GHO Capital Partners LLP | **Annual Responsible Investing Report 2022** | **Published 31 March 2023**

Catalysing *Positive Outcomes,* Enabling Superior Returns

GHO CAPITAL

Introduction

This is the second Responsible Investing report from **GHO Capital**, covering the 2022 calendar year. It explains our business approach and how we steward our portfolio companies to deliver ***Better, Faster and More Accessible Healthcare***. It shows how we maximise the positive impacts we can have as an investor, minimising Social, Governance and Environmental performance risks, while achieving exceptional returns for investors.

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Section 1

About Us

GHO Capital was founded in 2014 to partner with exceptional leadership teams to build Better, Faster and More Accessible Healthcare companies for society.

A Word from Our Managing Partners

Responsible Investment is fundamental to what we do at GHO Capital. We are making great strides in better measuring and communicating the positive outcomes we can have and our role as a responsible steward.

Since 2014, we have invested to deliver Better, Faster and More Accessible Healthcare, a unique intersection where firms can both contribute to society and deliver superior returns.

Healthcare companies delivering better products and services more efficiently, are the ones changing lives by improving access to high-quality therapies, diagnostics, devices and decision-making data, and in turn, are the subsector leaders that deliver value.

Over the last 8 years, we have seen this *offensive investment strategy* help create products and services quicker and at a lower cost. We also need to protect value at each portfolio company by considering and effectively managing our *defensive position* on their material Social, Governance and Environmental risks.

We are working to create a culture of responsible investment at GHO. We have built a diverse team who share our values and believe in our purpose. As GHO Capital grows, we recognise the need to introduce policies and systems that formalise these values and make our culture explicit. We also recognise the need to quantify the positive outcomes we can have as an investor, to better communicate them, and set clear goals to increase those outcomes.

Improved metrics, road tested on ourselves

Over the last year, we have worked closely with portfolio companies to identify critical metrics, based on our materiality assessment, that can track positive and negative outcomes from emissions to inclusion. This baselining process provides the foundation to monitor and improve performance in 2023 and beyond.

We don't believe in asking our portfolio companies to do anything we're not prepared to do ourselves. So we also measured GHO's performance against certain Social and Governance metrics, calculated our carbon footprint, and conducted a cybersecurity review of our operations before rolling it out across the portfolio.

We recognise there is much more work to do. The sustainability challenges we face, from access to and costs of healthcare, to social inequality, climate, waste and nature loss, are daunting. But we are confident that we can help to address those challenges. Directly, by helping our companies deliver Better, Faster and More Accessible Healthcare, and indirectly, by being mindful of material Environmental and Social risks as a path to protect value creation.

Managing Partners at GHO Capital: from left to right – **Andrea Ponti, Mike Mortimer, Alan MacKay**

Our Purpose:
Better, Faster and More Accessible Healthcare

Our purpose-driven investment model uses the GHO team's acumen and financial resources to find, support and scale companies that drive efficiencies across the healthcare ecosystem.

We believe those companies will deliver both superior returns and positive societal outcomes.

These outcomes can also contribute to the **UN Sustainable Development Goal 3 Good Health and Wellbeing**

We define:

Better as the quality of the product or service better than the norm or where there is a competitive advantage inherently designed in to the business model

Faster as the product or service enabling a speed efficiency in the market-place against the norm through the skills of the people, re-engineering the process or the business model

More Accessible as the product and service enabling costs

Each portfolio company aligns with at least one dimension of this purpose:

Better	Faster	More Accessible
FairJourney Biologics	FairJourney Biologics	FairJourney Biologics
Sterling	Sterling	Sterling
BIOCARE MEDICAL		BIOCARE MEDICAL
Roslin CT		Roslin CT
ENVISION PHARMA GROUP	ENVISION PHARMA GROUP	
Velocity Clinical Research	Velocity Clinical Research	
ClearView Healthcare Partners	ClearView Healthcare Partners	
SANNER	SANNER	
VALIDANT	VALIDANT	
GENESIS RESEARCH	GENESIS RESEARCH	
alcami	alcami	
SAPIO SCIENCES	SAPIO SCIENCES	
ARDENA	X-CHEM	

*Given the stage of lifecycle of Fund 1, its alignment has not been assessed.

GHO Today

Our purpose is to deliver *Better, Faster and More Accessible Healthcare*, whilst achieving superior financial returns

As a specialist private equity investor, we manage

~€6 billion*

on behalf of institutional investors, investing in a portfolio of 17 companies

43 Employees

* Based on commitments at 31 December 2022

Our portfolio companies

VISUfarma, ALCALIBER, linimed, Sterling, ARDENA, FairJourney Biologics, X-CHEM, ENVISION PHARMA GROUP, Velocity Clinical Research, VALIDANT, ClearView Healthcare Partners, SANNER, GENESIS RESEARCH, BIOCARE MEDICAL, RoslinCT, SAPIO SCIENCES, alcami

17 Portfolio Companies

200 Portfolio Locations

58 Strategic Add Ons

10,636 Employees worldwide across the portfolio

European Specialist Investor in Global Healthcare

2022 Responsible Investing Highlights

In the portfolio

Selected portfolio companies evaluated for their alignment with our philosophy to Better, Faster and More Accessible Healthcare

100%
of portfolio companies collected selected company-level ESG data

100%
of portfolio companies assessed for cybersecurity risks with action plans in place for 2023

2x
the number of portfolio companies with Human Rights policies

47
indicators used to create the baseline for selected portfolio companies

2,601
total new hires across the portfolio

13.1
tonnes of CO_2 per £1 million invested – according to our first portfolio-wide carbon footprint assessments

At GHO...

19%
female executives in our investment team

97%
participation rate in Employee Engagement Survey

300,000
mangrove trees gifted by GHO to portfolio companies for Christmas

Five
charities chosen for GHO support: **Target Ovarian Cancer, Alzheimer's Research, Life Science Cares, Royal Marsden, The Harrow Club**

Our Responsible Investing Journey

The evolving and deepening of GHO's approach to responsible investing is fundamental to our ability to deliver Better, Faster and More Accessible Healthcare.

Start up

2014

GHO established

2015

- Became a signatory to the PRI
- Responsible Investment policy introduced

Expanding and learning

2018

- GHO's corporate principles established and purpose formalised
- Portfolio company ESG updates incorporated into quarterly investor reporting

2019

CEO and CFO best practice sharing introduced across all portfolio companies

2020

Joined industry diversity initiatives *Level 20* and *OutInvestors*.

ESG best practice at firm level

2021

- Appoint first dedicated Responsible Investing Director, 100% of GHO team members complete ESG training
- Perform carbon footprint analysis on GHO's own operations, and become carbon neutral
- Demonstrate governance and metrics at firm level
- Publish first Annual Responsible Investing Report
- ESG due diligence process put in place for all new deals

Scaling best practice across the portfolio

2022

- Quarterly and annual baselining of selected portfolio companies carried out against a suite of metrics that represent our portfolio's most material risks
- Portfolio-wide ESG materiality assessment undertaken
- GHO's portfolio's contribution to deliver Better, Faster and More Accessible Healthcare defined
- Diversity, equity and inclusion policy formalised and working group set up
- GHO formalised its global community engagement strategy
- GHO committed to *Initiative Climat International*, and pledged to integrate climate analysis into investment decisions and engage with portfolio companies
- Cybersecurity assessment carried out for all portfolio companies
- GHO conducted its first employee engagement survey

Following the Highest Industry Standards

PRI

GHO has been a signatory to the United Nations Principles for Responsible Investment since 2015 and is fully committed to their six principles. We report on our approach to responsible investment and how we are implementing the six principles annually in our PRI transparency report.

