

cbpe

# SUSTAINABILITY REPORT 2024

Unlocking Growth.  
Together.

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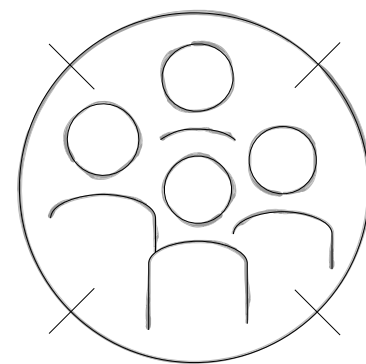
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# Letter from our Co-Heads of ESG

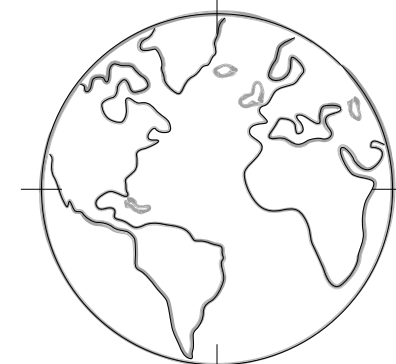
As we reflect on the success of the past year, we are delighted to share our third annual Sustainability Report. The report highlights the considerable progress we have made over the year and our intentions for the year ahead.

At CBPE, we believe in doing the right thing. We work closely with our portfolio companies to support the adoption of ESG best practices that we believe will bring material benefits to society and the environment. Our ESG approach focuses on value creation and value protection, with people at the heart of everything we do. We use a four-pillar framework to guide our efforts to strengthen and advance this approach over time: **People, Planet, Principles** and **Protection**.

## Value Creation

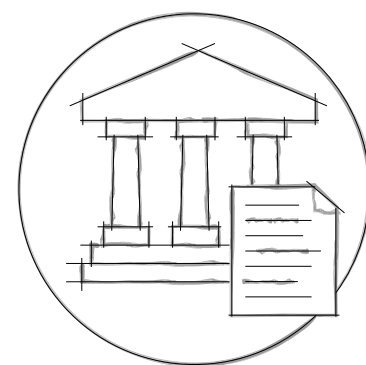


People



Planet

## Value Protection



Principles



Protection



In collaboration with our management teams, we nurture diverse and dynamic workplaces that underpin our high-performing businesses. Alongside this, we recognise the significant value embedding sustainability across our businesses can bring to company culture, environmental impact and commercial performance.

To protect our companies, we strengthen governance structures, introduce policies that support people and reinforce internal infrastructure, and practices to safeguard against cyber threats.

Each year, we engage and evaluate the ESG performance of our portfolio companies. It enables us to identify their strengths and opportunities and set actionable objectives for improvement. Since 2023, the average ESG rating of our companies has improved by 15 percentage points and more than two-thirds of the portfolio scored over 60% ('best-in-class') in their annual assessment. We are proud of our portfolio's commitment to improving each year and look forward to building on this in the year ahead.

**As a private equity firm, we recognise our ability to create positive impact, within our portfolio and beyond.**

Our companies are highly engaged in their ESG programmes and share our passion to build sustainable, robust businesses that are fit for the future. We are extremely proud of the achievements every company has made this year, including their efforts to support and inspire the communities they work in.

In addition, we are delighted to see more companies recognised with external ESG accreditation: Banner joins BKL in becoming B Corp certified, and Aquaspersions achieved an EcoVadis Silver award.

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ESG is core to our investment strategy and we are pleased to see our efforts reflected in the milestone achievements of our portfolio this past year. We believe embedding ESG in our portfolio benefits our companies and our investors as we look towards a more sustainable future.

I'm proud of the progress we've made and our commitment to driving long-term, sustainable growth."



Ian Moore  
Managing Partner



## Key 2023 achievements

100% of our AUM is covered by a **Net Zero target**

100% of the portfolio has conducted an **employee engagement survey**

5 companies received **industry awards** recognising their exceptional culture and people-focused environments

62% of the portfolio increased their **cyber security management scores** by at least one grade

Published our **first TCFD report**

To recognise these achievements, we held our first **ESG day** in April 2024, bringing all our portfolio company management teams together to share common challenges, best practice and celebrate their hard work. On the day, we presented the results from our first climate-risk assessment to support our TCFD disclosure. Collaborating with our management teams, we discussed the risks and opportunities associated with a changing climate and raised awareness of the potential impact climate change could have on our companies. It was encouraging to see the enthusiasm our portfolio brought to the day and the sense of community we created, which has facilitated further engagement between portfolio companies on specific ESG topics.

Looking ahead, we endeavour to build on the momentum gained over the past year and will help our companies progress their ESG journeys in three main areas:

- **Net Zero** – we have Net Zero Glidepaths in place with 60% of our companies and we will work with them to implement emissions reduction initiatives that support them to achieve their Net Zero goals.
- **Employee health and well-being** – we will continue to help management teams use the findings from their successful engagement surveys to further improve employee well-being, reflecting our belief that there is a clear link between employee health and well-being, company culture and commercial performance.
- **Circular economy and supply chains** – we want to build our understanding of the impact of supply chains, particularly for companies manufacturing goods, and aim to develop an appropriate strategy to encourage collaboration and move towards more circular principles.

Reporting on ESG and the work we do, with our portfolio and within CBPE, is as important to us as it is to you.

We look forward to pursuing our ESG programme in the upcoming year and sharing updates along the way.

With thanks from,  
**Co-Heads of ESG**



**Laura West**  
Head of Investor Relations



**Matt Murphy**  
Portfolio Partner

# About CBPE

CBPE is a leading private equity firm that partners with UK businesses valued up to £150 million. We leverage our experience, expertise and networks to support our management teams in realising their growth ambitions and achieving long-term success.

Responsible investment is central to our strategy, both for the purposes of managing risks by building more robust businesses, and capitalising on opportunities to generate significant growth. It is our strong belief that by thinking about the longer term we will deliver sustainable and consistent returns for our investors, partners and founders.

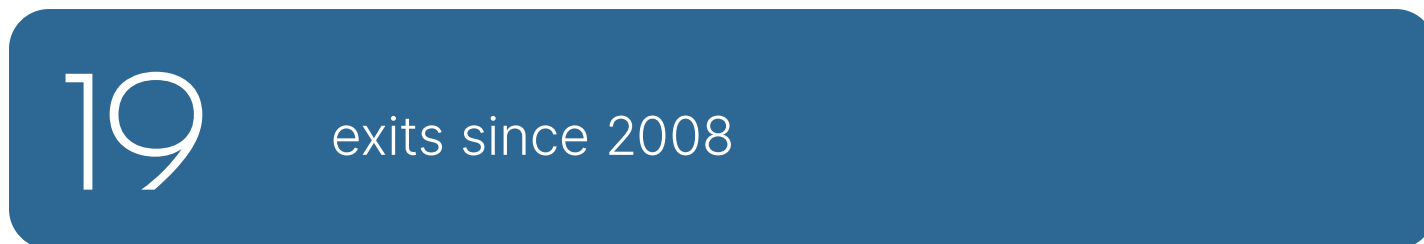
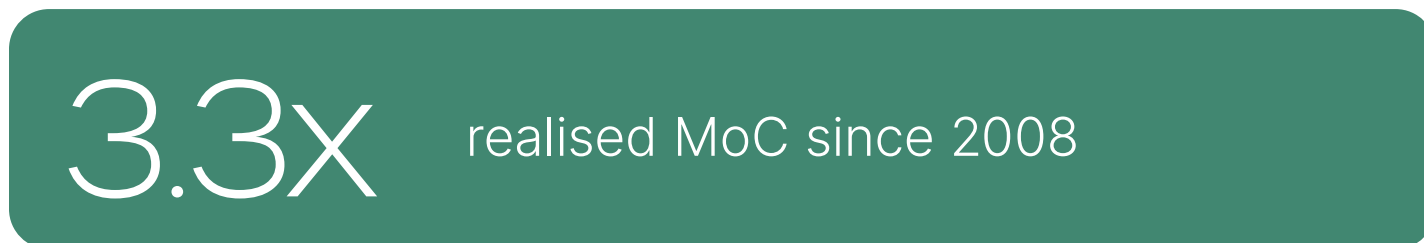
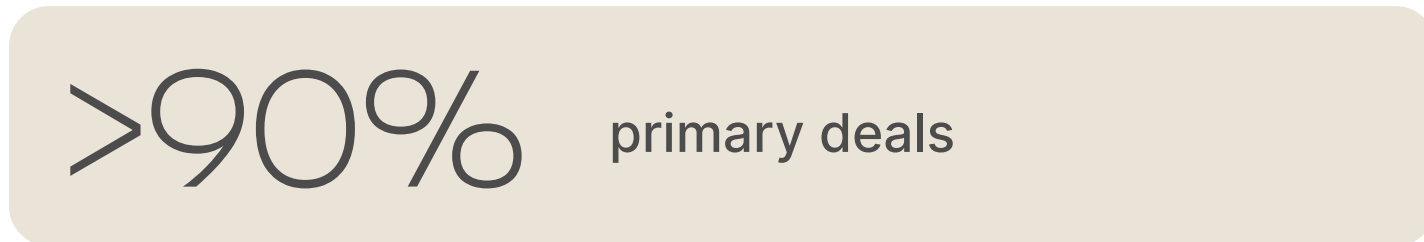
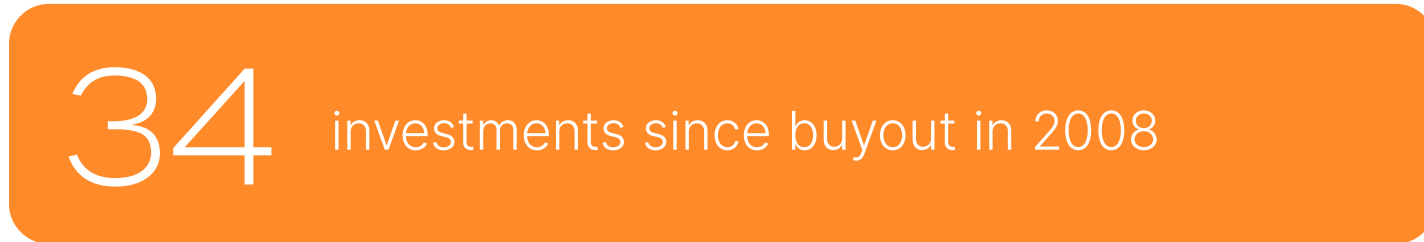
As a result, we take our ESG responsibilities seriously and have embedded a comprehensive ESG programme into our investment strategy. Regular and focused engagement with our portfolio companies is central to this approach, leveraging our team's expertise to build truly sustainable companies that bring positive impact to all stakeholders.

## Strong foundations

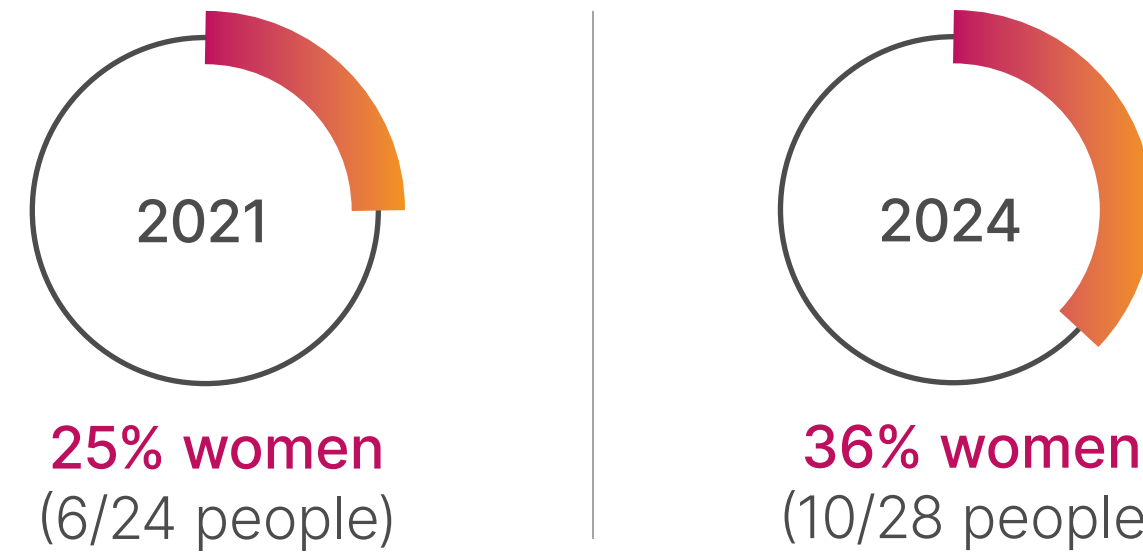
Established in 1984, CBPE has been an active private equity investor for 40 years. We have been a fully independent firm since completing our management buyout from Close Brothers Group in 2008. Since then, we have raised three funds, including our current fund, Fund X, which closed at its hard cap of £561 million in November 2020.



