be published and neither colleagues, customers, partners nor suppliers may be quoted or referenced without their prior consent. Everyone at FSN Capital must respect intellectual property rights and copyright-protected material.

When in doubt, reach out to your Sponsor or FSNC Compliance Officer.

13. CONTINUOUS IMPROVEMENT

FSN Capital continually focuses on improvement. Our Code is subject to annual review in order to ensure latest best practices and requirements are accurately reflected and addressed.

REPORTING AND RAISING CONCERNS

Any personnel who observes a possible violation of the Code, other underlying policies, and/or applicable laws and regulations shall report their concern without undue delay in accordance with FSN Capital's Whistleblower Policy.

Individuals who fail to comply with the Code, including those who fail to report Code violations, may face disciplinary action up to and including termination.

ACKNOWLEDGEMENT

I understand that it is my responsibility to read, to understand and to keep up to date with the contents of the Code of conduct and to seek clarification or further information, if needed, and to comply with the contents of the Code of conduct.

I acknowledge that I have received a copy of the Code of Conduct for my review. I also understand that breach or violation of the Code of conduct may result in disciplinary action (which may include termination of employment).

I further acknowledge that I have been afforded the opportunity to ask any questions I have concerning the content of the Code of conduct.

Signature

Date

Name

APPENDIX A THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

HUMAN RIGHTS

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

DISCLAIMER: FSN CAPITAL ANNUAL ESG REPORT INFORMATION PAGE

This ESG Report has been prepared by FSN Capital Partners AS (together with one or more of its affiliates, as the context requires, “FSN Capital”) on a voluntary basis and for information purposes only. Recipients should not treat the contents of this ESG Report as advice of any kind (whether relating to legal, taxation, regulatory, financial, investment or accounting matters or otherwise), or as a recommendation by FSN Capital or any of its directors, officers, employees, shareholders, members, consultants, agents or advisers (collectively, the “FSNC Persons”), and recipients are advised to consult their own professional advisers concerning the information contained herein. This ESG Report is not an offer to sell to any person, or a solicitation to any person to buy, interests in any fund advised by FSN Capital (collectively, the “FSNC Funds”) in any state or jurisdiction.

No reliance may be placed for any purpose whatsoever on the information or opinions contained in this ESG Report or on its completeness, accuracy or fairness, no representation or warranty, express or implied, is made or given by or on behalf of the FSNC Persons or any other person (whether or not referred to in this ESG Report) as to the completeness, accuracy or fairness of the information contained in this ESG Report or the opinions expressed in it and no responsibility or liability is accepted by any of them for any such information or opinions. Where data is obtained directly from a portfolio company, this data may be inaccurate, and the collection of such data may be limited due to human error and/or rounding errors when processing the data. In these situations, the quality and/or consistency will vary between portfolio companies based on potentially diverging approaches.

All performance information in this ESG Report is as at 31 December 2024, unless otherwise stated, and do not reflect any subsequent events. The delivery of this ESG Report does not imply that the information herein is correct as at any time subsequent to the date hereof (or, as applicable, such other date stated herein).

In considering performance information contained herein, recipients should bear in mind that past or target performance is not a guarantee, prediction or projection and is not necessarily indicative of future performance. Such information is provided solely to illustrate FSN Capital’s investment experience, processes and strategies, and it is not intended to be indicative of future results or returns. There can be no assurance that any FSNC Fund will achieve comparable investment results or that any FSNC Fund will be able to implement its investment strategy or achieve its investment objectives.

In addition, certain information contained in this ESG Report constitutes “forward-looking statements”, which can often be identified by the use of forward-looking terminology such as “may”, “can”, “will”, “would”, “should”, “seek”, “expect”, “anticipate”, “project”, “estimate”, “intend”, “plan”, or “believe” or the negatives thereof or other variations thereon or comparable terminology. Any forward-looking statements contained herein are subject to known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those contemplated by such statements and, accordingly, such statements are not a reliable indicator of future performance. All statements of opinion and/or belief contained in this ESG Report and all views expressed and all projections, forecasts or statements relating to expectations regarding future events or possible future performance represent FSN Capital’s own assessment and interpretation of information available to it as at the date of this ESG Report (or, as applicable, such other date stated herein) and do not represent the opinion or belief of any other person. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts are correct, or that any other person would make or hol such statements, views, projections, or forecasts. In particular, references to results being “repeatable”, "successful", or other variations thereon or comparable terminology reflect FSN Capital’s assessment based on past performance and there can be no assurance that any FSNC Fund will achieve comparable results in the future. In addition, references to a particular approach, model, or business being "unique" or other variations thereon or comparable terminology reflect FSN Capital's subjective assessment, and this opinion may not be shared by other persons.