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

Blueprint for Better Business

A Blueprint for Better Business is a charity whose purpose is to create a better society through better business, helping businesses to be inspired and guided by a purpose that benefits society and respects people and the planet. GHO has been an active partner of a Blueprint for Better Business since inception and has worked with them to establish its corporate purpose and principles.

GHO's founding partner, Andrea Ponti, is a Founding Trustee of a Blueprint for Better Business.

BVCA

BVCA is the UK industry body for the private equity and venture capital industry. It supports the industry's transformative role and works with the community as it adapts to new policies, sustainability, diversity, and technological priorities.

GHO's founding partner, Alan MacKay, was previously Chair of the BVCA and for a number of years chaired the BVCA Responsible Investment Advisory Board.

Level 20

Level 20 is an organisation established to inspire women to join and progress in the European private equity industry and dedicated to improving its gender diversity.

GHO has been an active partner of Level 20 since 2020.

initiative Climat International

The initiative Climat International is a collective commitment to reduce carbon emissions of private markets-backed companies and secure sustainable investment performance by recognising and incorporating the materiality of climate risk.

GHO became a member of iCI in 2022 to contribute to the private equity industry's commitment to tackling climate change.

Section 2

Our Approach to Responsible Investing

Our approach to responsible investing is based on our commitment to seek to deliver a Better, Faster and More Accessible Healthcare ecosystem for society, while managing our material Social, Governance and Environmental risks. Our approach allows us to combine these benefits with superior returns for investors.

Our Responsible Investment Principles

Our Responsible Investment Principles guide us to consider how we are supporting our team members and portfolio companies to deliver long-term responsible performance, be good citizens, be responsible and responsive employers, act honestly and fairly with customers and suppliers, and be a guardian for future generations, thus aiming to contribute to the UN Sustainable Development Goals (SDGs).

GHO Principles	Related UN SDGs
Long-term sustainable performance	16 Peace, Justice and Strong Institutions
A good citizen	1 No Poverty; 2 Zero Hunger; 10 Reduced Inequalities; 11 Sustainable Cities and Communities
Responsible & responsive employer	12 Responsible Consumption and Production
Honest and fair with customers and suppliers	4 Quality Education; 6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 10 Reduced Inequalities; 13 Climate Action; 14 Life Below Water; 15 Life on Land; 16 Peace, Justice and Strong Institutions; 17 Partnerships for the Goals
A guardian for future generations	3 Good Health and Well Being; 5 Gender Equality; 8 Decent Work and Economic Growth; 9 Industry, Innovation and Infrastructure

Our Responsible Investment Policy

Our responsible investment policy helps guide our investments, while raising internal awareness on the importance of ESG and sustainability considerations at every step of the way.

Our structured Responsible Investment framework is an integral part of our investment process. This systematic process draws on international standards and includes the integration of material ESG and sustainability considerations at each stage of the investment life cycle, from origination through to exit.

1. SELECTION: Origination and screening

GHO's strategy is to invest in specialist healthcare companies, and we maintain a list of activities and geographies we will not invest in, no matter how attractive the return potential of the asset is. We periodically review this list to make sure it is up to date with the times we live in and with our ever-evolving values and beliefs.

For example, in our latest version of our Responsible Investment policy, we committed not to invest in businesses which operate animal testing facilities. There have been several cases where GHO has declined to look at opportunities that we did not believe were a fit for our purpose and values.

2. ENTRY: Due diligence and deal execution

We believe that strong ESG governance starts with a detailed assessment of risks and opportunities in due diligence. We also recognise our own limits, and we are aware that in order to do a proper assessment, it is important to leverage professional resources and expertise outside of our own organisation. That's why ESG due diligence by third party specialist providers is conducted on every GHO platform investment, in order to properly assess its current and prospective ESG profile and evaluate the extent of sustainability-related value creation opportunities. In full compliance with this framework, every single platform deal in Fund III has received ESG Due Diligence and support.

The areas of focus for the ESG due diligence are informed by an initial screening assessment done by GHO, based on a materiality approach that draws on the Sustainability Accounting Standards Board ("SASB") and MSCI's guidelines. Our deeper integration of ESG issues means that the investment teams' understanding of material ESG risks has grown through regular training and support from the Director of Sustainable Investing.

In order for the Investment Committee to make informed investment decisions taking material ESG and sustainability considerations into account, the findings of ESG due diligence as well as the initial and interim ESG screening assessments are always presented at Investment Committee meetings and appropriately discussed.

3. PORTFOLIO MANAGEMENT: Monitoring and value creation

We take an active role in managing and overseeing the companies in which we invest, and this involvement at the highest level allows us to address relevant ESG risks and opportunities directly with our portfolio companies, and initiate change where required.

The findings of the pre-investment ESG due diligence are used in the post-closing review, which typically takes place during the first six-months of an investment, to highlight areas for progress and value creation, which get detailed in the company's 100 or 180 day plan. The Firm's Director of Responsible Investing, Manuela Rankine, in collaboration with the deal team, focuses on helping management, throughout our ownership period, adopt best practice when it comes to creating sustainable value for their businesses and all stakeholders involved. Thereafter, progress on ESG topics is monitored regularly through ESG meetings with the management team and, when necessary, on-site ESG reviews, while material ESG factors are itemised for discussion at our Quarterly Portfolio Review meetings and ESG targets are addressed directly with our portfolio companies at each Board meeting.

This year we have rolled-out a KPI reporting framework to be able to deepen our evidence-based ESG picture of the portfolio and track progress.

4. EXIT: Sale Preparation

When nearing the exit phase of the investment lifecycle, the deal team assesses a portfolio company's ESG progress since acquisition, using, when available, the pre-investment ESG review as a benchmark. Where appropriate, we also conduct a third-party ESG vendor due diligence assessment to comment on, and quantify, ESG and sustainability value creation. This information is incorporated into exit documentation to demonstrate the value of ESG and sustainability integration to prospective buyers.

Our Responsible Investment Governance

We continue to place high importance on Responsible Investing from the way we operate, train our people and set up for incoming regulation.

Governance: GHO's investment professionals, with the support of the Responsible Investing Director, are expected to ensure that our Responsible Investment Principles are integrated into the acquisition, ownership and realisation of investments.

Our Responsible Investing Director meets regularly with Managing Partners to review progress and recommends actions to be taken in response to the changing landscape of stakeholder and regulatory needs.

Our Managing Partners are accountable for oversight of our Responsible Investment Program.