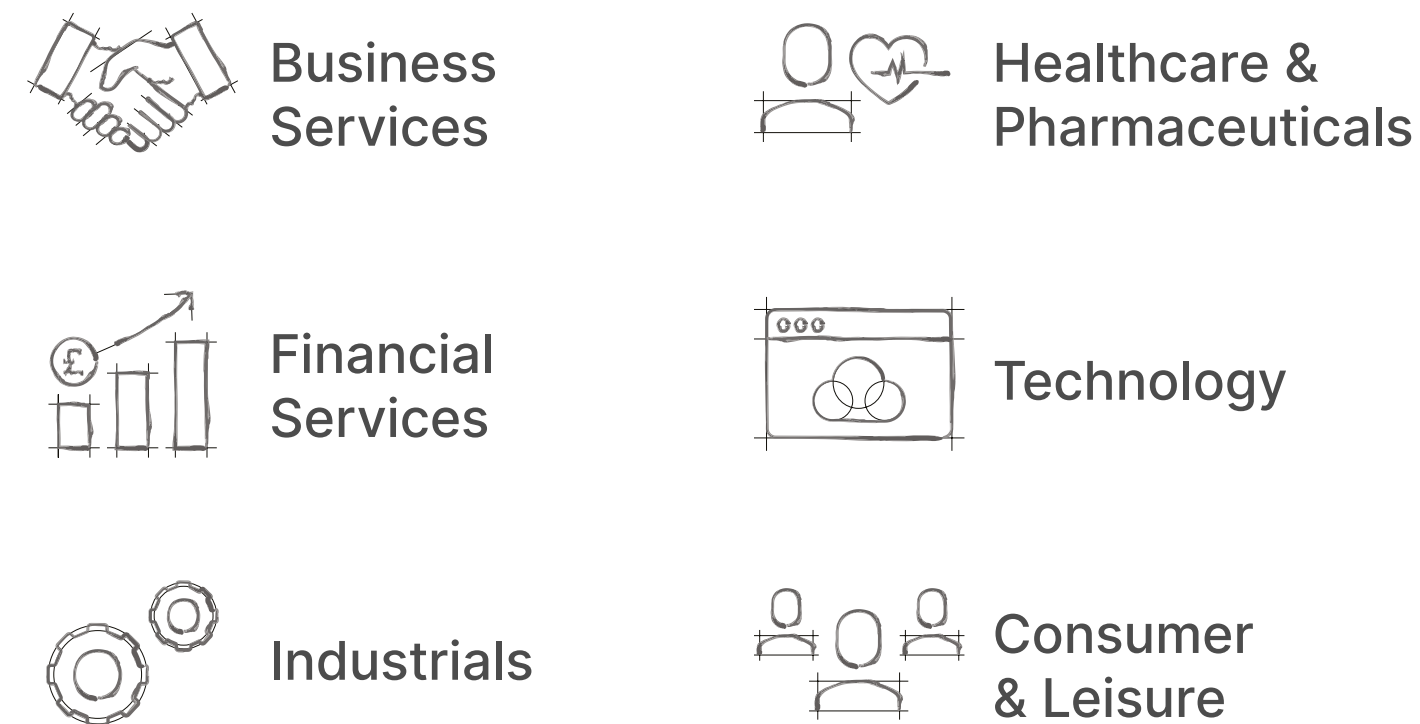
## Fund value



## Committed to increasing diversity



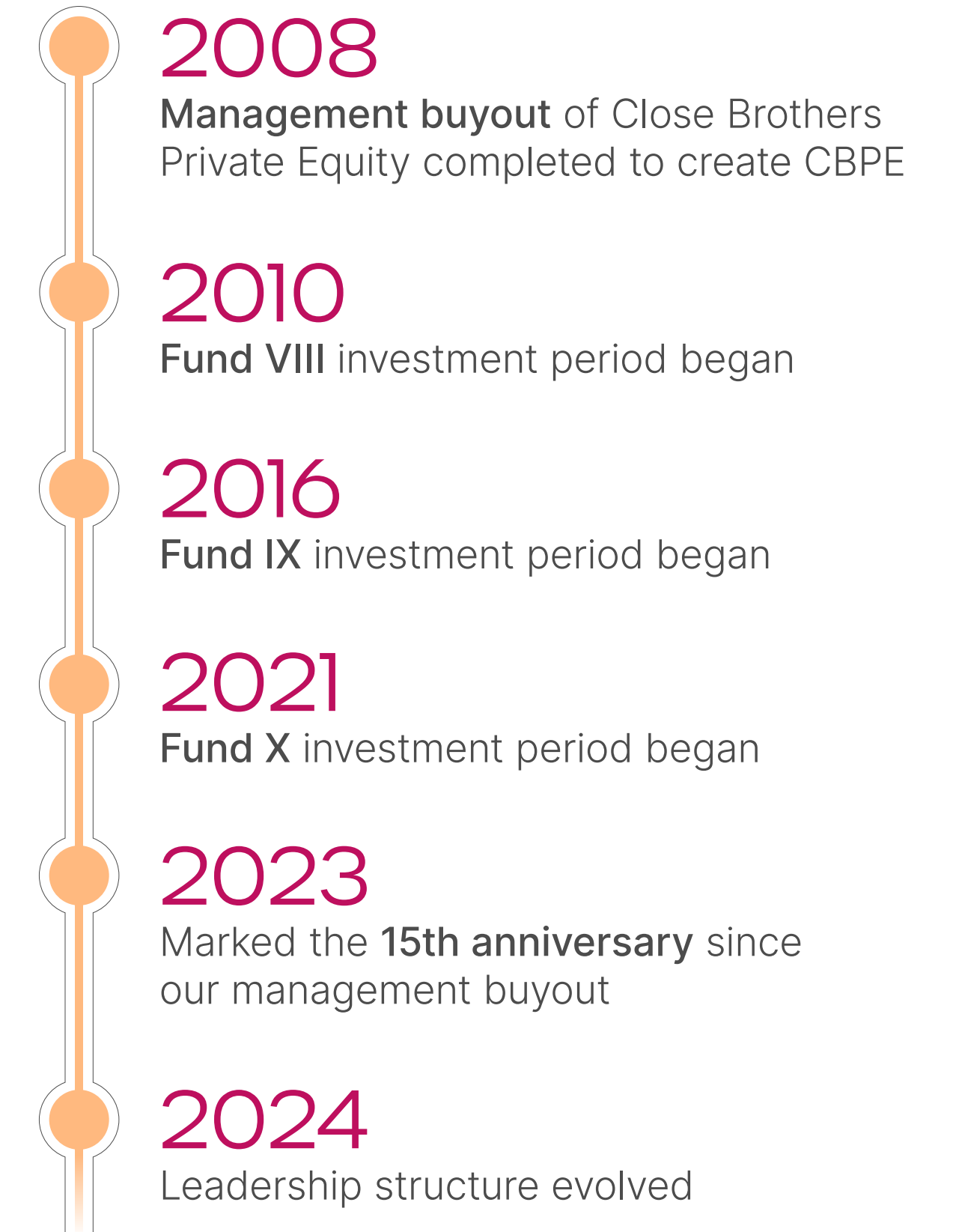
## 17<sup>1</sup> investments across six sectors



<sup>1</sup> As of 31 December 2023. Two investments, SAFECHEM and Perspective, have since been realised in 2024.

## Timeline of CBPE

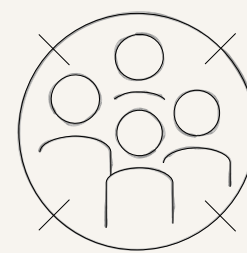
In 2024, our leadership structure evolved with Ian Moore taking on the role of Managing Partner. Sean Dinnen, Managing Partner since 2012, transitioned to the newly created full-time role of Chairman and Chief Investment Officer.



# ESG at a glance

## CBPE Fund IX

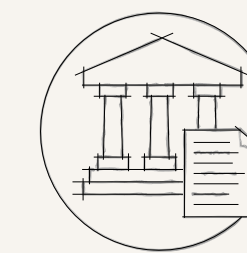
Company	Date of investment
Blatchford	Nov-18
TREND Networks	Dec-18
Simbec-Orion	Jan-19
ETL	Jan-20
Centralis	May-20
The Key	Dec-20
Direct Commercial Group (DCL)	Dec-21



People



Planet



Principles



Protection

100%

carry out **employee engagement** surveys

23 **percentage point**

average **ESG score** improvement since 2022

83%

average implementation of all policies

57%

achieved an **A grade** cyber score

86%

calculate gender **pay gap**

100%

of portfolio companies have set a **Net Zero target**

86%

conduct **D&I training**

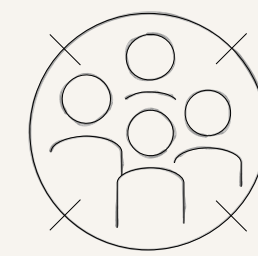
71%

increased their **cyber score** from 2022 by at least one grade

# ESG at a glance

## CBPE Fund X

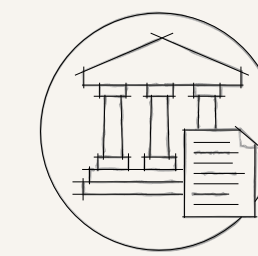
Company	Date of investment
Mindera	Mar-21
Aquaspersions	Mar-21
Banner	Oct-21
Veincentre	Oct-22
Snigel	Jan-23
FSP	Feb-23
BKL	Apr-23
Apadmi	Dec-23



People



Planet



Principles



Protection

100%

carry out **employee engagement** surveys

18 **percentage point**<sup>2</sup>

average **ESG score** improvement since 2023

86%

average implementation of all policies

43%

achieved an **A grade** cyber score

75%

calculate gender **pay gap**

100%

of portfolio companies have set a **Net Zero target**

50%<sup>3</sup>

increased their **cyber score** from 2023 by at least one grade

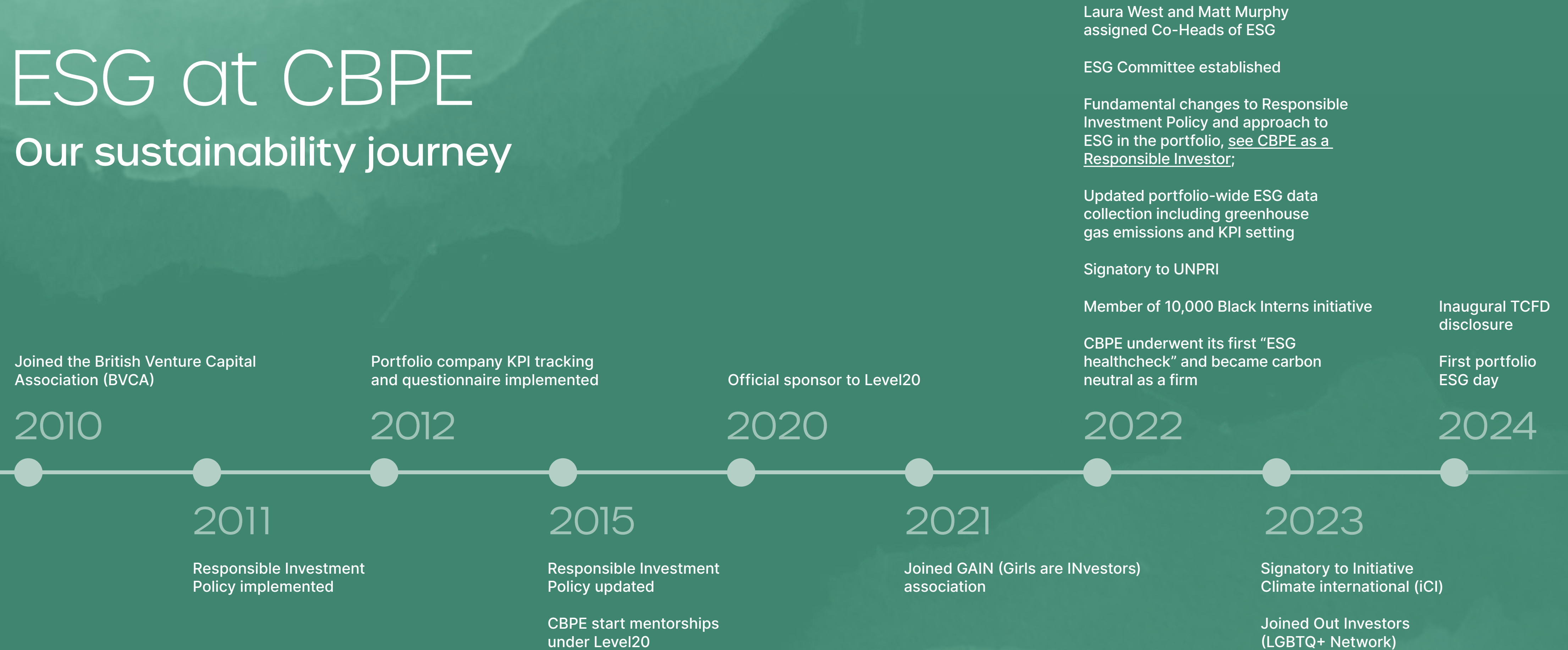
75%

conduct **D&I training**

<sup>2, 3</sup> Excludes investments without 2023 metrics – Apadmi

# ESG at CBPE

## Our sustainability journey



## ESG at CBPE

As a business, our greatest impact comes from our portfolio companies and the work we do to drive the growth of these companies sustainably over time. However, we recognise that CBPE’s operations also have an impact and think it is only right that we hold ourselves to the same high standards that we expect of our portfolio companies. Therefore, we have our own set of initiatives to reduce our carbon footprint, enhance the knowledge and well-being of our team and maintain strong governance across our organisation.

### People

At CBPE, our approach is built on transparency, fairness and collaborative teamwork. We want our people to enjoy what they do and realise their fullest potential. Our open and dynamic work environment supports the growth and success of everyone, individually as well as collectively.



- Ongoing programme of training on compliance, ESG and relevant role specific topics during new hire onboarding.
- Hold regular ‘Lunch and Learns’ to share team knowledge and learn from experts in their field.
- For the second year running, we welcomed **two paid interns** from the **10,000 Black Interns initiative**, supporting industry efforts to increase opportunities available to young Black individuals in the finance sector.
- Colleagues participate as mentors and volunteers in **GAIN** and **Level20** initiatives to raise awareness of careers in private equity and increase gender representation in the sector.
- Donated to the **Royal Marsden Cancer Charity** and **ReachOut**, two organisations close to our team members.

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My time at CBPE has been extremely rewarding and I have gained invaluable experience. I learnt a lot about the private equity industry in a short space of time, and particularly enjoyed my time working in the Origination and IR teams.

My time at CBPE has helped me to develop valuable skills to take forward – the team challenged me to think critically about my work and I’ve been able to deepen my strategic and analytical skills. Regular presenting in meetings increased my confidence speaking to an audience and I improved my ability to communicate complex topics through regular project updates to colleagues across the firm.

Overall, I gained practical, hands-on experience that has given me the confidence and competencies I need to pursue a career in private equity.”

