

## Epiris LLP

### Environmental, Social & Governance Policy

#### Overview

Epiris LLP (hereafter “Epiris”, “we”, “us” and “our”) is an independent private equity firm whose mission is to build great businesses that deliver outstanding returns for investors.

We do this by resolving the complexities that hold businesses back and unlocking their potential with fresh capital and thinking. This has delivered a top-decile investment performance record.

We believe that careful management of Environmental, Social and Governance (“ESG”) matters is not only good business practice but also an essential part of achieving our mission. We have therefore integrated ESG into our strategy and operations, and we work closely with the companies we invest in to do the same.

The purpose of this ESG Policy is to communicate:

- Our approach to ESG and the key areas which guide our engagement with portfolio companies during the ownership period;
- How we integrate ESG across the investment lifecycle, including the policies, systems and processes underpinning it;
- Our governance structure regarding the management and oversight of ESG.

We have been a signatory to the United Nations Principles for Responsible Investment (“UNPRI”) since 2021 and adhere to its six Principles for Responsible Investment. As a signatory to the UNPRI, we also support the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”).

#### Scope

This Policy applies to all our staff, across all the funds we manage or advise, and to all investments made by those funds.

#### Our approach to ESG

Underlying this Policy are three principles:

- **Integration:** We drive accountability across our team, through existing processes, and by working with our portfolio companies to embed ESG within their strategy and operations.
- **Materiality:** We identify and consider the financial materiality of ESG issues on investment opportunities and across our portfolio companies.
- **Engagement:** We work with our portfolio companies to mitigate sustainability risks, and to drive value across Four Pillars (Climate, Sustainability, People, Ethics & Governance).

We recognise that ESG is an integral part of our investment selection and management processes. We have embedded ESG at all stages of the investment lifecycle – from screening and identification pre-acquisition, through management and reporting during our ownership, to disclosure to prospective buyers at exit.

#### 1. *Pre-acquisition*

Before making an investment in a new portfolio company, we screen companies in several ways.

We will not invest in companies that:

- Are directly involved in the development, production or sale of chemical, biological or nuclear weapons, cluster bombs or anti-personnel mines;
- Intentionally and continually violate relevant laws and regulations in relation to *inter alia* the environment, occupational and public health and safety, human rights, child labour, discrimination, labour or other business practices, or support or tolerate violations of human rights and / or labour practices, bribery, corruption or other forms of illegality;

- Are listed on the sanctions programmes administered by the US Treasury Department's Office of Foreign Assets Control, the United Nations, the European Union or the United Kingdom.

We will not make investment in companies involved in gambling or the production and/or sale of alcohol, armaments, pornography and/or tobacco without ensuring these activities are undertaken lawfully and any issues of concern can be satisfactorily mitigated on ownership.

We identify key ESG matters that could impact the financial performance of an investment, both positively and negatively, as a part of our standard preliminary due diligence scope, and any such issues are presented to and discussed by the Epiris Investment Committee ("IC"). Where material issues have been identified, we conduct additional due diligence to understand the potential impact on an investment and any mitigation actions that should be taken.

## 2. *Ownership*

Having made a new investment in a portfolio company, we work with the business to develop an ESG Plan. This plan sets out any mitigation actions identified within due diligence, and outlines the steps required to close the gaps between current and best practices across our Four Pillars to drive value. Working together with portfolio companies, we monitor progress whilst implementing the ESG Plan and review progress annually.

The portfolio company's board is responsible for delivering its ESG Plan. Board members from both the management team and Epiris are nominated to lead execution.

## 3. *Exit*

At exit we include details of a portfolio company's ESG performance in the information to be disclosed to potential buyers to demonstrate the improvements made during the ownership period and the value enhancement achieved.

### **Materiality:**

We consider the financial materiality of ESG matters by identifying sustainability-related risks and opportunities that could affect cash flows, access to finance or cost of capital over the short, medium or long term.

We aim to identify matters which could be financially material to the sector and geography in which we are investing. Where we deem that matters could pose a material risk or present a material opportunity, we will conduct additional due diligence.