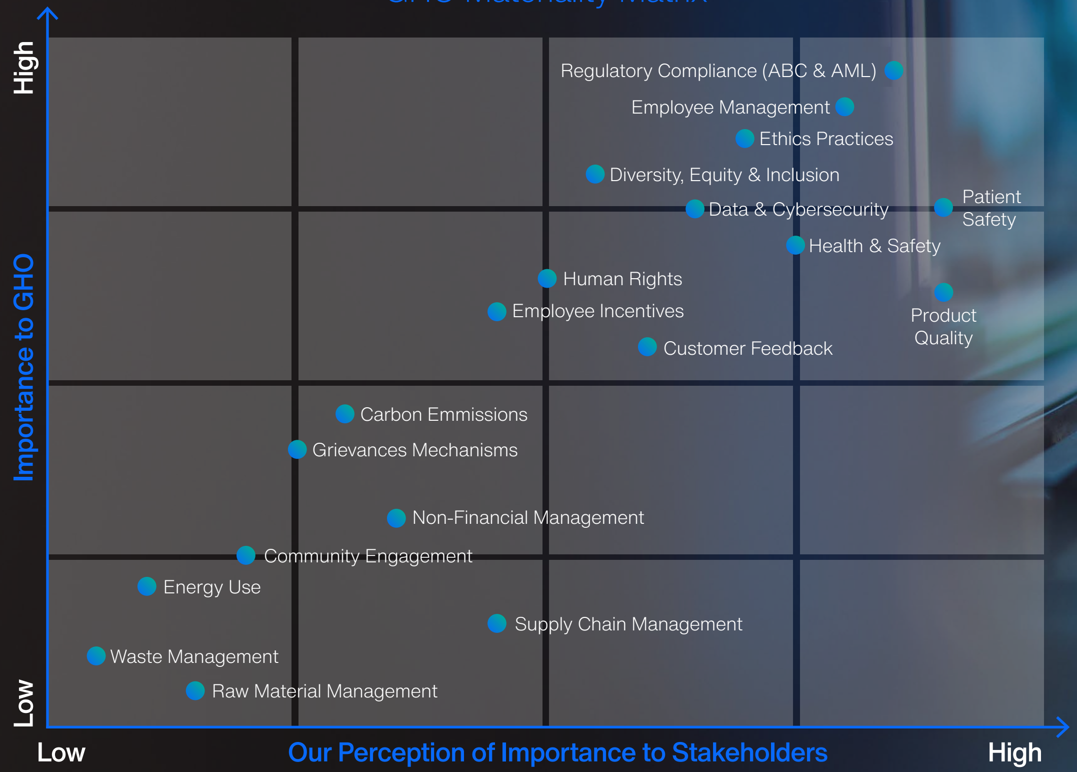
Training: Regular training is provided and this year investment professionals were trained on the how to articulate a company contribution to our purpose, output and outcome measures. In addition the team were trained on World Economic Forums landscape of interconnected risks and how a well run business takes these factors in to account.

Regulation: We are supportive of the objectives of the European Union's Sustainable Finance Disclosure Regulation ("SFDR") and this year we are communicating disclosures on a voluntary basis to align with the emerging market standards across GP's.

Our Materiality Approach

We apply the concept of materiality when determining which ESG factors to address in our portfolio. This allows us to remain focused and ensures our ESG efforts are aligned with what matters most to our stakeholders. We conducted our first materiality assessment in August 2021 and repeated it again in December 2022. Our latest view of material risks is as below:

GHO Materiality Matrix



Section 3

Baselining Responsible Investing Across the Portfolio

Fundamental to being a responsible healthcare investor is understanding the material Social and Environmental performance indicators and the standards of Governance that each company maintains.

Over the last 12 months, we have evolved our ESG monitoring from the firm to the portfolio level. We have used 47 indicators, informed by the highest regulatory standards and our own views to understand the current performance of 15 portfolio companies (Sapio and Alcami are excluded due to their late acquisition in 2022).

This will form a baseline against which we can set performance targets and seek to demonstrate improved performance in 2023 and beyond.

Given the nature of the baselining exercise, some portfolio companies do not have the data available at this stage and we have indicated this. We are actively working with these portfolio companies to close data gaps and systematise the data collection.

The following pages set out the baseline results against these key Social, Governance and Environmental metrics and a series of vignette case studies that demonstrate the progress that some selected portfolio companies are making.

15
Portfolio Companies Evaluated

47
Indicators

Baseline Social Metrics

Based on our materiality assessment, we have created a baseline for 2022 against the following Social metrics across 15 portfolio companies. Where we have gaps within the data we have indicated this in the notes below and we are actively working with these portfolio companies to close their gaps and systematise the data collection.

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Employee Engagement

7	companies conducted Employee Engagement Survey
66%	average engagement score
66%	average participation rate

We will be encouraging more portfolio companies to baseline their engagement scores during 2023.

Recruitment, Retention and Development of workforce

2,601	Total new hires across the portfolio
4 yrs	Average employee tenure per portfolio company
21%	Average attrition
35%	Average total number of new hires as % of number of employees
€1,805	Average training and development expenditure per full-time employee

All of our portfolio companies are on a growth trajectory and as a consequence are hiring significantly. Each portfolio company will have an appropriate level of attrition that we manage closely with them. Now that we have baselined these metrics we will make specific interventions with portfolio companies where appropriate.

Diversity, Equity and Inclusion

Avg. Total employee composition

Female	Male
54%	46%

Avg. Executive committee composition

Female	Male
26%	74%

10.8%* Average unadjusted gender pay gap

We are proud that our portfolio is gender balanced in favour of the female population, and has a relatively low gender pay gap compared with peers. However we also recognise that across the working world more of the senior positions and therefore higher paying positions are held by males. We are working with our portfolio companies to seek ways to increase the female talent pipeline at more senior levels.

* Excludes Alcaliber.

Baseline Governance Metrics

Based on our materiality assessment, we have created a baseline for 2022 against the following Governance metrics across 15 portfolio companies. Where we have gaps within the data we have indicated this in the notes below and we are actively working with these portfolio companies to close their gaps and systematise the data collection.

* Policies in place for human rights, labour, staff remuneration, employee association, elimination of discrimination and environment to support the UN Global Compact principles

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Alignment with UN Global Compact*

12	portfolio companies have Human Rights and Labour policies consistent with the UN Global compact requirements for their own operations
15	portfolio companies pay their staff above the statutory minimum in their local country
09	portfolio companies have Employee Association policies
15	portfolio companies have policies to eliminate discrimination
10	portfolio companies have environmental policies

As signatories to the UN Global Compact, we take our approach to human rights seriously and we have begun the process to ensure that all of our portfolio companies are aligned with the UN Global Compact principles.

Health and Safety

0	fatalities as a result of a work-related injury
4	was the portfolio average number of recordable work-related injuries
4	total high-consequence work-related injuries / ill health, excluding fatalities across the portfolio
862,677	was the average number of hours worked at each portfolio company during the reporting period
0.5	average number of days per employee lost to a work-related accident or ill health – at each portfolio company

Some of our portfolio companies have environments that are can increase health and safety risks, together we remain vigilant to the risks and seek to ensure that policies and procedures are in place so that team members work in a safe and healthy environment. Now that we have baselined certain metrics, we can take interventions where appropriate with specific portfolio companies should improvement be required.

Cybersecurity

>2.5

Overall portfolio score (on a 3-pointint maturity scale) across 20 of the 34 cybersecurity areas reviewed

We have now baselined the maturity of the portfolio with the support of Control Risks, our independent expert. 12 GHO portfolio companies were able to immediately strengthen their cybersecurity following the assessment findings. Two areas were identified for ongoing improvement across the portfolio (scoring less than 1.5 on 3 point maturity scale) and we will be working with the portfolio to take appropriate action.

Baseline Environmental Metrics

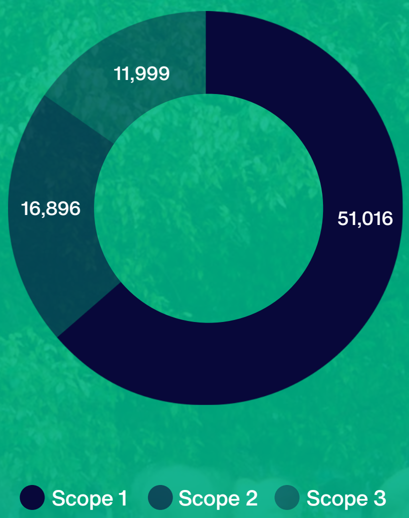
Based on our materiality assessment, we have created a baseline for 2022 against the following Environmental metrics across Funds II and III of the portfolio.