**Michael Makinde**  
2024 Intern



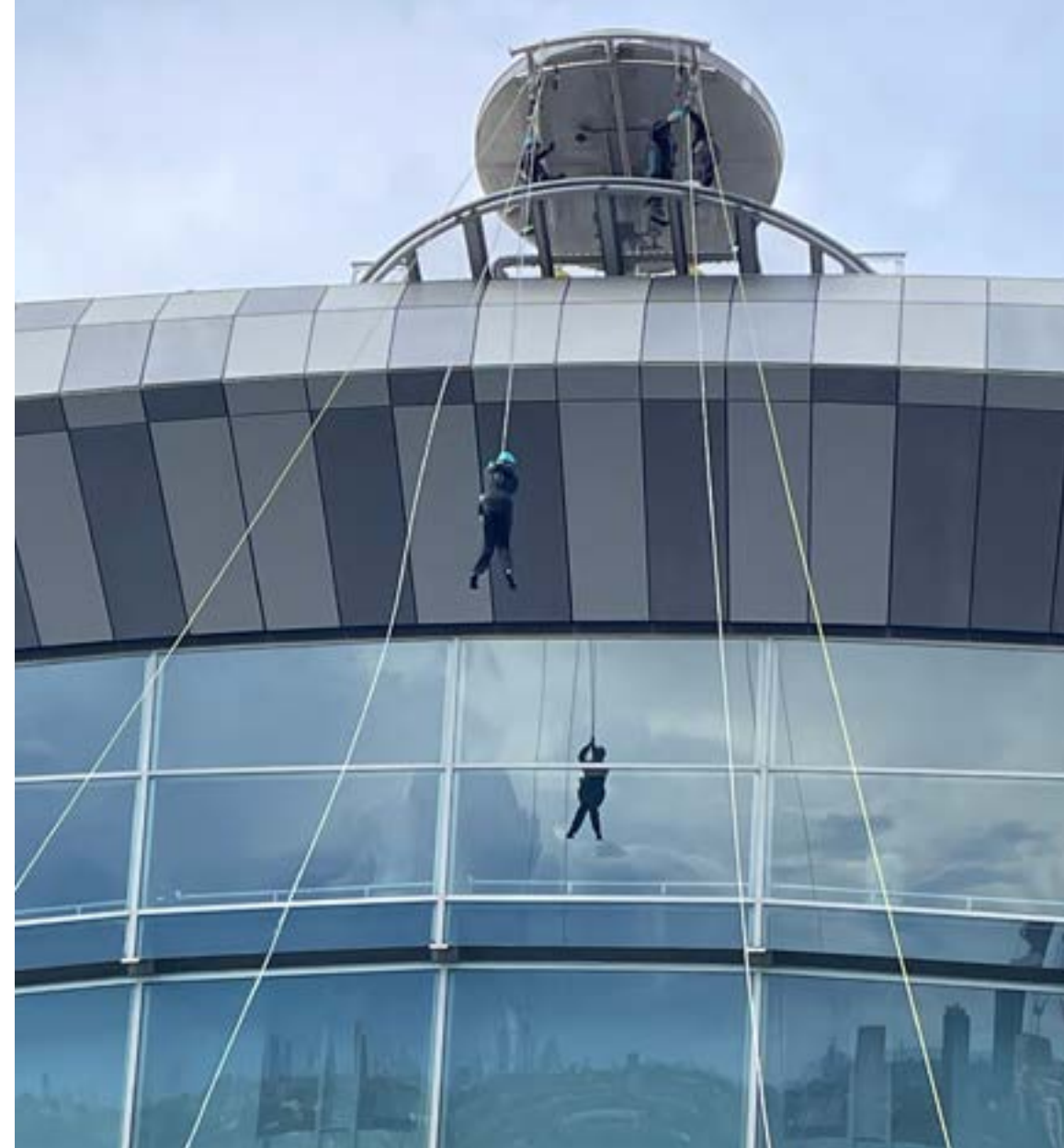


The Royal Marsden Cancer Charity raises money to support The Royal Marsden, a leading cancer centre that carries out incredible work researching, treating and supporting cancer patients and their families. We lost two dear colleagues to cancer and support The Royal Marsden to show our appreciation for the care they provided.

# REACH OUT

CHARACTER  
CONFIDENCE  
CHANGE

Each year CBPE fields a team to participate in ReachOut's football tournament, raising money to support the charity and its fantastic work providing one-to-one mentors and support for young people in under-resourced areas.



“

I'm delighted to become a Partner at CBPE. It has been a thoroughly enjoyable journey and I'm immensely grateful to all of my supportive colleagues and management teams that I've worked with over the years for giving me this experience. I'm very much looking forward to our continued success.”

Naveen Passi  
Partner



## Planet

We work hard to reduce our environmental impact and we encourage every employee to play their part. This year, we successfully reduced our carbon emissions and will continue to advance our ESG knowledge and efforts this coming year.

- Carbon emissions of 246 tCO<sub>2</sub>e<sup>4</sup>, a 14% reduction from 2022
- Established a Net Zero Glidepath to reduce our emissions over time
- Carbon neutral via offsetting our 2023 emissions with the purchase of certified United Nations Framework Convention on Climate Change (UNFCCC) carbon credits
- Spent a day planting trees and hedgerows at a farm in London to raise awareness of environmental action among our employees and contribute to our local surroundings

<sup>4</sup> Tonnes of carbon dioxide equivalent



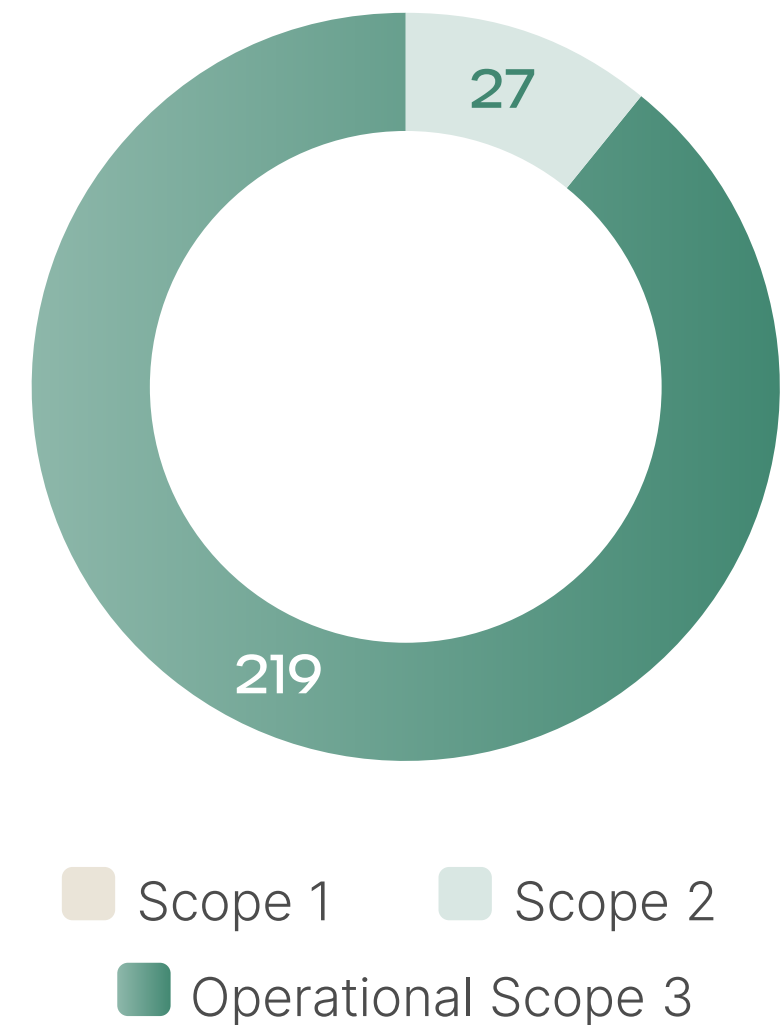
**CBPE Emissions**

In 2023, our carbon emissions were 246 tCO<sub>2</sub>e. Our emissions are indirect emissions, falling predominantly within Scope 3 as categorised under the Greenhouse Gas (GHG) Protocol. Our carbon emissions exclude financed emissions from our investments which will notably increase these figures. Considering evolving best practice under TCFD, we aim to calculate our financed emissions in the coming year.

We successfully reduced our emissions by 14% in 2023 compared to 2022<sup>5</sup>. Emissions from Purchased Goods and Services continue to be our most material category, accounting for 57% of our overall emissions. Despite this, we achieved a 28% reduction in emissions associated with Purchased Goods and Services, reflecting our ongoing efforts to reduce our carbon emissions. We continue to use video conferencing and carefully consider the necessity of each trip requiring business travel, however, travel-related emissions increased this year, reflecting greater activity across our portfolio and wider challenges to reduce business travel within the private equity industry.

As a firm, we are committed to managing and mitigating our environmental impact and have established a Net Zero Glidepath to direct our operational emissions reduction strategy. In the meantime, we are a carbon neutral firm and offset our emissions with certified UNFCCC carbon credits.

**CBPE carbon emissions (tCO<sub>2</sub>e)<sup>6</sup>**



CATEGORY	SCOPE EMISSIONS			TOTAL tCO <sub>2</sub> e
	Scope 1	Scope 2	Operational Scope 3 <sup>7</sup>	
Mains gas	0	0	0	0
Electricity	0	27	9	36
Business travel	0	0	53	53
Employee commuting	0	0	12	12
Working from home	0	0	5	5
Waste in operations: Waste	0	0	0.06	0.06
Waste in operations: Water	0	0	0.10	0.10
Purchased goods and services	0	0	140	140
<b>TOTAL</b>	<b>0</b>	<b>27</b>	<b>219</b>	<b>246</b>

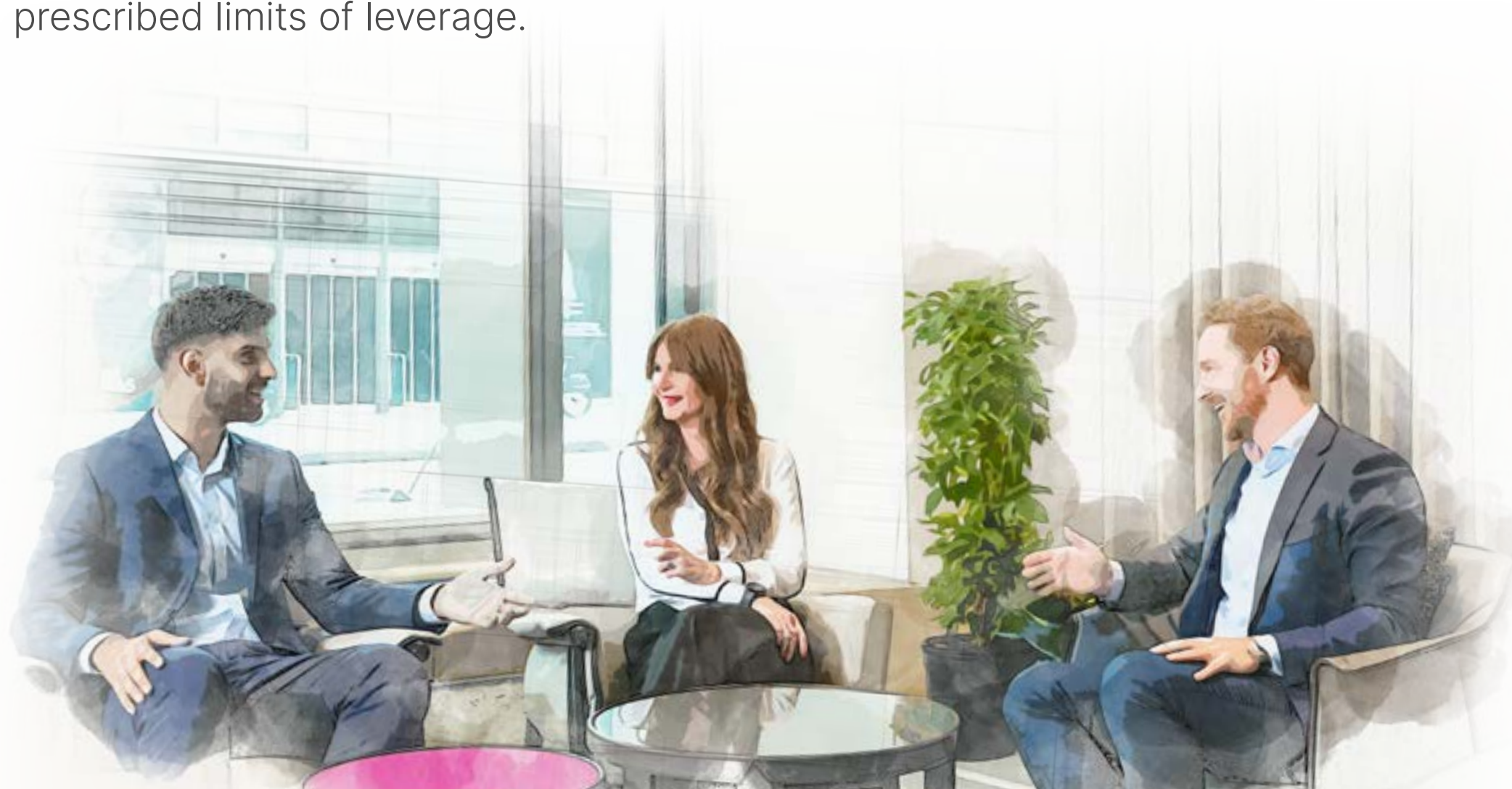
<sup>5</sup> CBPE's 2022 carbon emissions have been restated following an adjustment to Purchased Goods and Services.  
<sup>6,7</sup> Operational Scope 3 emissions exclude CBPE's financed emissions from investments, Category 15 under the GHG Protocol.

## Principles

We take our fiduciary duties and commitment to ethical business conduct seriously and require every member of our team to uphold CBPE’s principles of governance. Our policies hold employees to the highest standards of integrity and outline clear procedures to raise concerns should they arise.

- CBPE is an **FCA and Alternative Investment Fund Manager Directive (AIFMD)** firm. We are resolute in our commitment to maintaining our investment funds well within the prescribed limits of leverage.

