

**EMK** Capital

ESG Policy

## I. Our commitment

At EMK Capital, we recognise that global sustainability challenges – from climate change and biodiversity loss to social inequality and persistent abuse of human rights – pose systemic risks to the stability of financial systems and society. Addressing these challenges will require governments, business, and individuals to collaborate on bold and innovative solutions.

As such, we commit to incorporating Environmental, Social, and Governance (ESG) considerations into both our approach to investment and our own business practices. We view the adoption of strong ESG principles not just as an ethical or moral obligation, but as essential to delivering on our strategic objective to achieve transformational growth and build market-leading businesses.

These overarching principles guide our approach to integrating ESG into our business practices:

- **Measurement:** We collect high quality data on our ESG-related performance so we can measure and monitor our performance.
- **Reporting:** We report on our performance to relevant stakeholders to promote transparency and foster a culture of accountability.
- **Engagement:** We proactively engage with our stakeholders to promote awareness of our ESG priorities, to understand their concerns and expectations, and to integrate their feedback into our decision-making processes.
- **Collaboration:** We are active participants in initiatives designed to promote responsible business practices in private markets, and we seek out opportunities to contribute to innovative thinking.
- **Stewardship:** We expect our portfolio companies to embrace our ESG ethos within their own organisations, and we provide guidance and support to enable them to do so.

By integrating principles of environmental consideration, social responsibility and robust governance into our approach to doing business, we aim to foster a culture of responsibility, sustainability and ingenuity. In doing so, we believe the firm will be better equipped to navigate a rapidly evolving marketplace that is marked by increased volatility, uncertainty and complexity.

## II. Purpose and scope

This Policy outlines our commitment to adopting ESG practices and is designed to guide the behaviours of the firm and its employees. It should be read in conjunction with our Responsible Investment Policy, which focuses specifically on the integration of ESG principles into our approach to investing.

This Policy applies to all entities and employees under the EMK umbrella, who are expected to be aware of the contents of this Policy and the expectations and procedures it contains. The topics identified within this Policy have been identified as material to the business through formal analysis, engagement with our stakeholders and monitoring of ESG-related policy and regulation. We regularly and rigorously interrogate the scope of ESG-related topics addressed through our business practices to ensure they reflect the issues which present the greatest level of risk, opportunity and/or impact for the firm and its stakeholders.

### **III. Environmental principles**

EMK acknowledges that the private equity industry has a vital role to play in safeguarding the wellbeing of our planet. We believe that the world must transition to a low-carbon economy that minimises the net emission of greenhouse gases and pollutants, uses natural resources more efficiently and protects biodiversity. We commit to facilitating a more sustainable future by measuring our environmental footprint and taking steps towards mitigating any negative impacts.

To address the environmental footprint of our activities, we commit to the following:

- Promoting procurement of renewable energy
- Science-based emission reduction targets in line with the Paris Agreement
- Assessing and managing climate and nature-related risks and opportunities
- Investing in high-quality carbon removals to offset residual emissions
- Reducing waste generation, promoting recycling initiatives, and exploring how to embed circular principles into operations and business model planning

### **IV. Social principles**

At EMK, our employees are our most valuable assets. We also recognise that our success and the reputation of the wider private market ecosystem is dependent on fostering meaningful relationships with all our stakeholders. We aim to amplify the positive socioeconomic impacts of our investments, and we commit to cultivating diverse, inclusive workplaces that provide mentorship and support for the wellbeing of employees.

To foster a culture of social responsibility, we commit to the following:

- Fostering a culture that champions diversity, equity, inclusion and meritocracy
- Enabling an open culture where people feel their opinions are respected and valued
- Providing a secure and supportive work environment that nurtures both physical and mental health
- Promoting policies and a culture of flexibility that empowers our employees to balance their professional and personal lives
- Identifying, assessing and mitigating human rights risks across our supply chains
- Upholding fundamental labour rights, including the right to organise, fair wages, reasonable working hours, and safe working conditions
- Positively impacting our local communities through strategic partnerships, philanthropy, and hands-on participation
- Supporting traditionally underrepresented or disadvantaged groups to take part in the private equity industry

### **V. Governance principles**

EMK commits to complying with all applicable laws and regulation and to promoting international best practice standards. Our Code of Conduct details our commitment to ensure that all our employees operate in an ethical way and in compliance with the law and the rules of the various Financial Regulators applicable to us.

To maintain a high standard of ethical behaviour and compliance within our firm, we commit to the following:

- Regular training measures and education for staff on the applicable anti-money laundering, anti-fraud, anti-bribery and tax evasion laws and regulations
- Monitoring of anti-money laundering, anti-fraud, anti-bribery and tax evasion initiatives
- Insider trading prevention
- Financing of terrorism reported to law enforcement authorities as required by law
- Incorporation of ESG issues into investment analysis and decision-making processes
- Incorporation of ESG issues into ownership policies and practices
- Providing means for employees and others to report legitimate concerns and grievances in a manner that ensures proper review and action without retaliation

## **VI. Reporting**

As part of our commitment to the integration of ESG, we believe that is important to monitor and report transparently on our performance against the delivery of the contents of this Policy. We commit to open and transparent dialogue with our key stakeholders on our efforts to integrate ESG into our business. We will also endeavour to report regularly on our progress and key initiatives via EMK's corporate website and within the annual Responsible Investment Report.

## **VII. Governance**

EMK's Managing Partners are accountable for the integration of ESG into the business practices of the firm, in addition to the review of EMK's ESG policy, strategy, and performance.

The Group CFO oversees regulatory compliance and legal requirements.

The Head of Responsible Investment is tasked with keeping the Managing Partners and the rest of the organisation abreast of the latest developments and evolving expectations with regards to the integration of ESG into business practices.

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This Policy will be reviewed and updated annually.