Scope 1, 2 and 3 as defined in the GHG protocol.

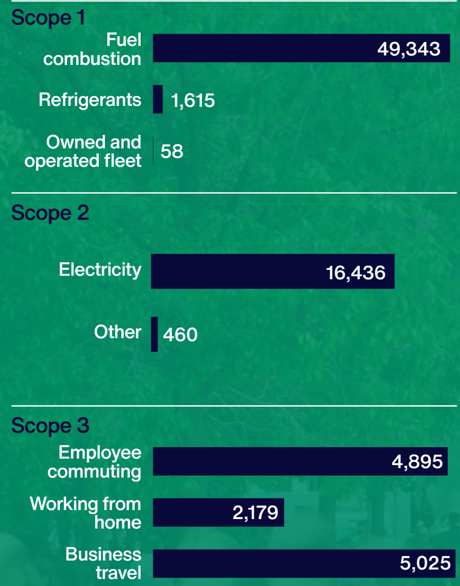
NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

2022 ESG Baseline: Summary of the aggregate carbon emissions and other supporting ESG metrics for 12 selected portfolio companies

Aggregate Portfolio Carbon Emissions (tCO_2e)



Aggregate Breakdown (tCO_2e)



Portfolio KPIs

Metric	Value
Number of portfolio companies reporting	12
Avg number of FTEs per portfolio company	518
Avg. revenue per portfolio company (€m)	116
Avg. carbon intensity of revenue (tCO_2e/€m)	58
Avg. carbon emissions per FTE (tCO_2e/€m)	12.9
Avg. renewable energy consumption (KWh)	945,807
% of Renewable Energy Consumption	19%
Avg. energy consumption (GWh) per €m revenue per high impact climate sector	0.102
No. of companies with sites / operations located in or near to biodiversity sensitive area	0
Weighted Average of emissions to water ratio (t/€m invested)	123.90
Weighted Average of hazardous waste ratio (t/€m invested)	156.7

Seeding Best Practice through our Portfolio

By working closely with our portfolio companies we are seeking to *create value and reduce risk.*

Supporting long term value: Sterling Pharma

We have worked with Sterling Pharma to take steps to reduce climate risk and deliver energy savings that will *generate over £4m in bottom line savings and £6.5m revenue next year.*

About

The dramatic rise in energy prices in 2022 has transformed the economics of energy-saving investments. Decisions made at Sterling Pharma Solutions following its acquisition by GHO in 2019 paid off last year, with substantial cuts to the firm's energy bill and new revenues from waste processing and energy sales.

In March 2021, the UK-based developer and manufacturer of active pharmaceutical ingredients turned on its combined heat and power (CHP) plant at its Dudley site in north-east England.

Investment

We have worked with Sterling Pharma to take steps to reduce climate risk and deliver energy savings. These investments are putting the company on track to reduce its carbon footprint by 50% by 2025. While their near-term economics may have improved due to external factors, the motivation – and the longer-term business case – is unchanged. GHO are convinced, as are Sterling's management, that a low carbon footprint will be a point of competitive advantage for Sterling, as its corporate customers increasingly adopt net-zero targets of their own and seek reductions in their own Scope 3 emissions footprint.

Company management are now looking at options beyond the main UK site. In 2022, the company acquired a site in Ireland from Novartis. That site came with planning permission to install a wind turbine – an option that Sterling is now exploring in light of its success with clean energy in the UK. It is also turning its attention to opportunities to reduce and decarbonise its energy use at its operations elsewhere in the UK and in North America.

Outcomes

90% Reduction in the site's electricity imports from the grid generated by that plant, with capacity of 3.4MW of power generation and 2MWe of heat

Turning garbage into gas

In addition, Sterling invested in an anaerobic digester at the same site, which converts waste – both Sterling's and that processed for third-parties for a fee – into biomethane, which can be used in the CHP plant or sold into the UK's gas grid. That plant became operational in December 2022. **Taken together, these two initiatives delivered:**

£2M savings in the year to April 2022

£4M savings expected to be generated in 2023 financial year

£6.5M revenue expected to be generated in 2023 financial year

Sterling are now expecting to repay the capital expenditure within two and a half years, as opposed to three when the project was first proposed.

Enabling cell therapies that cure disease: RoslinCT

About

Advanced Therapy Medicinal Products (ATMPs), including genetically modified cell therapies, hold transformational potential within healthcare. Cell therapies offer potential for curing for previously incurable diseases in oncology, neurology (diseases such as Alzheimer's Disease) and haematology (such as haemophilia and sickle cell disease) with many more in the pipeline.

Investment

GHO invested in RoslinCT in January 2022. RoslinCT has an unparalleled scientific pedigree in genetic engineering of cells and has a successful history of partnering with customers to enable and accelerate the development of their cell therapy treatments, operating as a Contract Development and Manufacturing Organisation (CDMO).

GHO are now supporting RoslinCT in its mission to enable better healthcare by investing in the organisation including in US expansion, people, infrastructure and quality systems.

Outcomes

These efforts are enabling RoslinCT to commercialise its world-leading science, deliver better medicines and free up scarce healthcare resources. Roslin has developed the manufacturing process for a client that is planning to begin marketing a product for a painful and untreatable disease that has the potential to cure and transform the lives of

4.4M

People worldwide

Roslin aims to deliver greater social outcomes and scientific breakthroughs in partnership with its pharma customers.

SANNER

Building green: Sanner

About

Sanner produces active pharmaceutical packaging for the pharma and nutraceutical markets, as well as providing outsourced manufacturing for the medtech industry. It specialises in producing moisture-removing desiccant packaging, designed to improve a drug product's stability and shelf-life, ultimately reducing waste.

The business has also developed products using bio-based plastic, with a lower environmental footprint than their conventional equivalents.

The business recently started construction of a new, state of the art manufacturing plant near its current headquarters in Bensheim, Germany, giving Sanner the opportunity to build in responsibility from the ground up.

Investment

The new €60 million plant will double the business's European capacity and enable it to follow its strategy of growing its core desiccant offering, while further expanding as a medtech contract development and manufacturing organisation. But management has also focused on certain sustainability factors, addressing energy sourcing and efficiency to help reduce Sanner's carbon footprint. It will come with efficient heating and cooling systems, roof-top solar panels and two wind turbines on-site – which, as well as supplying the plant, will help power electric vehicle charging points in the staff car park.

Outcomes

The solar panels alone will produce approximately

1.15 GWh

per annum in electricity

0.5M tonnes

reduction in the plant's CO_2 emissions each year

which equates to

10%

of Sanner's current emissions – benefiting both the environment and the profitability of the business.

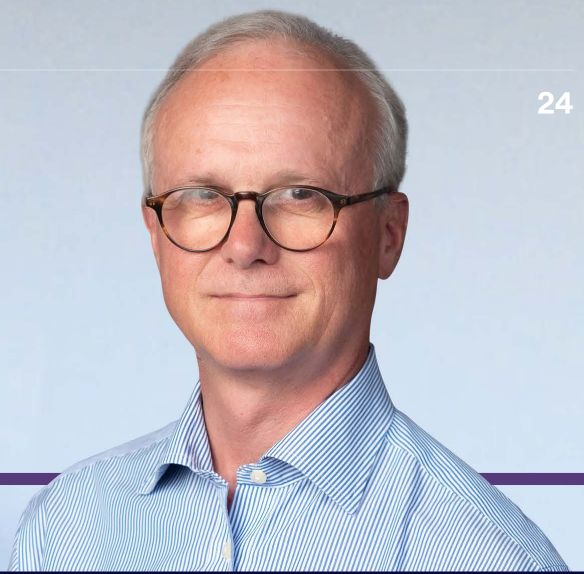
Section 4

Embedding Responsible Investing within GHO

Just as we invest responsibly, we also adopt responsible investing practices within GHO as an organisation.