- Robust risk management strategy led by our Risk and Compliance teams to mitigate conflicts of interest, underpinned by whistleblowing and anti-bribery and corruption policies.
- Adhere to the **Good Practice guidelines** as articulated in the FSA’s (now FCA) communication to the **International Organisation of Securities Commissions (IOSCO)** and align with the International Private Equity and Venture Capital Valuation Guidelines laid out by the **BVCA** and **Invest Europe**.



## Protection

In the face of increasing cyber threats globally, we are proactive in our approach to data management and remain committed to the highest standards of security to protect sensitive business and client information.

- Operate under the **Data Protection Act of 2018**, ensuring lawful and fair data management practices.
- Achieved **Cyber Essentials Plus**, a technical third-party audit of our IT systems, demonstrating our high standards of digital protection.



- Deliver robust training for our team members, use encryption protocols to protect our assets and configure IT access dependent on roles across the company.

Sean Dinnen, Chairman and Chief Investment Officer, has been an active member of the BVCA Growth Capital Forum since joining in 2019 (formerly the Mid-Market Committee).



## As a responsible investor

### Our investment approach

We work with our portfolio companies to develop long-term sustainable strategies, creating value and driving the success of our investments. There is an enormous amount of expertise and knowledge held by the people within each of our portfolio companies, and we see our role as supporting them with the appropriate tools to maximise their opportunities.

As part of our commitment to responsible investing, we are a **UN PRI signatory** and completed our first submission in 2023. We also completed our first portfolio wide climate-risk assessment in 2024 to support **TCFD disclosure**. Our inaugural TCFD report can be found on [page 35](#). We look forward to working with our portfolio companies to build on the findings in the coming months.

### Portfolio ESG management

ESG is fully embedded in our investment approach and we aim to systematically include climate in the ESG management process. Our end-to-end ESG programme covers all stages of the deal cycle aimed at both identifying and managing ESG and climate risks pre-investment and creating and protecting value in alignment with UN PRI Principles.

<p><b>Value Creation</b></p>	 <p><b>People</b></p> <p>We help companies attract and retain talent by strengthening diverse and inclusive cultures that drive business success.</p>	 <p><b>Planet</b></p> <p>We work with our companies to set Net Zero targets and implement strategies to become more sustainable and efficient organisations.</p>
<p><b>Value Protection</b></p>	 <p><b>Principles</b></p> <p>We ensure appropriate governance and policies are in place to manage and mitigate risks and uphold robust business conduct.</p>	 <p><b>Protection</b></p> <p>We equip businesses with the tools needed to proactively prevent and monitor cyber threats.</p>

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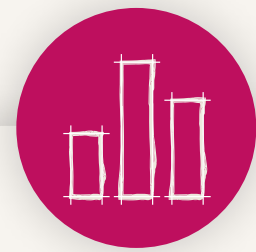
We are very pleased with the high scores we achieved in our first UN PRI assessment and look forward to improving them in our 2024 report submission.”



**Jason Khaksar**  
Partner, Member of  
CBPE ESG Committee



## ESG management process



### PRE-INVESTMENT

#### ESG due diligence to:

- Identify any red flags
- Carry out a materiality assessment and identify specific ESG and climate risks, opportunities and actions so that we are prepared post-investment
- Share information about ESG and climate risks and opportunities with the Investment Committee, to consider as part of the investment decision



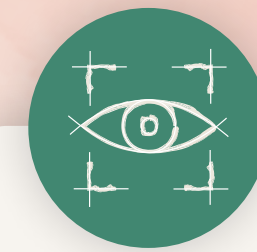
### ON-BOARDING

- Develop an initial ESG action plan to address any key risks and opportunities
- Put mechanisms in place to prepare for annual monitoring and review
- Monitor ESG performance through non-executive board seats and regular reviews of portfolio performance against agreed targets and action plans
- ESG and climate to be discussed regularly at board meetings with metrics reported annually to CBPE



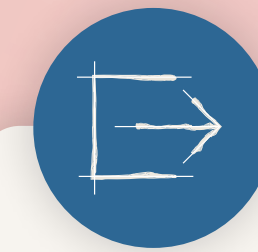
### SUPPORT

- Work with management teams to implement their ESG action plans
- Address any concerns early and provide third-party expert support where needed



### MONITORING

- Collect and review ESG and climate metrics through CBPE's ESG Platform to enable detailed monitoring of performance and improvements
- Annual ESG monitoring review and ESG management maturity scoring using a third-party provider
- Annual update to ESG action plan to reflect renewed focus areas



### EXIT

- Support in providing ESG information for future investors
- Assessment of ESG performance using KPIs from the database
- Develop a vendor due diligence assessment using their annual ESG reports, strategy, policies, metrics, and action plans

# ESG in our portfolio

## ESG data management

We gather ESG metrics and review each company's progress annually, enhanced by our third-party ESG management maturity scoring. We engage portfolio companies regularly throughout the year, providing us with consistent touchpoints to evaluate ESG factors within our portfolio.

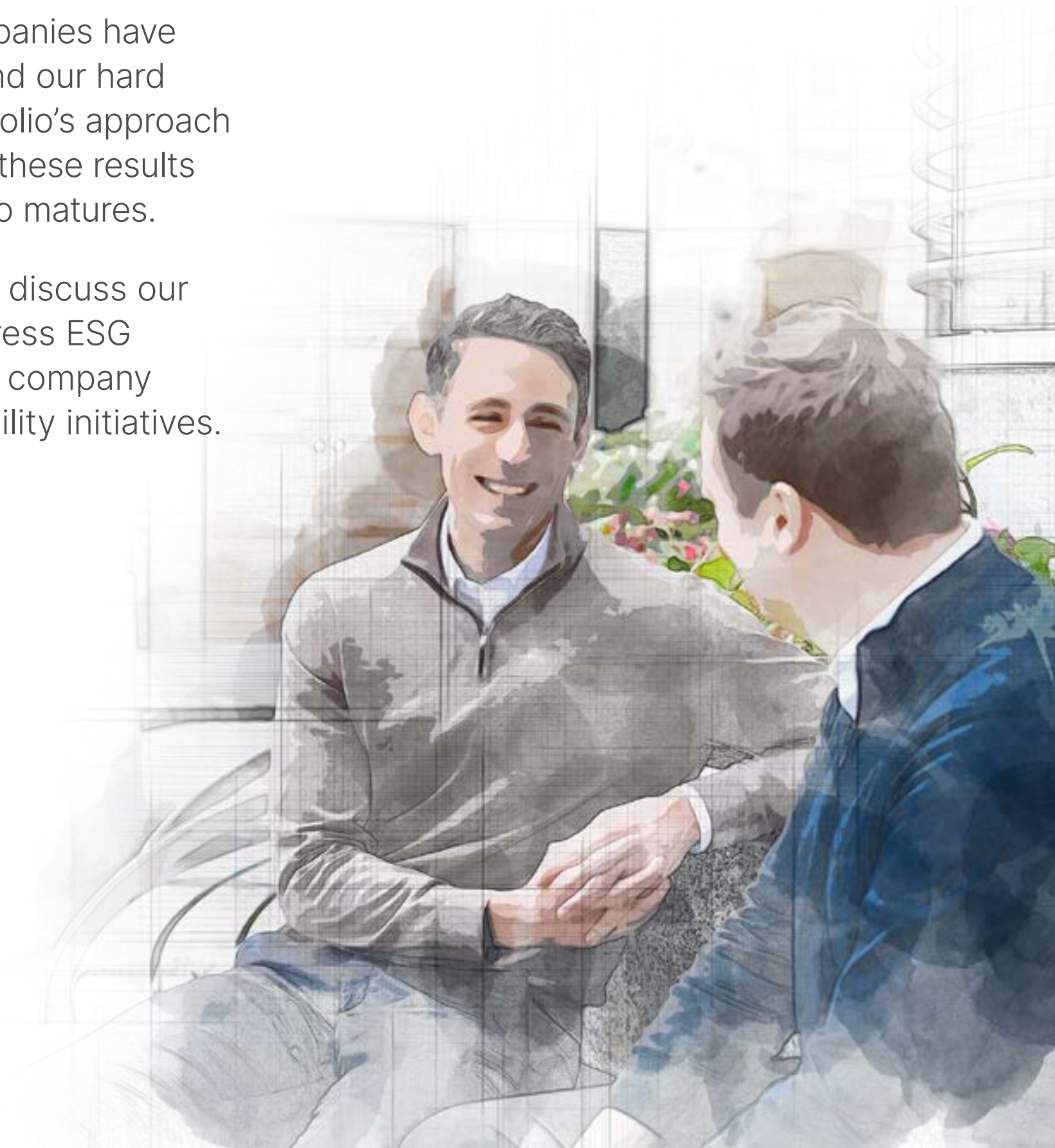
Our data collection is integrated into our sustainability management and reporting platform. The metrics we use are closely aligned with internationally recognised reporting frameworks and standards. We collate 100% of the core metrics required by the SFDR across our portfolio companies, covering climate, social, and governance matters.

We are committed to enhancing ESG strategies and initiatives across our portfolio and use the ESG management maturity scores as a metric to reflect progress year on year. Scores are calculated following an assessment of each portfolio company conducted by an external sustainability consultant.

Last year, two-thirds of the portfolio scored over 60% in their ESG management maturity assessment. This year, we focused on bringing companies below 60% up to or as close to 60% as possible. For those who achieved last year's target, we encouraged the implementation of initiatives to achieve a score of 70% or more. We are pleased to share that 60% of the portfolio scored 70% or above. This is a significant achievement, reflecting the efforts of CBPE and our management teams to mature the portfolio using our four-pillar framework of People, Planet, Principles and Protection.

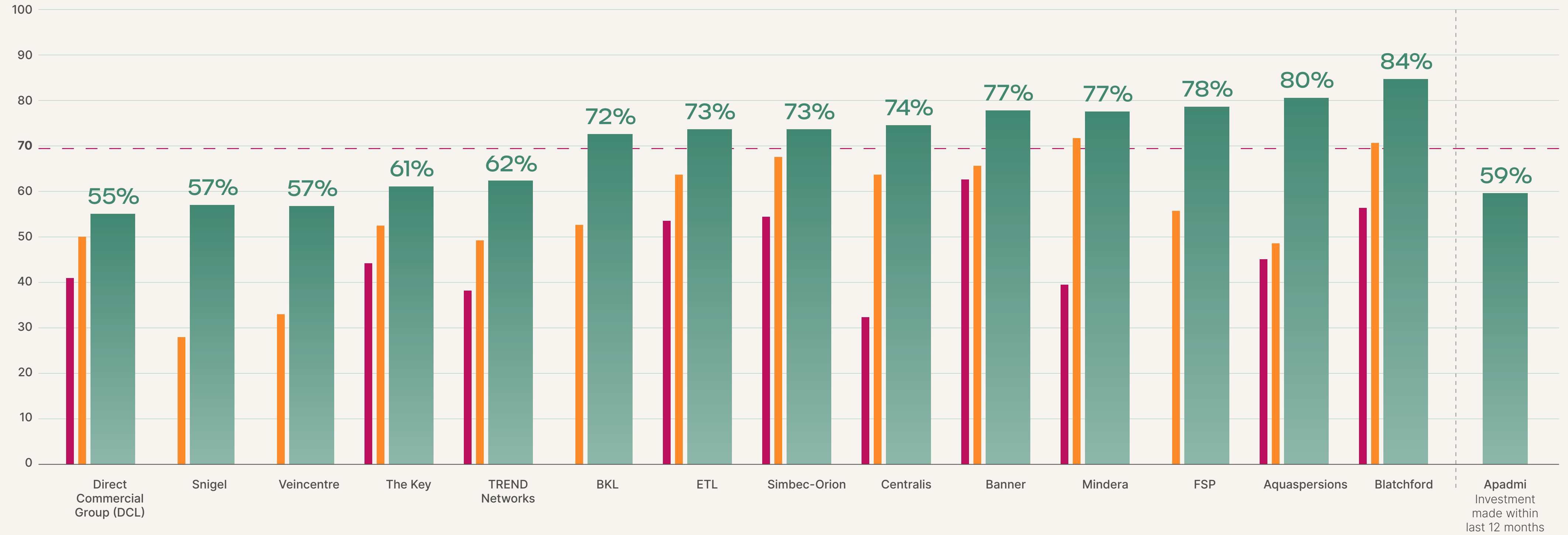
We note that the average improvement in ESG score for companies in Fund IX is greater than those in Fund X. This reflects the longer duration that companies have been under our ownership and our hard work in progressing our portfolio's approach to ESG. We seek to replicate these results across Fund X as the portfolio matures.

In the following sections, we discuss our four-pillar framework to address ESG in our portfolio and spotlight company efforts to advance sustainability initiatives.



# ESG Management Score

2022 2023 2024



## Key Stats

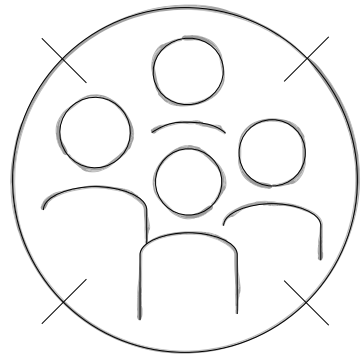
69% average score

73% scored >60%

60% scored >70%

Compared to 2023, an average

↑ 15% point increase



## People

At CBPE, we work to strengthen our portfolio’s approach to fostering diverse and inclusive workplaces, with engaged staff who face zero harassment and discrimination.

People are at the heart of our portfolio companies, which have successfully built open and dynamic workplaces that attract talented individuals, as reflected in the number of awards they have won this past year.

**100% of portfolio companies have a Harassment, Abuse & Bullying policy**

Within our People pillar, we focus on Diversity & Inclusion (D&I) and Employee Engagement to build environments conducive to driving both individual and business success.

There is a clear link between workplace well-being and business outcomes<sup>8</sup> and we recognise the importance of diversity in all aspects of work, from innovating new ideas to making decisions. Across the portfolio, 87% of companies have Diversity and Inclusion policies and 80% have an ongoing programme of D&I training. This year, [ETL](#) launched their e-Learning Lounge, which contains training on eight core topics, including unconscious bias, diversity, equity and inclusion (DE&I) and sexual harassment, as well as a dedicated Careers Pathways Programme to support employees’ professional development.