As part of this analysis, we also conduct a climate risk overlay that identifies transition, regulatory or physical climate risks and opportunities, and this provides the data to support our climate risk disclosures.

This process provides us with a clear overview of material risks and opportunities across our portfolio, together with the steps that are being taken to mitigate the risks and to develop the opportunities.

### **Engagement:**

While the materiality of ESG issues will be dependent on the size and sector of a business, we believe that some ESG issues are relevant to every company. We have defined four such areas, referred to as our Four Pillars, and for each have set out an aspirational goal, a set of best practices to help us and our portfolio companies deliver these long-term ambitions, and some metrics to measure progress.

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**Pillar One: Climate Change**

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Aspiration:	Epiris and its portfolio companies will achieve Net Zero by 2050.
Best practice:	<ul style="list-style-type: none"><li>• Measure and report greenhouse gas emissions (GHG) across Scopes 1, 2 and 3.</li><li>• Have a decarbonisation plan by 2030 or, if later, within 24 months of the date of Epiris' first investment.</li><li>• Assess climate-related (both physical and transition) risks and opportunities in line with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures.</li></ul>
Metrics:	GHG emissions (Scopes 1, 2 & 3), Net Zero strategy (Y/N), energy consumption including the proportion that is from renewable sources, identification of climate risks / opportunities.

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**Pillar Two: Sustainability**

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Aspiration:	Epiris and its portfolio companies will as far as possible, source raw materials from sustainable sources, reduce raw material consumption, reuse or recycle materials and products at the end of use, and reduce emissions of hazardous substances.
Best practice:	<ul style="list-style-type: none"><li>• Assess the impacts associated with all stages of the lifecycle of a product, process, or service, including those within the supply chain.</li><li>• Reduce raw material consumption and source raw materials from certified sustainable sources.</li><li>• Reuse or recycle materials and products at the end of use.</li><li>• Reduce pollution and discharge of hazardous pollutants or chemicals.</li><li>• Send zero waste to landfill or incineration.</li><li>• Engage with suppliers to ensure their activities do not involve land degradation, deforestation or harm to IUCN Red List Species.</li><li>• Work with suppliers to manage risk through supplier audit programs and provide guidance on the procurement of goods and services in a socially and environmentally responsible manner.</li></ul>
Metrics:	Responsible procurement policy adoption, supplier audit rates, proportion of purchases from sustainable sources, waste streams including hazardous waste, water usage and emissions.

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**Pillar Three: People**

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Aspiration:	Epiris and its portfolio companies will aim to be employers of choice, to offer an open, equitable and inclusive working environment populated by a diverse workforce and which offers opportunities to contribute, collaborate and progress, and to recognise the importance of our people's physical and mental health and safety.
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- Best practice:
- Create a human resources strategy which defines the human resources required to deliver the business strategy and sets out how to attract and manage talent to that end.
  - Establish a safety-first culture, visibly led by senior leadership, supported by training and processes to provide safe working conditions for all workers, including contractors.
  - Foster an inclusive culture, populated by a diverse workforce and where individuals are treated fairly with the access, opportunity, resources and power to progress.
  - Treat all employees and contractors fairly in terms of recruitment, progression, remuneration and conditions of work, irrespective of gender, race, colour, language, disability, political opinion, age, sexual orientation, religion, or national/social origin.
  - Provide effective, meaningful, two-way workplace communication to facilitate engagement and recognition.

Metrics: Gender diversity on the board and in the C-suite, Gender Pay Gap, work-related accidents and days lost, net new hires and staff turnover, staff training, employee survey (Y/N) and response rates.

#### **Pillar Four: Ethics & Governance**

Aspiration: Epiris and its portfolio companies will act with integrity and professionalism, with robust governance structures supported by training on key issues.

- Best practice:
- Data security and data privacy policy and strategy.
  - Implement a whistleblowing policy and procedure for the workplace with provisions to protect the reporter.
  - Establish audit & risk and remuneration committees of which no less than half of the members should be non-executive directors.
  - Uphold the highest standards of business integrity and professionalism, underpinned by a culture set by the company's leadership, robust governance structures, training programs and comprehensive processes and policies.
  - Provide training, supported by policies and internal procedures in respect of, but not limited to, anti-bribery and corruption, Modern Day Slavery, diversity and inclusion, environment & sustainability, health & safety, harassment, abuse, bullying, grievances, conflicts of interest, whistleblowing, fraud and money laundering, anti-competitive practices, lobbying & political donations, cyber security & data protections and ISO standards (if appropriate).