GHO Capital, St James's Square, London

Q&A with Andrea Ponti



How does GHO's purpose, of delivering Better, Faster and More Accessible Healthcare, inform what you do?

It is the foundation of everything that we do, we believe that the companies that are delivering better products and services, more efficiently will deliver positive societal outcomes and be the winners in their subsectors. The winners in each subsector will deliver superior returns. By being clear about our purpose we can consciously design for improved outcomes, discern the winners and manage the performance risk factors, which in turn enables us to provide superior returns to our investors.

GHO is in the process of formalising your commitments on DEI and on climate. What is driving and informing that process?

We've always taken a very egalitarian approach to doing business and a very inclusive approach to hiring, our first three hires in the firm were female investment team members and we've always recognised the importance of diversity. It's just the natural way we do business. But, as we've gotten bigger, it becomes more important to make that way of thinking explicit rather than implicit. That is why we have taken steps this year to formalise our approach.

On climate, we have quantified our own carbon footprint and we are setting targets to reduce our emissions. We have spent last year working with our portfolio to measure their Scope 1, 2 and 3 emissions. This year, we plan to work with them to set appropriate reduction commitments. These will vary across the portfolio: some companies have the potential for rapid cuts; others will need to adopt longer-term targets. But we plan to ensure these commitments are based on scientific benchmarks.

This year has has been about rolling out across the portfolio a non-financial data reporting programme. What challenges have you faced in that process?

Like GHO itself, all of our portfolio companies are understanding the need to measure and monitor material non-financial metrics as well as getting their heads around collecting the required information. We are very much in partnership with our portfolio companies to do this work and have had to balance the data collection effort with the day-to-day priorities of the business. Early communication and clarity on what is required by when has been key to the process.

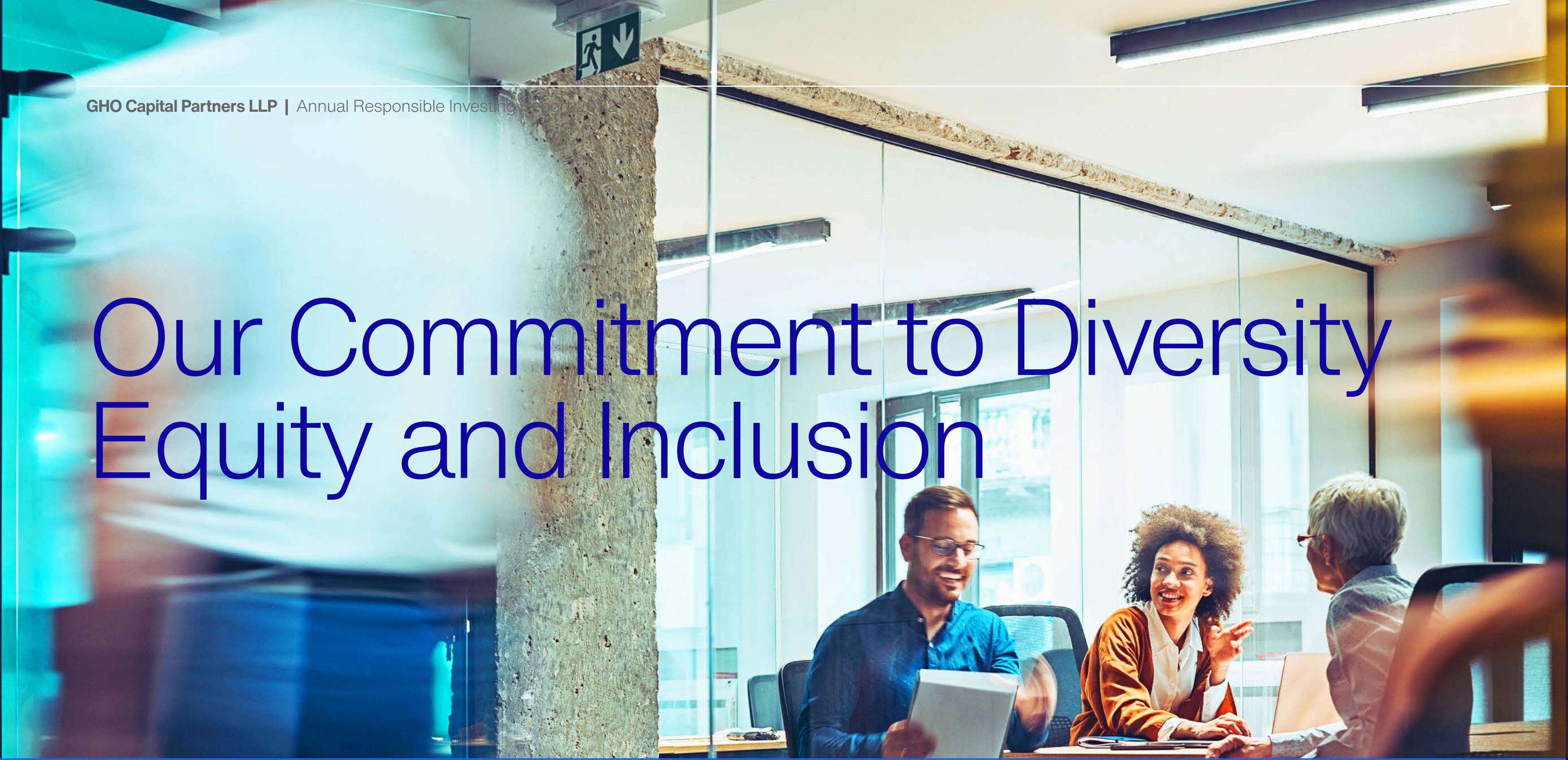
What are your views on the increasing sustainable finance disclosures regulation globally?

We are broadly supportive of the regulation as we believe it provides a solid framework to create a baseline of indicators across the financial industry. The measures and indicators that we have selected aim to align with the most progressive regulation. However, the risk in regulatory requirements is that it becomes a box ticking exercise rather than a real purpose-led responsible investing exercise.

What plans for you have for the portfolio regarding Responsible Investing in 2023?

We have baselined the basic indicators for what we believe to be a well run business, we now need to ensure the data gaps are filled and alongside the portfolio companies that the appropriate actions are taken.

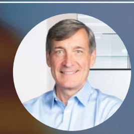
In addition to this, we will be measuring, via a set of output and outcome indicators how each portfolio company contributes to Better, Faster and More Accessible Healthcare. We plan to systematically introduce this across the existing portfolio over time and for all future investments.



Our Commitment to Diversity Equity and Inclusion

From day one GHO has believed a diverse team is a better team, giving us the wide range of experience and problem-solving skills necessary to run a world-class operation, and a deeper talent pool from which to select.

Mike Mortimer
Managing Partner



Ever since we were founded, we have firmly believed that a diverse culture unlocks the diversity of thought required to help us succeed. Women and ethnic minorities remain under-represented in the global private equity industry and at GHO we want to show there is a different way.

In 2022, we formalised our philosophy and commitments on Diversity, Equity and Inclusion (DEI) in our DEI policy and track our progress on a variety of key metrics. We report on the percentage of female team members and executives in the investment team and across the firm, as well as the number of nationalities and ethnicities within the firm. ***In 2022, we updated our family policy to include 26 weeks of fully paid maternity leave, to ensure we are best placed to retain our diverse pool of talent.*** We have also begun collecting data on educational background and experience and formed a DEI Steering Group.