# BKL

**Sector:**  
Financial Services

**Fund:**  
CBPE X

**Ownership share:**  
Significant minority

**Date of investment:**  
Apr 2023

**Number of FTEs:**  
274

**Location:**  
London, UK

[www.bkl.co.uk](http://www.bkl.co.uk)

“

We’re so pleased to have become B Corp certified, especially as we are one of a few tax advisories to achieve an Impact Business Model (IBM) award in recognition of our commitment to sustaining a positive impact on our people, clients, community and the environment.”

**100%**  
blind recruitment  
in initial stages

Increased  
recycled waste  
by **127%**

<sup>8</sup> De Neve, J-E., Kaats, M., Ward, G. (2023). Workplace Well-being and Firm Performance, University of Oxford.



# FSP.

**Sector:**  
Business Services

**Fund:**  
CBPE X

**Ownership share:**  
Significant minority

**Date of investment:**  
Feb 2023

**Number of FTEs:**  
235

**Location:**  
Reading, UK

[www.fsp.co](http://www.fsp.co)

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The implementation of our One FSP Playbook, developed by those within the firm and Sir Clive Woodward, is a living, breathing representation of our cultural DNA, setting out our purpose, values, and Winning Behaviours. It has become an essential resource for day-to-day operations, new starters, and future teams, encapsulating the principles that drive our success and commitment to excellence.”

ESG management score **+22**

In addition, we ask our portfolio to capture D&I metrics on current employees to provide insights on representation and hiring practices. Our portfolio companies track gender, age, disability and ethnicity. We believe this is important in building organisational cultures where all individuals are valued, respected and provided with equal opportunities to thrive.


**80% of our portfolio measure gender pay gaps**

We are pleased to note that a high percentage of our portfolio companies outperform their industry average or national average pay gap. Progress to date, and the transparency involved in tracking organisational gender pay gaps, indicates our portfolio’s commitment to gender diversity and has increased employee confidence in their employers.


Alongside D&I, our other key focus is employee engagement. We want our portfolio companies to recruit and retain talent at all levels and encourage the use of engagement surveys to better understand employee sentiment towards their work and organisation. A key 2023 KPI was achieved with 100% of our portfolio conducting an engagement survey with an average response rate that exceeded our 75% goal.

High satisfaction rates across our portfolio businesses reflect strong company cultures in productive and enjoyable companies. In the past year, five businesses were recognised for their commitment to building exceptional workplaces, reflecting the people-focused culture of our portfolio. We are proud of their achievements and look forward to celebrating further recognition in the future.

## Portfolio Awards



**THE SUNDAY TIMES**  
**Best Places to Work 2024**

APADMI 

Apadmi and Veincentre – Named on The Sunday Times' 2024 Best Places to Work list.



**Great Place To Work®**  
**Certified**

 **Blatchford**

Blatchford and ETL – attained a "Great Place to Work" certification.



**CIPD**  
**People Management Awards**

APADMI 

Apadmi – won the CIPD "Best SME people management initiative" industry award.



**WORLD CLASS**  
**TO WORK FOR**  
**2024**  
cert.b.co.uk



FSP – Recognised as a "World Class Organisation" by Best Companies and Great Place to Work UK and won multiple Women in Tech Employer Awards.



**Sector:**  
Financial Services

**Fund:**  
CBPE IX

**Ownership share:**  
Significant minority

**Date of investment:**  
May 2020

**Number of FTEs:**  
297

**Location:**  
Luxembourg

[www.centralisgroup.com](http://www.centralisgroup.com)

Centralis is committed to positively impacting the communities it works in and has developed a well-established outreach programme with local schools to support the education and development of children in marginalised communities.

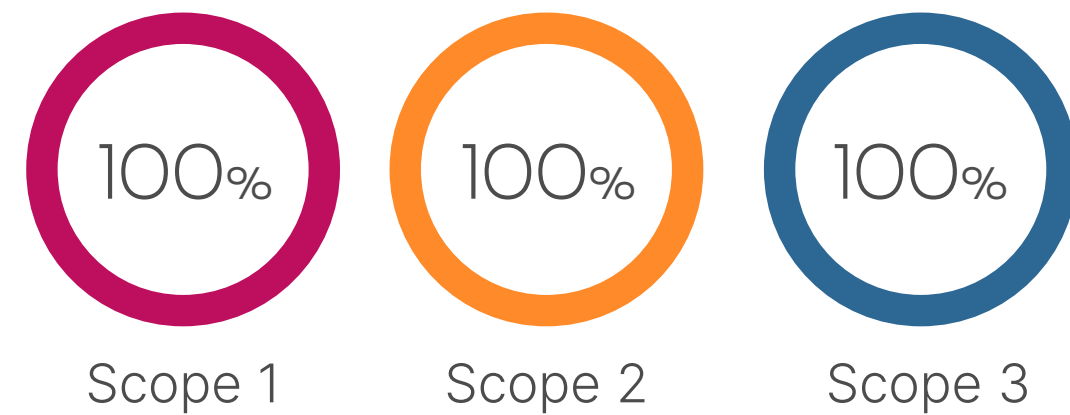
**Median pay gap:**  
**13.4%** less than industry average



## Planet

We work with our management teams to develop sustainable strategies that raise awareness of their impact on the environment and support implementation to reduce negative impacts.

This year, we took a significant step forward in understanding the impact of climate change on our portfolio by conducting a climate risk assessment in line with TCFD recommendations and engaging portfolio companies with our findings. Our inaugural report can be found on [page 35](#).



We are proud of the progress all our portfolio companies have made in monitoring and reducing their carbon emissions. In particular, 100% of companies calculated Scope 3 emissions, reflecting the growing importance of understanding value-chain emissions. We know there is no single way to reduce emissions and encourage the portfolio to adopt solutions that best fit their business; for example, ETL operates a Green Travel Scheme to reduce emissions from commuting while many companies including Blatchford, BKL and The Key use renewable energy in their offices and operations.



**Sector:**  
Financial Services

**Fund:**  
CBPE IX

**Ownership share:**  
Significant minority

**Date of investment:**  
Dec 2021

**Number of FTEs:**  
145

**Location:**  
Chelmsford, UK

DCL, a specialist insurer for commercial vehicles, took a significant step towards achieving their 20% Scope 1 and Scope 2 GHG emissions reduction target by 2030 by installing photovoltaic panels at their second office, in addition to those already installed at their HQ, to supply their operations with renewable energy. DCL is also transitioning their company fleet to electric vehicles to reduce their impact on the environment.

**62.5%** of management positions held by women

[www.directcommercial.co.uk](http://www.directcommercial.co.uk)



**Sector:**  
Technology

**Fund:**  
CBPE X

**Ownership share:**  
Majority

**Date of investment:**  
Jan 2023

**Number of FTEs:**  
41

**Location:**  
Dublin, Ireland

[www.snigel.com](http://www.snigel.com)

Snigel is a leader in its field as the first publisher ad monetisation and header bidding company to be certified Carbon Neutral. Snigel was inspired by its partners Google and OpenX, reflecting the company's ambitious outlook and understanding of the need to rapidly reduce emissions from the internet and technology sector.

ESG management score **+29**

A core target for our portfolio companies over the past year was to set a Net Zero target. We are delighted that this target has been achieved, resulting in 100% of our AUM being covered by a Net Zero target of 2050 or sooner. We will build on this positive momentum and support our companies to develop interim targets that will ensure continued focus on improvements and reductions to their carbon footprints.

**100% of AUM covered by a Net Zero target**

Our management teams recognise the importance of reducing operational emissions but also acknowledge that Net Zero targets are inherently long-term. As such, there is more they can do to reduce their impact and positively contribute to the planet and local communities in the short-term. We are pleased to note that 87% of our investments are carbon neutral through certified offsetting projects that ensure the projects they support are creating genuine impact.

As our portfolio companies advance on their ESG journey, they have taken action to reduce environmental impacts beyond carbon emissions, with particular focus on waste and water. There has been progress in the portfolio in adopting Zero Waste to Landfill policies including Banner, who has committed to using 100% recycled plastic and paper packaging by 2025, and Simbec-Orion who set water and waste reduction targets as part of their carbon footprint reduction plan. Reflecting growing efforts to safeguard water availability and quality, Aquaspersions has implemented water monitoring to improve efficiency during production of their water-based dispersions.





## ESG Portfolio Day

We were pleased to host our first ESG day in April 2024, bringing together all our portfolio companies to foster an open and collaborative forum, to facilitate knowledge sharing and encourage adoption of best practices.

On the day, we presented the results from our TCFD climate-risk assessment. The findings indicate our portfolio is resilient in a changing climate, reflecting our commitment to responsible investment. Despite this, we are aware of the systemic risks climate change poses and will continue to build on the findings in the coming year.

At CBPE, we believe there is a direct correlation between the health of company employees and business success. During the day, we held an interactive mind management session with our portfolio to better understand how our brains function and respond to stimulus at work using Dr Steve Peters' ideology behind 'The Chimp Paradox'. We practiced techniques to control our physiological reactions and improve mental resilience, which will support our management teams and their colleagues to facilitate more productive outcomes.

**banner**<sup>®</sup>

**Sector:**  
Consumer and Leisure

**Fund:**  
CBPE X

**Ownership share:**  
Majority

**Date of investment:**  
Oct 2021

**Number of FTEs:**  
372

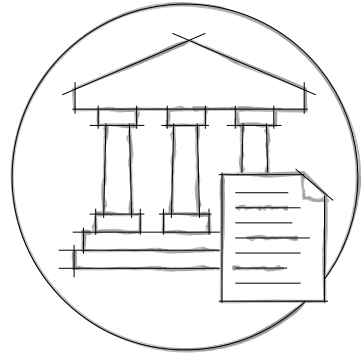
**Location:**  
Trowbridge, UK

[www.banner.co.uk](http://www.banner.co.uk)

Banner, the UK's leading wholesale and retail provider of specialist school uniforms, is rapidly pursuing its eco-product transition. It has successfully increased the content of recycled and environmentally accredited materials in its product range to 75% to reduce the environmental impacts of their products and consumers.

UK energy **100%** renewably sourced





## Principles

We believe robust governance and sound management creates an effective framework in which companies can manage and assess risk while positively contributing to the communities they operate in.

CBPE is strongly committed to ethical business conduct and requires the same level of commitment from its portfolio. We ask each portfolio company to implement a set of core policies to frame their operating environment.

To mitigate potential risk, we ensure our portfolio companies have appropriate governance and policies in place, with the key issues monitored and discussed at board level.

**100% board-level oversight of ESG matters**

ESG is reported at the highest levels across all our portfolio to ensure best practice is followed on topics such as whistleblowing and grievance management.

All our portfolio companies have anti-bribery and corruption policies, in addition to providing regular training on business ethics and implementing third party whistleblowing policies. Most portfolio companies carry out an annual programme of anti-bribery and corruption training for those in relevant roles, while the wider employee group undergo training during the new hire onboarding process.

People	Planet	Principles	Protection
National Employment Regulations / ILO Standards	Environmental	Integrated ESG Policy	Information Security / Data Privacy
Modern Day Slavery	Sustainable Procurement	Anti-Bribery & Corruption	
Health & Safety		Whistleblowing	
Harassment, Abuse & Bullying		Conflict of Interest	
Working Hours, Vacation and Leave		Fraud & Money Laundering	
Diversity & Inclusion		Anti-Competitive Practices	
Grievance Procedures		Physical Security	
Grievance Procedures		Political Associations & Donations	
		Code of Business Ethics	



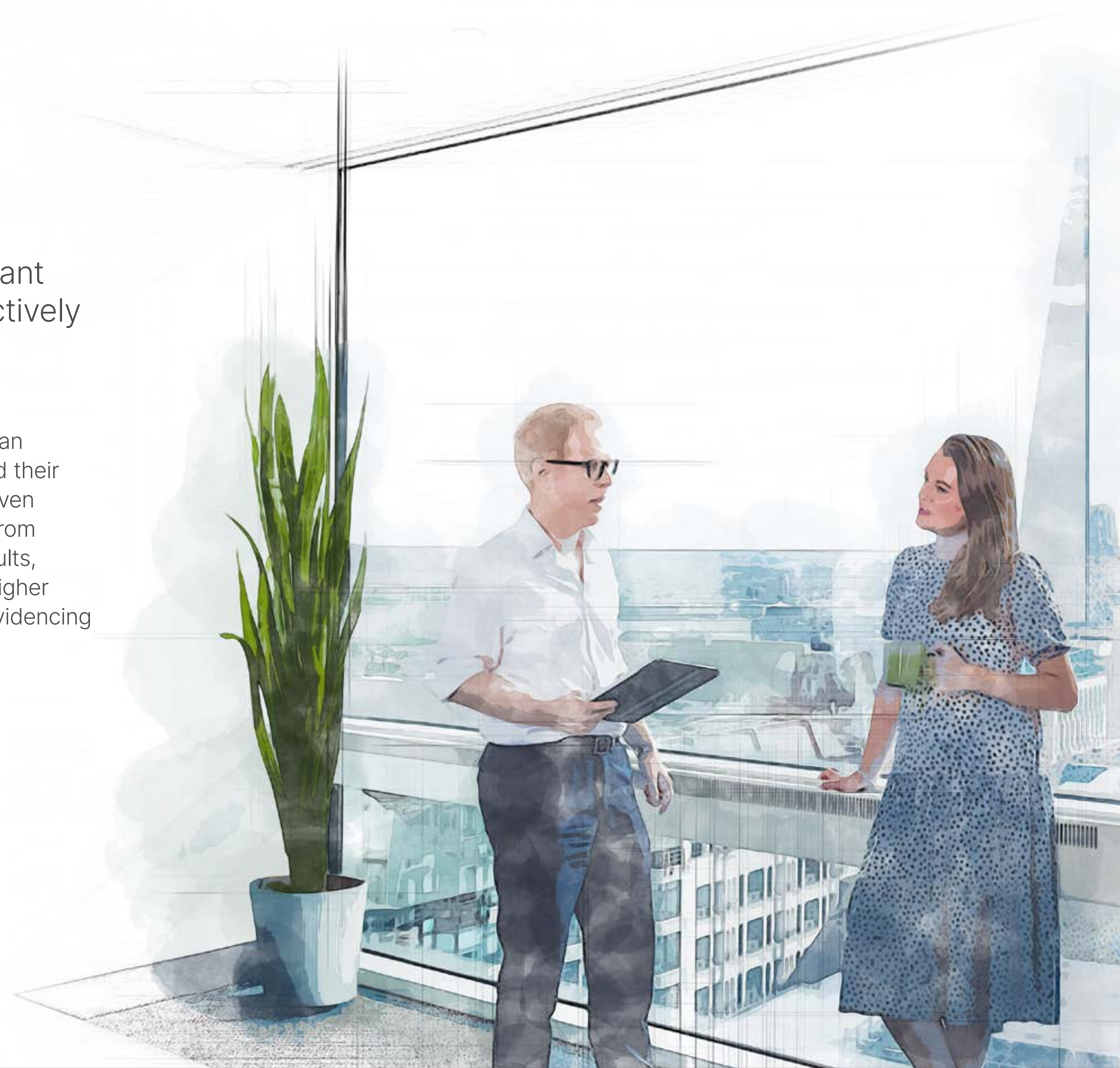
## Protection

Cybercrime is a global phenomenon that poses a significant risk to all businesses. We work with our portfolio to proactively manage cybersecurity and protect their operations from increasing cyber threats.