Metrics: Cyber breaches, litigation, policy suite, frequency of audit & risk and remuneration committee meetings, completion of training on governance policies.

We recognise that where these aspirational targets require a significant change from the *status quo ante*, they may take many years to achieve in full.

#### **ESG at Epiris**

At Epiris, we lead by example by establishing and executing an ESG Plan in respect of our own operations.

##### *Epiris activities*

Our own ESG Plan is built on the Four Pillars described above.

- **Climate Change:** we calculate our GHG emissions and have taken steps to reduce them with a particular emphasis on business travel and energy consumption.
- **Sustainability:** we analyse the sustainability of our operations and ensure that we reduce, reuse and recycle where possible.
- **People:** we are a people business whose future success depends on attracting, developing, and retaining the very best talent. To do that, we recruit through several channels to access the broadest possible candidate pools, and we build diverse teams through a conscious approach to recruitment and with an internship programme that seeks to help tackle the underrepresentation of diverse talent in the investment management industry. We develop our people by investing in training, through formal and informal feedback processes, with mentoring programmes, and an active approach to managing careers. The development opportunities we offer are an important part of retention alongside reward structures as well as a flexible and transparent culture that supports our people both in and away from the workplace.
- **Ethics & Governance:** we are a regulated business with high standards in terms of compliance and behaviours. We regularly review and provide training across our policy suite and actively promote the highest standards of integrity and professionalism across the firm. We mandate a review of cyber security across all our portfolio companies and internally.

#### *Stakeholder engagement*

Our inhouse ESG team engages with our portfolio companies to develop ESG Plans and monitor alignment with our Four Pillars. We also engage with all the investors in the funds we manage or advise.

We publish an ESG Annual Report which is sent to investors and made available on our website; and we provide other updates and information to investors through our quarterly reporting and annual investor meeting. We also engage as appropriate with investors individually to understand and help them meet their own objectives and reporting requirements.

Epiris does not conduct any form of political engagement directly or through any third parties.

#### **Governance and Ownership**

Our first ESG Policy was published in 2016 and since then, we have taken steps to review our Policy on an annual basis. Our Policy is communicated to all staff, investors in funds managed or advised by Epiris, and companies in which such funds have invested.

The Partners have delegated day-to-day responsibility for ESG to the firm's ESG Committee, chaired by Alex Cooper-Evans.

The Epiris ESG Committee is made up of Partners and other staff from across the firm. It meets quarterly to review the ESG strategy and performance against it. The Committee is responsible for ensuring that our approach to ESG evolves to accommodate new challenges and standards as well as the needs of our investors. The Policy, and the underlying framework supporting its implementation, will be reviewed by Epiris' ESG Committee annually.

#### *Managing conflicts of interest*

We manage conflicts of interest in line with our Conflicts of Interest Policy which includes provisions for identifying, mitigating and managing actual or potential conflicts of interest between some or all of the investors in funds managed or advised by Epiris, those funds themselves, service providers to those funds, investments made by those funds, and / or Epiris itself, or in the performance of various functions by Epiris.

#### *Training and implementation*

We recognise that the management of ESG issues is an ongoing and evolving process and therefore we are committed to monitoring and reviewing our activities and efforts to ensure continual improvement in ESG performance. Within Epiris, we offer ESG training to all our staff and actively encourage our portfolio companies to also develop and deliver their own ESG training programs.

We will ensure, through the development and implementation of ESG Pillars, that ESG is on the board agenda of every company in which we invest, and the performance in implementing its ESG Plan is reported by each company not only to its board but also to us at least quarterly.

This Policy has been approved by the Epiris Executive Committee and will be reviewed annually.

**Alex Cooper-Evans**  
**Chairman of the Epiris ESG Committee**

Last reviewed: 10<sup>th</sup> November 2025

Next review due: 30<sup>th</sup> November 2026