We are committed to increasing women and ethnic minorities in our investment teams in line with our growth.

Actions to address this include increasing our talent pipeline, by directing our recruitment consultants to ensure women, non-binary and ethnic minority candidates are presented for our investment roles. We have already undertaken a search for a junior-level role that specified a long-list of such candidates. We are planning to repeat the process for senior-level roles, when such positions open up.

We cannot change the industry on our own – and we actively collaborate with groups that work to promote diversity and inclusion in the private equity sector. We have worked for some years with ***Level20*** to promote gender diversity, ***OutInvestors*** to make the industry more welcoming to LGBT+ people, and ***Generating Genius***, which helps young people from disadvantaged backgrounds build careers in science, technology, engineering and medicine. In 2022, we deepened our relationships with all three groups, sponsoring events, participating in roundtables and providing internships.

Our DEI Steering Group

Our DEI Working Group, formed in 2022, is responsible for guiding the firm in building and maintaining a diverse, equitable and inclusive workplace through embedding DEI in our goals, practises, individual behaviours and values.

It meets monthly and is chaired by our CFO and attended by senior team members. Our Managing Partner Andrea Ponti attends each meeting.

Organisations we partner with on DEI

OUT LGBT+ NETWORK INVESTORS

GENERATING GENIUS

LEVEL 20

12 nationalities

09 ethnicities represented across GHO

06 Partners (100% male)

19% of our investment team made up by women

GHO's overall team is
60% male
40% female

19% of the GHO team are members of ethnic minorities

Our Commitment to our Team Members

Our human capital is as important as our financial capital. At GHO, we believe in nurturing, investing in and regularly communicating with our team members.

Over the last year, we have undertaken our first engagement survey, worked to formalise some of the processes to help us develop our people and deepened relationships with external partners to help us seize opportunities to improve.

Our first engagement survey generated fantastic results:

97%

of employees participated. They reported very high levels of engagement and commitment to the firm, with a strong sense of purpose and team culture. However, there is always room for improvement. We have been providing increased guidance, coaching and frameworks for success in areas where there is opportunity to improve. We will measure the result of our efforts in the next engagement survey.

We have also invested in tailored coaching programmes to develop our people and nurture the next generation of leaders. This is complimented by the introduction of maternity coaching to support our female team members who are or have been on maternity leave.

Our Commitment to Community Engagement






This year, we formalised our global community engagement strategy to ensure a consistent approach across GHO and encourage longstanding engagement with the charities, alongside financial support. We don't just want to invest responsibly. We want GHO to be a place our Teams in the UK and US are proud to work in, supporting the communities in which we work, and the wider society we operate in.

Andrea Ponti
Managing Partner

We are proud that our people give their time and money to support charities linked to the UN Sustainable Development Goals of Good Health and Wellbeing, Climate Action and Reduced Inequalities. These include →

Volunteering: The firm provides a day each year for community engagement. Every team member is also entitled to an additional day of paid leave to volunteer in their local communities, and we are involved in several projects which also foster team spirit. In December, during a bitterly cold snap in the UK, they organised a collection of warm clothing for the homeless through *Wrap Up London.*	In 2022, we worked with local charity *One Westminster* on projects including painting elderly care homes, visiting elderly residents and working in a community centre garden. The entire firm participated.
Catalysing opportunity: It is important to us to provide opportunities to young, disadvantaged people in the places where we work.	We partner with *Generating Genius* to offer placements to Londoners of Black African or Caribbean heritage studying STEM subjects.
Wider world: We have a global outlook and **our people have responded to crises and humanitarian emergencies in the wider world.**	They organised donations to alleviate suffering caused by the war in Ukraine, donating money through the *DEC Ukraine* appeal.

This year, we have set up a staff taskforce to better coordinate our charitable giving and community engagement. We have identified five charities we plan to support on an ongoing basis. These are:

Alzheimer's Research, which is working to find cures for dementia.

Target Ovarian Cancer, the UK's leading charity focused on the disease.

Life Science Cares, the industry's charity addressing poverty across five US cities.

The Harrow Club, which works with marginalised young people in west London.

Royal Marsden, a London hospital providing world-leading cancer care.

All individual donations given by the team are also matched by the firm itself.

Our Commitment to the Environment

We have been investing since inception to solve the great challenge of delivering access to Better and Faster Healthcare, but it is critical we act to protect the health of our planet too. In turbulent times we must not lose sight of the urgent action required to tackle the climate crisis.

Alan MacKay
Managing Partner

CERTIFIED CARBON NEUTRAL Global Standard

a service of CLIMATE IMPACT PARTNERS

Emission scope	Emission source	Location-based		Market-based	
		Total emissions (tCO_2e)	Proportion of the tCO_2e (%)	Total emissions (tCO_2e)	Proportion of the tCO_2e (%)
Scope 1	Gas	3.63	0.004%	3.63	0.004%
Scope 2	Electricity	40.98	0.05%	0	0%
Scope 3	Business travel	727.10	0.9%	727.10	0.9%
	Employee Commuting	5.98	0.01%	5.98	0.01%
	Hybrid Working from Home	29.57	0.04%	29.57	0.04%
	Portfolio Companies*	80,012	99.00%	Data baselined for the portfolio is Location Based	
Total		**80,819.26**	**100%**		

* Includes Scope 1, and 2 for portfolio companies and Scope 3 – (business travel, employee commuting, and working from home) where available.

This year, we have measured a subset of the portfolio's emissions for the first time, and are taking steps to address other pressing environmental issues.

The changing climate is the biggest environmental issue the world faces. In 2022 we once again measured our firm level carbon footprint. Travel resumed to a more normalised level following the end of the pandemic. We continued to be carbon neutral at the firm level using high-quality Gold Standard certified carbon offsets to offset the emissions from our business travel and commuting.

But most of our emissions intensity is as a result of our investments. This year, we have worked extensively with our portfolio companies to measure their Scope 1, 2 and 3 emissions – that is, the emissions they produce directly, those from the power, steam, cooling and heat they purchase, and those across their entire value chains.

This in-depth process is the first step towards setting emissions commitments that are in line with what climate science says we need to seek to do to hold global warming below 1.5°C.

There is much to be encouraged by.

Sterling Pharma has dramatically cut its emissions and energy efficiency is top of mind in designing Sanner's new manufacturing plant.

Our baseline data shows that **19%** of our portfolio companies' energy consumption is from renewable sources.

To continue to make progress, we have also joined Initiative Climat International (iCI), a global community of private equity peers to further understand and manage climate risks.

We also want to help them go beyond compliance when it comes to taking action on climate. In 2022, we gave each of our portfolio companies a Christmas present: a commitment to plant a total of 300,000 mangrove trees in Madagascar on their behalf by tree-planting company Gift A Tree. This gesture won't count towards their climate goals but it shows we're ready to explore all avenues possible to do our bit to help tackle the climate crisis.

In line with the EU's Sustainable Finance Disclosure Regulation, we also take a broad view of environmental impacts and report on indicators covering not just climate and energy, but also on biodiversity loss, water pollution and hazardous waste. We have begun collecting this data where it is material, may use this data to set goals and targets to address negative impacts.

Cybersecurity

Cyber risk management is a material risk for GHO. We called in the experts to make sure our defences across the portfolio are up to the job.

Every business is vulnerable to cyber attacks. Companies in health care, which can hold sensitive patient data, are particularly at risk. Firms undertaking cutting-edge research can also find themselves the target of industrial espionage.