Each year we employ a cyber specialist to review and score the cyber maturity of each portfolio company. Using the findings of the review, we work with our portfolio to create and implement action plans that support continual improvement including robust policies, regular penetration testing and comprehensive employee training.

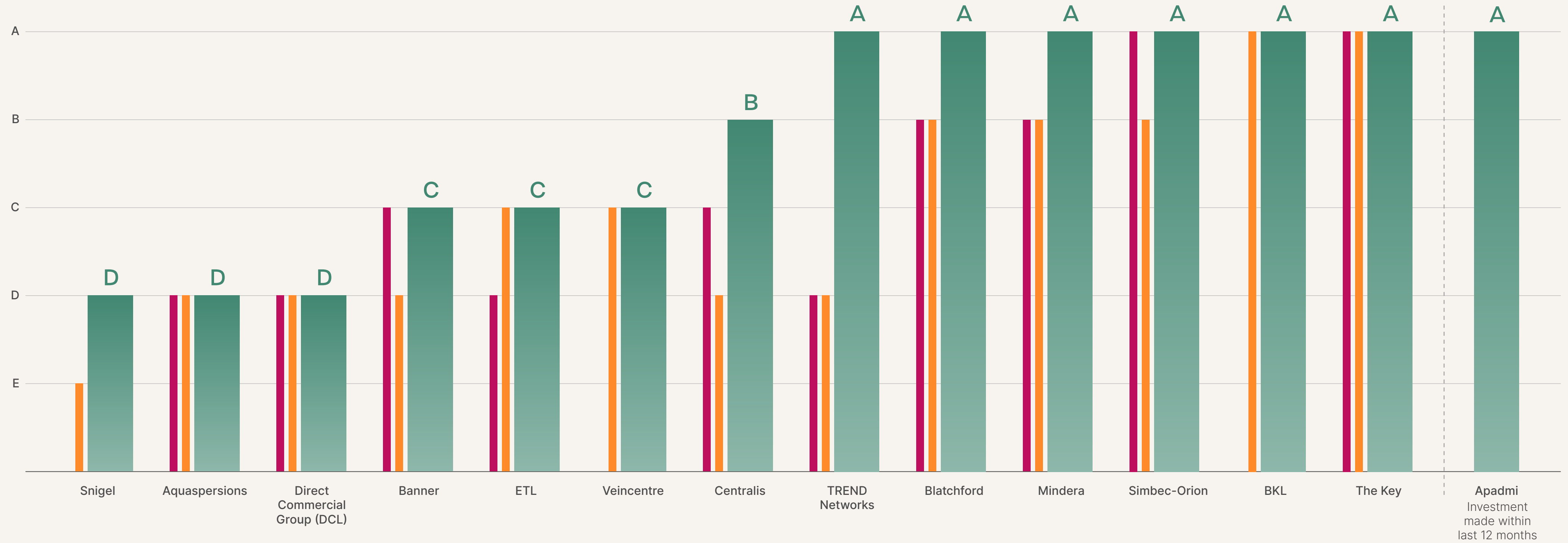
We engage the portfolio on progress against their roadmap each quarter and support on an ad-hoc basis to discuss issues as and when needed. This process of assessment and learning strengthens internal processes and facilitates knowledge sharing across the portfolio.

Our portfolio companies undergo an annual cyber review to understand their risk exposure. Each company is given a score and report card, ranging from A – E. Improving on last year’s results, 57% of our portfolio scored B or higher and no E scores were awarded, evidencing improvement across the portfolio.



# Cybersecurity Management

2022 2023 2024



## Key Stats

57% scored B or higher

50% achieved an A

Compared to 2023,  
62% improved by at least one grade

Our management teams recognise the importance of going beyond policies to equip their employees with the skills to identify and act on cyber threats. Most of our portfolio companies carry out cybersecurity and data protection training during the new hire onboarding process or throughout the year.

As part of our programme of continual improvement, we asked portfolio companies to gain third-party certification of their data and IT practices. 60% of the portfolio achieved third-party certification, such as Cyber Essentials (Plus) or ISO27001, and all portfolio companies have data protection policies in place.

**Our realised investments**

While our portfolio has evolved since the start of the reporting year, we think it is important to showcase the ESG efforts of our realised investments. We believe there is a positive relationship between ESG and financial performance and work with management teams to improve ESG performance to benefit our investors, our companies and the planet. Our realised investments, SAFECHEM and Perspective, significantly matured their ESG approach during our hold period, supporting very strong exit values from the portfolio.

Two-thirds of the portfolio have a third-party IT and cyber certification



 **TREND NETWORKS**

**Sector:**  
Industrials

**Fund:**  
CBPE IX

**Ownership share:**  
Majority

**Date of investment:**  
Dec 2018

**Number of FTEs:**  
79

**Location:**  
High Wycombe, UK

**+3** Cyber security management score  
grades

[www.trend-networks.com](http://www.trend-networks.com)

66

As a provider of data cables and network and telecom testers, we are very pleased to have made great progress in our approach to managing and mitigating cyber security risks, reflected in an increase in cybersecurity management score from D to A. We look forward to continuing this success in other areas of our ESG programme in the year ahead.”

# Portfolio Spotlight



**Sector:**  
Industrials

**Fund:**  
CBPE X

**Ownership share:**  
Majority

**Date of investment:**  
Mar 2021

**Number of FTEs:**  
86

**Location:**  
Halifax, UK

Aquaspersions made fantastic progress in its ESG programme this year, achieving an EcoVadis Silver medal. Reflecting its status as a leading manufacturer of water-based technologies, the business has implemented water monitoring to increase the efficiency of the production of its water-based polymers.

**100%** employee engagement survey response rate

**86%** recommend Aquaspersions as a great place to work

[www.aquaspersions.com](http://www.aquaspersions.com)

## Blatchford:

**Sector:**  
Healthcare and Pharmaceuticals

**Fund:**  
CBPE IX

**Ownership share:**  
Majority

**Date of investment:**  
Nov 2018

**Number of FTEs:**  
882

**Location:**  
Basingstoke, UK

66

We developed a clear strategy and set clear expectations for the year. This year we have spent more time connecting our employees to the ESG agenda. Working collaboratively, we have made significant progress across all pillars of ESG.

We have encouraged curiosity and tried to be innovative with some of our solutions, whilst ensuring they link to the Blatchford business strategy. Lastly, we have celebrated our achievements and shared our success, no matter how small!"

**↓ 55%** reduction in energy consumption

[www.blatchfordmobility.com](http://www.blatchfordmobility.com)





**Sector:**  
Industrials

**Fund:**  
CBPE IX

**Ownership share:**  
Significant minority

**Date of investment:**  
Jan 2020

**Number of FTEs:**  
172

**Location:**  
Hereford, UK

[www.etlsystems.com](http://www.etlsystems.com)

66

Our commitment to staff development is exemplified through the launch of our new e-learning platform and leadership training. This helps employees advance in their careers, adhere to core policies and uphold the highest standards of practice across our business.”

82% employee engagement survey response rate

73% of staff recommend ETL as a great place to work

## SIMBEC-ORION

**Sector:**  
Healthcare and Pharmaceuticals

**Fund:**  
CBPE IX

**Ownership share:**  
Majority

**Date of investment:**  
Jan 2019

**Number of FTEs:**  
411

**Location:**  
Slough, UK

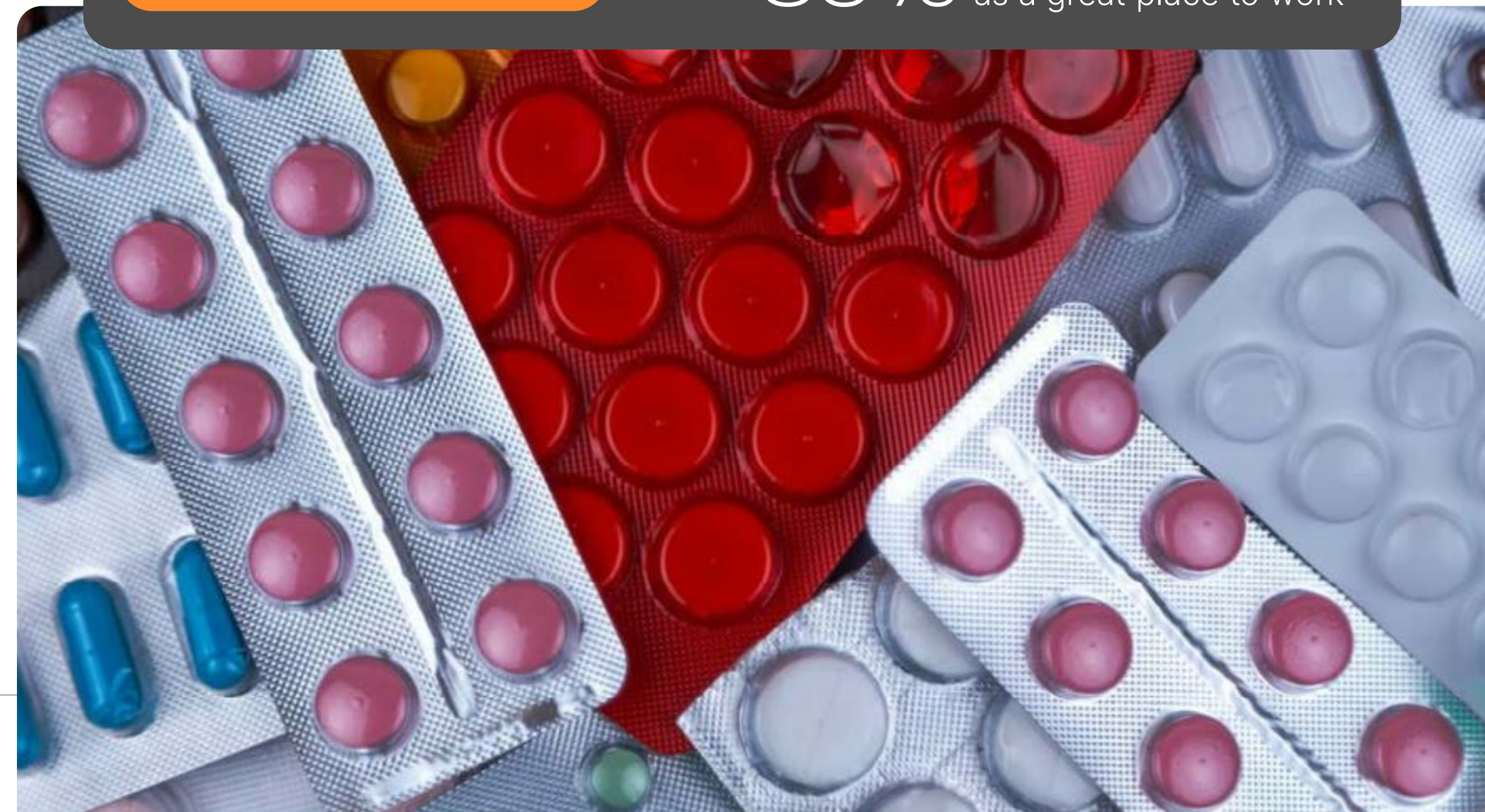
[www.simbecorion.com](http://www.simbecorion.com)

66

Launching Simbec-Orion’s Leadership Academy was the highlight of our year. Supporting and developing managers across the business with the critical skills they need is incredibly valuable for their career progression, as well as the colleagues around them and the wider business.”

87% employee engagement survey response rate

83% recommend Simbec-Orion as a great place to work





**Sector:**  
Healthcare & Pharmaceuticals

**Fund:**  
CBPE X

**Ownership share:**  
Majority

**Date of investment:**  
Oct 2022

**Number of FTEs:**  
89

**Location:**  
Stoke-on-Trent, UK

Veincentre, a specialist private medical provider for the diagnosis and treatment of varicose veins, is recognised on the Sunday Times' Best Workplaces 2024, spotlighting very high employee satisfaction rates and ongoing efforts to foster an open, dynamic and fulfilling workplace.

**74%** employee engagement survey response rate

**75%** of staff recommend Veincentre as a great place to work

[www.veincentre.com](http://www.veincentre.com)




**Sector:**  
Technology

**Fund:**  
CBPE IX

**Ownership share:**  
Significant minority

**Date of investment:**  
Dec 2019

**Number of FTEs:**  
395

**Location:**  
London, UK

**66**

We're incredibly proud of our D&I programme, led by the Wellbeing Committee, who organise monthly learning sessions on topics including pride, black history month and neurodiversity. This ensures colleagues are equipped to support schools with inclusive content and resources that address issues such as racism and bullying in an educational setting."

eNPS score increased by **+27**

[www.thekeysupport.com](http://www.thekeysupport.com)





# APADMI

**Sector:**  
Technology

**Fund:**  
CBPE X

**Ownership share:**  
Significant minority

**Date of investment:**  
Dec 2023

**Number of FTEs:**  
234

**Location:**  
Manchester, UK

[www.apadmi.com](http://www.apadmi.com)

Apadmi, a leading mobile app developer, harnesses the digital expertise of its employees to contribute to the Manchester Metropolitan Universities Consortium Centre of Digital Innovation (CDI) programme, driving the North West region's digital ambitions and SME success.