The case studies and other transaction summaries presented in this ESG Report are for illustrative purposes only, have been selected in order to provide examples of the types of investments made by FSN Capital and FSNC Funds and do not purport to be a complete list thereof. It should not be assumed that investments identified were, or will be, profitable, or that their performance is necessarily representative of FSN Capital’s or any FSNC Fund’s overall performance. In addition, there is no guarantee that investments made in the future will be comparable in type, quality or performance to the investments described herein.

Certain of the information contained herein has been derived from published and unpublished material prepared by other parties, which in certain cases may not be current as at the date of this ESG Report. Neither FSN Capital nor any other person has independently verified such information and therefore no FSNC Person makes any representation, warranty or undertaking, express or implied, as to, or assumes any responsibility for, the accuracy or completeness of such information. In addition, to the maximum extent not prohibited by law, no responsibility or liability or duty of care is, or will be, accepted by any FSNC Person for updating any information contained in this ESG Report, correcting any inaccuracies in it or providing any additional information to any recipient. To the maximum extent not prohibited by law, no FSNC Person shall be liable (including in negligence) for any direct, indirect or consequential losses, damages, fees, costs or expenses arising out of or in connection with any person’s use of this ESG Report.

The inclusion of any third party firm and/or company names, brands and/or logos in this ESG Report does not imply any affiliation with these firms or companies. None of these firms or companies have endorsed FSN Capital, the FSNC Funds or any other FSNC Person. Any awards, honours or other references or rankings referred to herein are provided solely for informational purposes and are not intended to be, nor should they be, construed, or relied upon, as any indication of future performance or other future activity.

For the purpose of Regulation (EU) 2019/2088, any environmental and/or social characteristics of FSNC Funds are those stated in the relevant fund documentation and/or regulatory disclosures made pursuant to Regulation (EU) 2019/2088. Any ESG claims, targets, commitments, incentives, initiatives or outcomes are otherwise not binding on investment decisions and/or management of investments made by or on behalf of the FSN Funds or FSN Capital Partners. Investors should refer to those materials for further information on binding ESG, goals, targets, commitments, incentives, initiatives or outcomes and how they are incorporated into investment strategies, screening decision making, stewardship and engagement.

ESG and/or impact-related considerations are only some of many that FSN Capital takes into account when providing investment advice in respect of the FSNC Funds, and other considerations can be expected in certain circumstances to outweigh these types of considerations. Further, investments described herein were not necessarily pursued on the basis of achieving any particular non-financial impact or similar thesis and the identification and measurement of such impact or related metrics may not necessarily have been completed prior to the investment recommendation being made. FSN Capital is permitted to determine in its discretion, taking into account any applicable legal, contractual or regulatory requirements, that it is not feasible or practical to implement or complete certain of its ESG, DEI and/or impact-related initiatives, policies and procedures based on cost, timing or other considerations or its fiduciary duties.

References to the term “impact” throughout this ESG Report are not intended to represent, warrant or undertake that investments will generate measurable, beneficial social or environmental impacts alongside financial returns. The description of FSN Capital’s approach to impact presented herein seeks to provide information on a potential approach that may be adopted. There is no single regulatory meaning for the terms "impact”, “impact investments” or variations thereof, and FSN Capital’s use of these terms is subjective in nature. There is no representation or guarantee that these terms, as used by FSN Capital, or judgement exercised by FSN Capital or its advisers in the application of these terms, will reflect the beliefs or values, policies, principles, frameworks or preferred practices of any particular third party or reflect market or regulatory trends. Similarly, there are a variety of impact-related principles, frameworks, methodologies and tracking tools and FSN Capital’s integration thereof may vary over time as its practices evolve. There can be no assurance that FSN Capital or any FSNC Fund investment will be able to achieve any impact and/or outcome-related objectives, that its actions will not result in outcomes that could be viewed as undesirable and/or as having a negative effect, or that any historical trends will continue to occur.

Additionally, it should be noted that data collection and reporting practices are fast evolving areas and the selection of different measurement techniques can result in materially different measurements. Further, these techniques are subject to measurement uncertainties resulting from inherent limitations in the nature and methods used to determine such data. The precision of different measurement techniques may also vary. FSN Capital, the FSNC Funds and their respective portfolio companies shall not be responsible or liable for the accuracy or completeness of the data or information provided herein.

We hope you appreciate reading this year's ESG report. Please provide any feedback, comments or questions you may have to esg@fsncapital.com

FSN CAPITAL