At GHO Capital, we recognise the utmost importance of applying the highest levels of cybersecurity we can to our portfolio companies, and to our own operations. That's why we engaged Control Risks, a market-leading security risk consultancy, to assess our cybersecurity, starting with GHO itself.

The assessment which took place in late 2021, found GHO to be attentive to the cyber threat. A work plan was put in place to address gaps that were identified and to improve our operational resilience. Subsequently, Control Risks was asked to assess the entire portfolio, which began in February 2022.

The scale and scope of our portfolio companies varies significantly – ranging from some with hundreds of staff and several subsidiaries, to start-ups with a couple of dozen employees. Some were acquired with sophisticated IT operations, whereas others had not been as focused on their technology solutions.

Overall, Control Risks found levels of cybersecurity across the portfolio that were above the median. Some were particularly sophisticated. Without exception, its consultants praised the portfolio companies' IT staff as highly competent and committed. Those gaps they found were mostly at the governance level – cyber management policies, risk appetite policies, and data classification – rather than of a technical nature.

Each company was presented with an initial report, followed by a follow-up interview a few weeks later. Control Risks found that many gaps identified in the reports had been addressed by the IT staff by the time of the interviews. They found the portfolio companies keen to learn and improve.

A key recommendation from Control Risks was that GHO should appoint a firm-level Head of IT. In December, Adrian Bolton joined GHO in that capacity. He will support the portfolio companies in implementing the improvements suggested by Control Risks. Much of this work will involve encouraging collaboration within the portfolio – bringing together their IT experts to leverage skills and experience within the portfolio. He will also act as an advocate for the IT teams, ensuring they have the management support and financial resources to ensure that their cyber defences are equal to the task.

Section 5

Looking Ahead

This past year, we have put the foundations in place to understand where our portfolio stands in relation to key non-financial indicators. We have collected data, established baselines and are developing tools to track progress.

This gives us the platform to concentrate on outputs and outcomes – and to measure how our portfolio companies contribute to Better, Faster and More Accessible Healthcare.

Enabling us to get ready to systematically include both our offence and defense strategies, by making them more explicit in our future investment decisions.

Systematically measuring our contribution to Better, Faster and More Accessible Healthcare – During 2023 we will be focusing explicitly on articulating how our purpose of Better, Faster and More Accessible Healthcare and offensive investment strategy results in the unique combination of positive outcomes on the healthcare system, seek to ensure no harm to society, while delivering superior financial returns to investors. We will develop a range of emerging standards tools and metrics that best suit our portfolio. This will enable us to set out our intentions to deliver positive outputs and outcomes. It will also allow us to align our objectives with the UN Sustainable Development Goals and other recognised frameworks, where possible.

Taking action – Now that we have baseline data for our performance in respect of ESG indicators, the next stage is to take the appropriate actions to enhance the positive outcomes and reduce our negative outcomes – across all dimensions, both for portfolio companies and for GHO itself. For example, we plan to report voluntarily in line with the TCFD recommendations and begin the process to set science-based emissions targets, ideally by 2024.

Diversity, Equity and Inclusion (DEI) – Last year we formalised our DEI policy and committed to increasing gender diversity at all levels across the GHO investment team and will be taking actions on this during 2023, by investing in Girls Are Investors, Women's Leadership and increasing our recruitment activities. We are also identifying actions that we can take to increase equity and inclusion across the team through a series of listening sessions, introducing an Equitable Leadership Program and through our performance management systems. As well as working with our portfolio companies to identify actions that they can take to improve their activities.

Section 6

Appendix – Our Baseline Metrics

With support from portfolio companies, who have voluntarily provided relevant data we have baselined a selection of the portfolio across a series of metrics.

Given our acquisitions of Sapio and Alcami, were in the last weeks of 2022 we have not collected any data for 2022. Given where Fund 1 is in its lifecycle we have not included climate-related data from these portfolio companies. Due to the baseline nature of the data we have indicated in the notes where additional data may be missing.

Metric	Metric Definition	Outputs*
Total number of employees	Total full-time and part-time employees	10,636
Total cost of workforce	The total cost of the full and part-time employees	€730.6 (m)
Total number of new hires	Total number of new employee hires during the reporting period	2,601
Average employee tenure	Sum total of tenure for all employees divided by the total number of employees	4 years
Average Percent turnover	Attrition (the number of FTE leaving the business) over the course of the year (or quarter) divided by average FTEs in previous year (or quarter) multiplied by 100	21%
Average training and development expenditure per full time employee	Total cost of training provided to employees divided by the number of employees. 'Training' refers to: – all types of vocational training and instruction; – paid educational leave provided by an organisation for its employees; – raining or education pursued externally and paid for in whole or in part by an organisation; – training on specific topics. Training does not include on-site coaching by supervisors	€1,805
Employee Engagement Survey	Number of portfolio companies undertaking an employee engagement survey in 2022	7
Average employee engagement survey score (%)	Average employee engagement survey score as a percentage (%)	66%
Average Participation rate (%)	Average rate of participation as a percentage (%)	66%
Average Employee Composition	Average employee as defined as any employment relationship composition expressed as Male %, Female % and Other %	45% Male 55% Female 0% Other

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Appendix – Our Baseline Metrics

Metric	Metric Definition	Outputs*
Average Executive Committee Composition	Average Executive Committee composition defined as those responsible for the strategic guidance of the organisation, the effective monitoring of management, and the accountability of management to the broader organisation and its stakeholders defined as expressed as Male %, Female % and Other %	74% Male 26% Female 0% Other
Average Unadjusted Gender Pay Gap	Average Difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees	10.8%**
Total number of work related fatalities	The definition of a work related fatality is a fatality that is caused as a result of exposure to hazards at work	0
Total number of high-consequence work-related injuries / ill health, excluding fatalities across portfolio	High-consequence work-related injury is a work-related injury that results in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.	4
Average number of recordable work-related injuries	Recordable work-related injury or ill health is not a fatality or high-consequence work-related injury but results in any of the following: More than 1 day away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury diagnosed by a physician or other licensed healthcare professional	4
Average number of hours lost due to a work-related accident or ill health	Lost work hours exclude the day of the incident, planned leave, weekends, scheduled vacation days and public holidays	2,844
Average number of hours worked during the reporting period	If the organisation cannot directly calculate the number of hours worked, it may estimate this on the basis of normal or standard hours of work, taking into account entitlements to periods of paid leave of absence from work (e.g., paid vacations, paid sick leave, public holidays) and explain this in the report	862,677
Total number of portfolio companies with Human rights policies for their own operations	Policies in place to support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses that explicitly prohibit Human Trafficking, Involuntary labour (including prison or compulsory labour), also known as modern-day slavery, Child Labour and Unfair remuneration	12

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

** Excludes Alcaliber

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Appendix – Our Baseline Metrics

Metric	Metric Definition	Outputs*
Total number of portfolio companies that pay above the statutory minimum wage	Policies in place to pay above the statutory minimum wage of the local country within which they are operating within	15
Total number of portfolio companies that have policies that support freedom of association and the right to collective bargaining	Policies in place that enable employees to have freedom of association and the right to collective bargaining	8
Total number of portfolio companies with policies in place that prevent discrimination	Policies in place the prevent discrimination in respect of employment and occupation	15
Total number of portfolio companies that have policies in place for environmental responsibility	Policies in place that take a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, Encourage the development and diffusion of environmentally friendly technologies	10
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0%
Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0%

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Appendix – Our Baseline Metrics