**76%** employee engagement survey response rate

**86%** of staff recommend Apadmi as a great place to work

# MINDERA

**Sector:**  
Technology

**Fund:**  
CBPE X

**Ownership share:**  
Significant minority

**Date of investment:**  
Mar 2021

**Number of FTEs:**  
850

**Location:**  
Leicester, UK

[www.mindera.com](http://www.mindera.com)

Mindera's people-centric approach is embedded throughout the business and flexible style of governance.

The global software engineering company is self-organised and operates without strict rules, roles or processes reflecting the organic growth of the company and unique culture built around transparency and openness.

ESG management score **+27**





**Sector:**  
Financial Services

**Fund:**  
CBPE X

**Ownership share:**  
Majority

**Date of investment:**  
Feb 2024

**Number of FTEs:**  
474

**Location:**  
Chorley, UK

Perspective, a nationwide financial planning and wealth advisory business, had a longstanding partnership with Laptops4Learning to provide excess IT equipment to children in disadvantaged communities. Through this partnership, Perspective helped improve educational opportunities in communities while avoiding unnecessary early end-of-life electronic waste.

ESG management score **+19**

[www.pfgl.co.uk](http://www.pfgl.co.uk)



**Sector:**  
Industrials

**Fund:**  
CBPE IX

**Ownership share:**  
Majority

**Date of investment:**  
Feb 2024

**Number of FTEs:**  
47

**Location:**  
Dusseldorf, Germany

SAFECEM emerged as a leader in the industrial solvents sector by offering a take-back scheme for used solvents and packaging in the metal and textile cleaning industry, significantly reducing the mismanagement of chemicals that cause environmental harm.

ESG management score **+10**

**100%** renewable energy across operations

[www.safechem.com](http://www.safechem.com)



# Taskforce on Climate-related Financial Disclosures Report 2024

## Contents

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- 39 Strategy
- 42 Risk management
- 43 Metrics and targets

### Executive summary


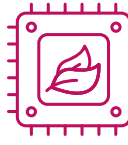




CBPE is pleased to publish its inaugural **Taskforce for Climate-related Financial Disclosure (TCFD)** report. In this report, we outline our approach to addressing climate-related risks and opportunities in our portfolio in line with the TCFD’s recommendations.

CBPE is exempt from mandated disclosure under FCA guidelines (FCA ESG 1A.1.2R, FCA ESG Sourcebook), however, we recognise climate risks, which could manifest through both physical and transition risks, as potentially material to the financial performance of current and future investments.

As such, we believe it is important for us to understand how climate change may impact our portfolio and work with our management teams to ensure they are resilient in an ever-changing climate and market.

On the next page is a list of key terms that the TCFD has defined, intended to ensure a common framework and consistent categorisation of climate-related risks and opportunities.



RISK AND OPPORTUNITY	SUB-TYPE	DESCRIPTION
Transition Risk	Transitioning to a lower-carbon economy may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations.	
	 <b>Policy and Legal</b>	<p>Policy risks are associated with actions that attempt to constrain actions that contribute to the adverse effects of climate change, or policy actions that seek to promote adaptation to climate change. The risk associated with and financial impact of policy changes depends on the nature and timing of the policy change.</p> <p>Legal risks are associated with increased climate litigation claims being brought before the courts. Reasons for such litigation include the failure of organisations to mitigate impacts of climate change, failure to adapt to climate change, and the insufficiency of disclosure around material financial risks. As the value of loss and damage arising from climate change grows, litigation risk is also likely to increase.</p>
	 <b>Technology</b>	Technological improvements or innovations that support the transition to a lower-carbon, energy efficient economic system can have a significant impact on organisations. To the extent that new technology displaces old systems and disrupts some parts of the existing economic system, winners and losers will emerge from this “creative destruction” process. The timing of technology development and deployment, however, is a key uncertainty in assessing technology risk.
Physical Risk	Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for organisations, such as direct damage to assets and indirect impacts from supply chain disruption.	
	 <b>Acute</b>	Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.
	 <b>Chronic</b>	Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.
Opportunities	Efforts to mitigate and adapt to climate change can also bring financial opportunities for organisations. Climate-related opportunities will vary depending on the region, market and industry in which an organisation operates.	
	 <b>Resource Efficiency</b>	Organisations can successfully reduce operating costs by improving efficiency across their production and distribution processes, buildings, machinery/appliances, and transport/mobility – in particular in relation to energy efficiency but also including broader materials, water, and waste management.
	 <b>Products and Services</b>	Organisations that innovate and develop new low-emission products and services may improve their competitive position and capitalise on shifting consumer preferences.

## Governance

Disclose the organisation’s governance around climate-related risks and opportunities.

The Board is responsible for the long-term success of CBPE’s portfolio, which includes oversight of our responsible investment strategy. Following our first TCFD disclosure, we aim to develop our strategy to systematically embed climate considerations alongside ESG. The Board has delegated implementation and execution of the strategy to the Managing Partner.

The Board maintains oversight of ESG at monthly board meetings. Since working through the TCFD recommendations, we have elevated climate to ensure it is monitored and managed consistently across the portfolio.

The Managing Partner assumes overall responsibility for CBPE’s responsible investment strategy. In collaboration with the Board and equity partners, they oversee CBPE’s corporate approach to ESG and climate, ensure the monitoring of our ESG diligence procedures, and promptly report any pertinent ESG concerns to our investors.

Day-to-day management and development of ESG across CBPE’s operations and its portfolio is led by the Co-Heads of ESG, Laura West and Matt Murphy. They lead the ESG Committee and update the Partner group on ESG and climate matters at monthly meetings, informed by conversations with the Investment Team.

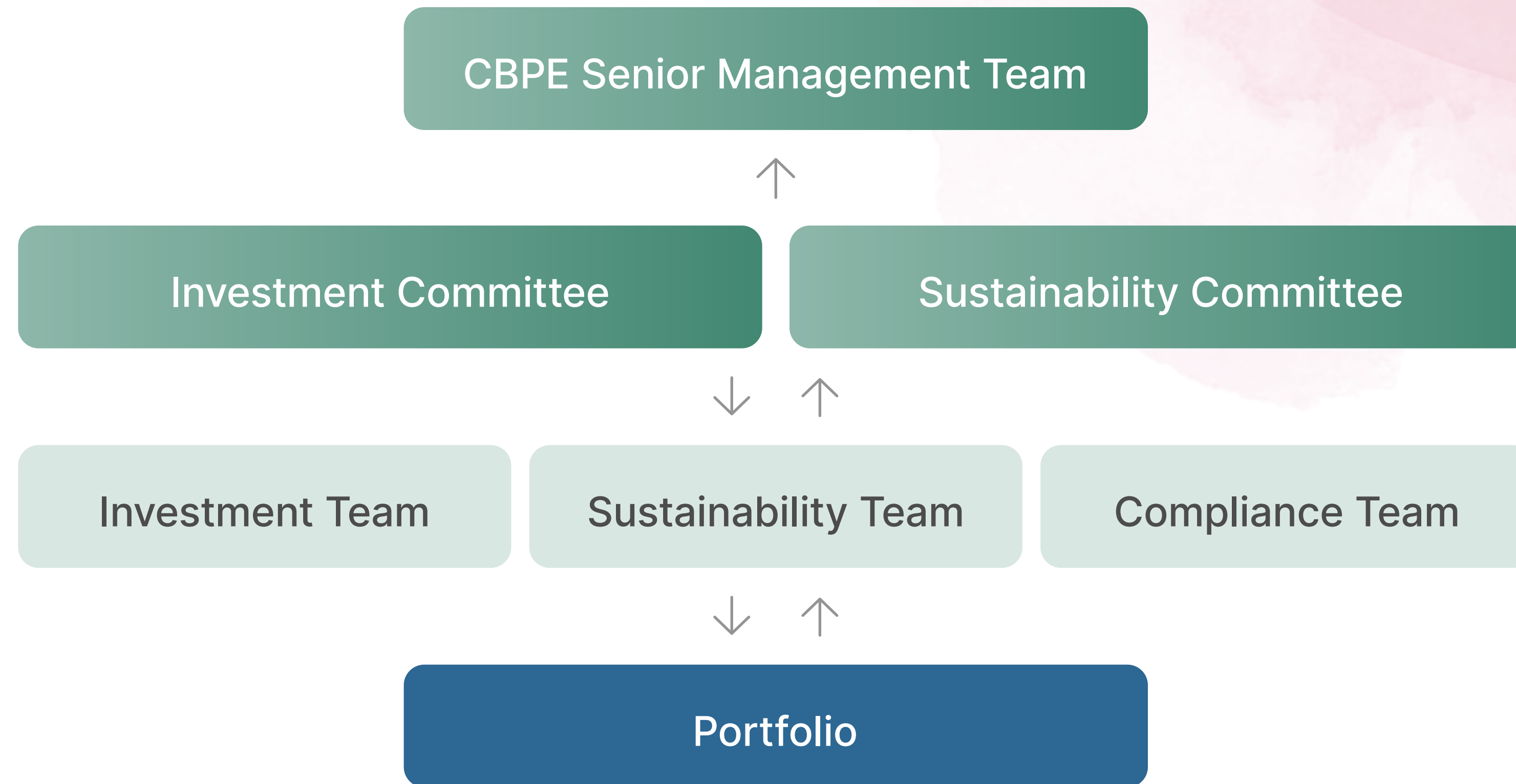
On an annual basis, following CBPE’s end-of-year portfolio data collection, the Co-Heads of ESG, alongside the Partner group, conduct an extensive review of ESG performance across the entire portfolio. The findings from this review are used to inform CBPE’s ESG ambitions for the year ahead and set objectives and Key Performance Indicators (KPIs) for our management teams, which we use to inform our engagement programme (see Risk Management below for further details).

CBPE firmly believes that our Investment Team is best placed to drive ESG performance across our portfolio. They represent CBPE on the boards of our portfolio companies and their understanding of opportunities to strengthen sustainable practices uniquely equips them to steer ESG initiatives forward.

Every portfolio company is assigned a sponsor at the board level, backed by dedicated resources to advance progress against their annual objectives we have set them. ESG topics and KPIs form a recurring part of discussions during portfolio board meetings and they are thoughtfully incorporated into board materials for portfolio companies. These materials undergo review by our Investment Team. Following our inaugural TCFD disclosure, we aim to work with our portfolio boards to systematically integrate climate into these discussions.



## Organisational oversight of climate-related topics



■ Oversight    ■ Assessment and management

## Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.

We invest in responsible companies and work with them to develop long-term, sustainable strategies, creating value and driving success within our investments. In line with our aim to sustainably grow the value of investments over time, it is important to recognise all risks and opportunities that may have a material impact on the performance of current and future investments.




In 2024, with the support of leading sustainability consultancy Sancroft, we conducted our first qualitative climate risk assessment to analyse the exposure of 15 portfolio companies<sup>9</sup> to a changing climate. The following climate risks have been identified as the most potentially material risks to our portfolio and its business activities.

The risk assessment was conducted across three time horizons, relevant to CBPE’s investment strategy, and three climate scenarios selected from the Network for

Greening the Financial System (NGFS) and assessed to be sufficiently differentiated from each other to provide meaningful analysis insights.

While the scenarios used to analyse climate risks and opportunities are theoretical, we recognise the impact climate change is already having and believe climate risk analysis is an important tool to assess how a changing climate may impact our portfolio, and in turn our investment strategy.










Analysis suggests CBPE’s financial exposure to climate risks through its investment portfolio is very low<sup>10</sup>. This is largely driven by the geographic and sectoral composition of the companies we invest in. However, we remain aware of the systemic risks that climate change poses and the changing nature of our portfolio. Therefore, we anticipate building on the findings and conducting further climate risk assessments in the coming years.

<p><b>Short-term (ST)</b> 3 – 7 years, aligned with our hold period</p>		<p><b>Orderly Transition</b> (Net Zero 2050): An ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO<sub>2</sub> emissions around 2050.</p>
<p><b>Medium-term (MT)</b> 7 – 15 years, aligned with our post-hold period</p>		<p><b>Disorderly Transition</b> (Delayed Transition): Assumes global annual emissions do not decrease until 2030. After this, strong policies are implemented to limit warming to below 2°C.</p>
<p><b>Long-term (LT)</b> 15+ years, up to 2050, the UK’s Net Zero target</p>		<p><b>Hot House World</b> (Current Policies): Assumes that only currently implemented policies are preserved and emissions continue to rise until 2080, leading to 3°C or more of warming.</p>

<sup>9</sup> CBPE’s portfolio as at Q3 FY24.

<sup>10</sup> The analysis of each company considers the two most material operating countries and may not capture all information related to operations and supply chains.

# CBPE's exposure to climate risks through its portfolio

	 Increased pricing of GHG emissions	 Mandates on and regulation of existing products and services	 Costs to transition to lower emissions technology	 Flooding	 Drought	 Increasing air temperature
 Orderly scenario	Very low	Very low	Very low	Very low	Very low	Very low
 Disorderly scenario	Low	Very low	Very low	Low	Very low	Very low
 Hot House World scenario	Very low	Very low	Very low	Low	Very low	Very low

Very low
  Low
  Moderate
  High
  Very high

RISK TYPE	RISKS AND OPPORTUNITIES	SCENARIO THE GREATEST IMPACT IS REALISED	TIMEFRAME THE GREATEST IMPACT IS REALISED	SECTORS MOST EXPOSED	POTENTIAL FINANCIAL IMPACT
<b>TRANSITION RISKS</b>					
 <b>POLICY AND LEGAL</b>	Increased pricing of GHG emissions	Orderly and Disorderly	LT	Consumer and Leisure Healthcare and Pharmaceuticals Industrials	<ul style="list-style-type: none"> <li>Increased compliance costs while emissions reductions are pursued</li> <li>Financial penalties arising from non-compliance</li> </ul>
	Mandates on and regulation of existing products and services	Orderly and Disorderly	LT	Healthcare and Pharmaceuticals Industrials	<ul style="list-style-type: none"> <li>Increased operating costs from new product development, product labelling and marketing</li> <li>Financial penalties arising from non-compliance</li> <li>Lost revenue and/or market share from failure to adapt to new requirements and customer demand</li> </ul>
 <b>TECHNOLOGY</b>	Costs to transition to lower emissions technology	Orderly and Disorderly	LT	Healthcare and Pharmaceuticals Industrials	<ul style="list-style-type: none"> <li>Increased capital expenses from investment in new technologies</li> <li>Early retirement of assets with value impairment</li> </ul>
<b>PHYSICAL RISKS</b>					
 <b>ACUTE</b>	Flooding	Disorderly and Hot House World	ST	Business Services Consumer and Leisure Financial Services Healthcare and Pharmaceuticals Industrials Technology	<ul style="list-style-type: none"> <li>Reduced revenue due to operational disruptions, inability of employees to commute or work from home and damage or loss of goods</li> <li>Increased capital expenses to repair damaged assets and/or relocate operations to low flood-risk zones</li> <li>Stranded assets suffering value impairment</li> </ul>
	Drought	Hot House World	LT	Industrials	<ul style="list-style-type: none"> <li>Increased operating costs as reduced water availability and quality drives up water bills</li> <li>Reduced revenue due to operational or critical infrastructure disruption</li> <li>Increased capital expenses to relocate operations to less drought-exposed regions</li> </ul>
 <b>CHRONIC</b>	Increasing air temperature	Hot House World	LT	Industrials Technology	<ul style="list-style-type: none"> <li>Increased capital expenses to retrofit offices and facilities and/or relocate operations and employees</li> <li>Reduced revenue from reduced employee productivity</li> </ul>
<b>OPPORTUNITIES</b>					
 <b>RESOURCE EFFICIENCY</b>	Use of more efficient production and distribution methods	Orderly and Disorderly	ST	Business Services Consumer and Leisure Financial Services	<ul style="list-style-type: none"> <li>Reduced compliance costs through reduced exposure to regulation</li> <li>Reduced operating costs due to efficiencies in energy, water and materials use</li> </ul>
 <b>PRODUCTS AND SERVICES</b>	Development of low emissions goods and services or new products through innovation and R&D	Orderly and Disorderly	ST	Healthcare and Pharmaceuticals Industrials Technology	<ul style="list-style-type: none"> <li>Increased revenue and/or market share from expanded product/service offering and movement into new green sectors</li> <li>Increased revenue and/or market-share from positive brand reputation and increased customer demand</li> </ul>

ST = Short-term MT = Medium-term LT = Long-term

## Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

### Identify

Portfolio-wide climate risks were identified using TCFD recommended climate risks and opportunities. The list of potentially material risks was refined through an assessment of the most relevant risks and opportunities, based on the sectoral and geographical composition of the portfolio.

### Assess

Our ESG programme covers all stages of the investment cycle aimed at both identifying and managing ESG and climate risks. The pre-investment phase includes ESG due diligence to identify specific risks and opportunities, including those related to climate, which is shared with the Investment Committee to consider as part of the investment decision.

Risks are regularly reviewed and discussed at monthly operational meetings if deemed appropriate. Given the findings of our climate risk assessment, climate risks will continue to be monitored over time. Should the exposure of our portfolio change, we will take the necessary actions to ensure potential risk is managed and mitigated.

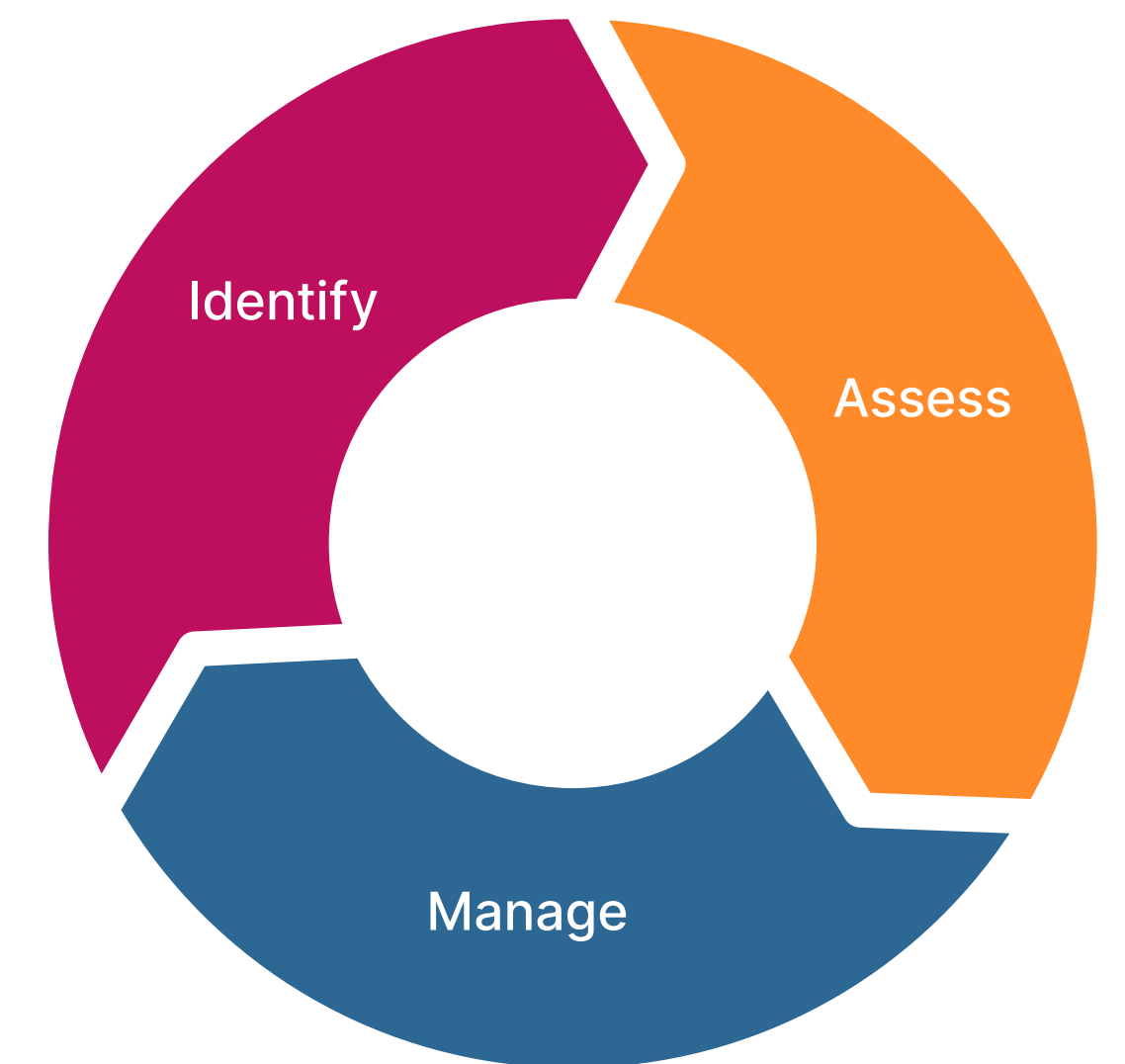
To facilitate an exit with prospective buyers, we develop a vendor due diligence assessment using annual ESG reports, policies and our annual ESG reviews. Following our first climate risk assessment, we will look to incorporate these findings to provide prospective buyers with relevant information to inform the investment decision.

### Manage

As described in the Governance section, engagement with management teams is a central part of our ESG approach and takes place regularly throughout the year.

This year, decarbonisation was a key focus of our engagement efforts. We support our teams to measure and manage their carbon footprint as a priority, along with developing long-term, sustainable strategies as part of our commitment to mitigate the impact we have on our planet. We are delighted that 100% of our AUM is now covered by a Net Zero target of 2050 or sooner. We will build on this positive momentum and support our companies to develop interim targets that will ensure continued focus on improvements and reductions to their carbon footprints.

In April 2024, we held our first ESG day and invited our management teams to discuss the results from our TCFD climate risk assessment. It was an important moment bringing together all our portfolio companies to foster an open and collaborative forum, facilitate knowledge sharing and encourage adoption of best practices.



## Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related issues where such information is material.

We recognise our greatest impact comes from our portfolio companies. However, we acknowledge that CBPE’s operations also have an impact and believe it is our responsibility to measure and manage our direct impact too.

At an entity level, CBPE monitors Scope 1, Scope 2 and Operational Scope 3 emissions<sup>11</sup>. Our carbon emissions totaled 246 tCO<sub>2</sub>e in 2023. Since recording our GHG emissions, we have successfully reduced our operational carbon emissions each year by reducing and offsetting our emissions. In 2023, we achieved a 14% operational reduction against our 2022 emissions<sup>12</sup>, with the most significant decrease in Scope 3 Purchased Goods and Services.

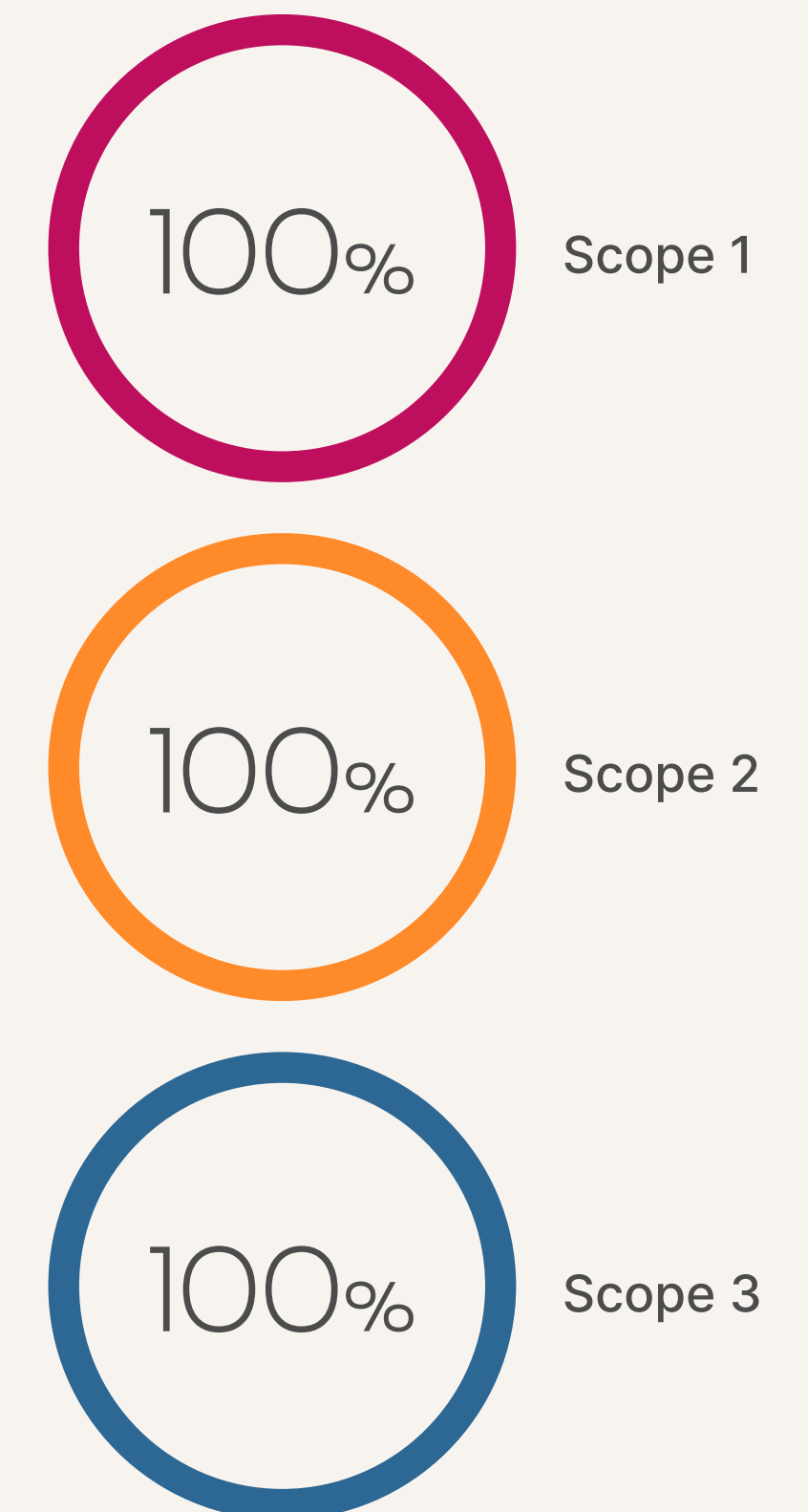
As we reduce our emissions over time, we also recognise the opportunity to positively impact the planet and local communities in the short-term. We work with the United Nations Framework Convention on Climate Change (UNFCCC) offsetting programme, enabling us to be carbon neutral as a firm, through the Wigton Windfarm II carbon offset scheme.

We have been limited in our ability to track operational metrics beyond carbon emissions as our office is located in a serviced building with shared amenities. However, we will look to expand the metrics we track and report on in the coming years where possible.

We monitor the scope emissions of our investment businesses, including Scope 3 emissions. All portfolio companies have set Net Zero targets for 2050 or sooner and we look forward to supporting our companies to develop interim targets that will ensure continued focus on improvements and reductions to their carbon footprints. In the meantime, we are pleased to announce that 87% of our portfolio is carbon neutral, positively impacting the environment and local communities.

As our portfolio companies mature their ESG approach, we will work with them to extend the metrics they capture to include water use and waste management, with the aim of monitoring and reducing their environmental impact over time.

All of our portfolio companies calculate Scope 1, 2 and 3 emissions



<sup>11</sup> Operational Scope 3 emissions exclude CBPE’s financed emissions from investments, Category 15 under the GHG Protocol.  
<sup>12</sup> CBPE’s 2022 carbon emissions have been restated following an adjustment to Purchased Goods and Services.

# Contact

For any questions on the contents of this report, please feel free to get in touch with Laura or Matt



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