Metric	Metric Definition	Outputs*
Gross direct (Scope 1) GHG emissions in metric tons of CO_2 equivalent.	Direct (Scope 1) GHG emissions can come from the following sources owned or controlled by an organisation: – Generation of electricity, heating, cooling and steam: these emissions result from the combustion of fuels in stationary sources, such as boilers, furnaces, and turbines – and from other combustion processes such as flaring; – Physical or chemical processing: most of these emissions result from the manufacturing or processing of chemicals and materials, such as cement, steel, aluminium, ammonia, and waste processing; – Transportation of materials, products, waste, workers, and passengers: these emissions result from the combustion of fuels in mobile combustion sources owned or controlled by the organisation, such as trucks, trains, ships, aeroplanes, buses, and cars; – Fugitive emissions: these are emissions that are not physically controlled but result from intentional or unintentional releases of GHGs. These can include equipment leaks from joints, seals, packing, and gaskets; methane emissions (e.g., from coal mines) and venting; HFC emissions from refrigeration and air conditioning equipment; and methane leakages (e.g., from gas transport). Methodologies used to calculate the direct (Scope I) GHG emissions can include: – direct measurement of energy source consumed (coal, gas) or losses (refills) of cooling systems and conversion to GHG (CO_2 equivalents); – mass balance calculations; – calculations based on site-specific data, such as for fuel composition analysis; – calculations based on published criteria, such as emission factors and GWP rates; – direct measurements of GHG emissions, such as continuous online analysers; – estimations. If estimations are used due to a lack of default figures, the reporting organisation can indicate the basis and assumptions on which figures were estimated. GHO has included Refrigerants, Combustion and Owned and Operated Fleet to calculate total Scope 1 Emissions.	51,016

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Appendix – Our Baseline Metrics

Metric	Metric Definition	Outputs*
Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent.	Energy indirect (Scope 2) GHG emissions include, but are not limited to, the CO_2 emissions from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organisation – disclosed as specified in Disclosure 302-1 of GRI 302: Energy. For many organisations, the energy indirect (Scope 2) GHG emissions that result from the generation of purchased electricity can be much greater than their direct (Scope 1) GHG emissions. The 'GHG Protocol Scope 2 Guidance' requires organisations to provide two distinct Scope 2 values: a location-based and a market-based value. A location-based method reflects the average GHG emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data. A market-based method reflects emissions from the electricity that an organisation has purposefully chosen (or its lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. GHO has included Electricity and leased Refrigerants, Combustion and Operated Fleet to calculate total portfolio Scope 2 Emissions.	16,896
Gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalent.	Other indirect (Scope 3) GHG emissions are a consequence of an organisation's activities, but occur from sources not owned or controlled by the organisation. Other indirect (Scope 3) GHG emissions include both upstream and downstream emissions. Some examples of Scope 3 activities include extracting and producing purchased materials; transporting purchased fuels in vehicles not owned or controlled by the organisation; and the end use of products and services. GHO is currently only focused on reporting Scope 3 GHG emissions for business travel, working from Home and commuting.	11,999**
Total energy consumption during the reporting period in kilowatt-hours (kWh)	Total energy consumption within the organisation = Non-renewable fuel consumed + Renewable fuel consumed + Electricity, heating, cooling, and steam purchased for consumption + Self-generated electricity, heating, cooling, and steam, which are not consumed - Electricity, heating, cooling, and steam sold.	60,224,733

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

** Excludes Genesis, X-Chem and Biocare Working from Home Data and X-Chem commuting data

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Appendix – Our Baseline Metrics

Metric	Metric Definition	Outputs*
Total energy consumption during the reporting period from renewable sources (kWh)	Renewable energy is defined as an energy source that is capable of being replenished in a short time through ecological cycles or agricultural processes. Renewable energy sources can include geothermal, wind, solar, hydro, and biomass	11,349,678
GHG intensity of companies	(tCO_2eq/€m revenue)	58
Share of –non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	81%
Energy consumption intensity per high-impact climate sector	Energy consumption in GWh per million EUR of revenue of company, per high impact climate sector	0.102
Activities negatively affecting biodiversity-sensitive areas	Companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	0
Emissions to water	Tonnes of emissions to water generated by companies per million EUR invested, expressed as a weighted average	123.90**
Hazardous waste ratio	Tonnes of hazardous waste generated by the company per million EUR invested, expressed as a weighted average	156.67***

* Due to baselining nature of these metrics not representative of full portfolio, details available on request

** Excludes X-Chem, Genesis and Ardena

*** Excludes X-Chem, Genesis, Ardena and Velocity

NB: All metrics exclude Sapio and Alcami due to their late acquisition in 2022

Responsible Investment Report – Disclaimers

There is no guarantee that any environmental, social or governance ("ESG") or impact measures, targets, programmes, commitments, incentives, initiatives, or benefits will be implemented or applicable to the assets held by funds advised or managed by GHO Capital or its affiliates and any implementation of such ESG measures, targets, programmes, commitments, incentives, initiatives, or benefits may be overridden or ignored at the sole discretion of GHO Capital or its affiliates at any time and, to the extent applicable, in accordance with relevant sectoral legislation unless otherwise specified in the relevant fund documentation or regulatory disclosures made pursuant to Regulation (EU) 2019/2088. Any ESG measures, targets, programmes, commitments, incentives, initiatives, or benefits referenced are not promoted to investors and do not bind any investment decisions or the management or stewardship of any funds advised or managed by GHO Capital or its affiliates for the purpose of Regulation (EU) 2019/2088 unless otherwise specified in the relevant fund documentation or regulatory disclosures.

Calculation methodologies in respect of climate and emissions data as well as data collection practices and the reporting thereof as a whole are evolving, and other asset managers are implementing different frameworks, methodologies, and tracking tools. The selection of such different but acceptable measurement techniques can result in materially different measurements. Further, these techniques are subject to measurement uncertainties resulting from inherent limitations in the nature and methods used to determine such data. The precision of different measurement techniques may also vary.

GHO Capital relies on information provided by the management of our portfolio companies as the basis of the case studies, historical data and projections reported herein. The information provided is intended to be illustrative and is not intended to be used as an indication of current or future performance. Asset specific calculations may be subjective in nature and as such, may yield different results if alternative methodologies are applied. Further, certain of the information contained in this Report has been obtained from portfolio companies and/or sources outside of GHO Capital, and could prove to be incomplete or inaccurate and is current only as of any specific date(s) noted herein. GHO Capital makes no representations as to the accuracy or completeness of the information obtained from such portfolio companies and/or sources and neither GHO Capital nor any of its affiliates takes any responsibility for, and has not independently verified, any such information unless otherwise specified in this Report. Unless otherwise stated, references to ESG initiatives, priorities or practices at portfolio companies are not necessarily intended to indicate that GHO Capital has materially contributed to such actions and such initiatives, priorities, or practices are subject to change, even materially, over time. Further, certain information contained herein has been obtained from third parties, and in certain cases have not been updated through the date hereof. While these third-party sources are believed to be reliable, GHO Capital makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor. Actual results may differ materially from any forward-looking statements. Terms such as “impact” and “sustainability” can be subjective in nature, and there is no representation or guarantee that these terms, as used by GHO Capital, or judgment exercised by GHO Capital or its affiliates or advisors in the application of these terms, will reflect the beliefs or values, policies, principles, frameworks or preferred practices of any particular investor or other third-party or reflect market trends. Goals and commitments are aspirational and not guarantees or promises that all goals and commitments will be met.

If you would like any further information on GHO's approach to responsible investing, please feel free to contact:

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