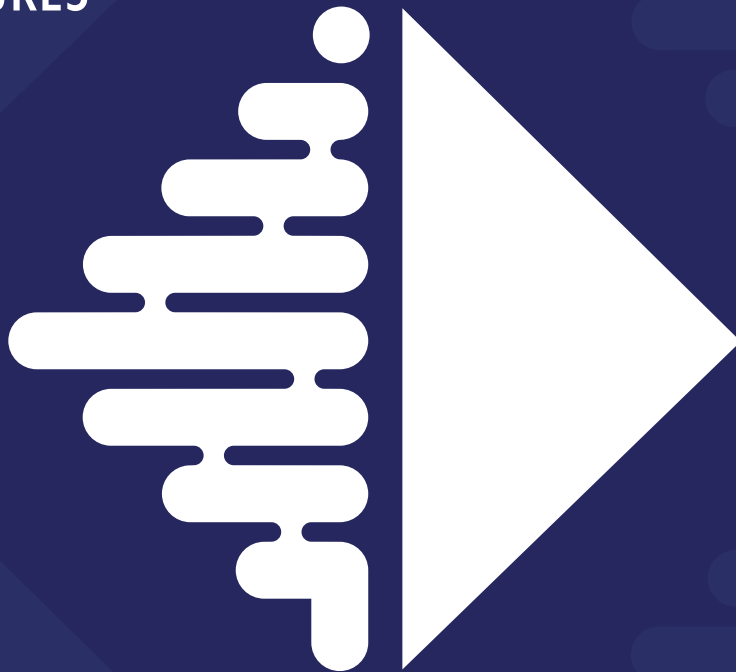


TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES



**REPORT 2025**

Investindustrial's approach to Climate Change

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The term "Investindustrial" in this document refers to our group of independently managed investment, holding and financial advisory companies. The terms "we," "us" and "our" in this document refer to the Firm or Investindustrial, as the context requires. The terms "Portfolio company", "Investee company", "Team", "Office", "Professionals", "Chairman", "Managing Principal", "Partner", "Principal", "Senior Partner", "Investindustrial" and "Senior Principal" in this document have been used only for practical ease of reading and do not intend to imply any specific reference to an entity or a legal definition of any activity of control by any company or individual with respect to other companies. Terms such as "control", "ownership" and their synonyms are also used for ease of reference and illustrative purposes only and may not legally imply full or partial control of certain companies due to limitations by any shareholders' agreements, co-investment vetoes and other third party rights, management stock option and any other incentive scheme. In addition, portfolio companies are held by the relevant, independently managed investment and/or holding subsidiary of the applicable fund.

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Investment or divestment decisions are taken by the applicable investment and holding company. The term "Investindustrial" may refer to any of them depending on the context.

## ABOUT THIS REPORT

### Reporting Scope and Boundary

This report presents Investindustrial Advisors Limited's (or the Firm) entity report in line with the Recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD). The information disclosed in this report covers the period from 1 January 2025 to 31 December 2025.

### Compliance Statement

The disclosures in this report comply with the requirements under chapter ESG 2.2 (TCFD Entity Report) of the Financial Conduct Authority's (FCA) Handbook of Rules and Guidance.

Rajeev Menon, Director of Investindustrial Advisors Limited



### Key Audiences

The Firm's TCFD Report is a key communication tool for sharing our progress in integrating climate risk and opportunity management into our business strategy with stakeholders, including investors, portfolio companies, employees, the financial community, governments, regulatory authorities, and society.

### Science Based target initiative (SBTi) Communication on Progress

Investindustrial committed to the SBTi in November 2021.

The Firm's targets and communication on progress can be found in the 'Metrics and targets' section.

### For more information please contact us at:

[info@investindustrial.com](mailto:info@investindustrial.com)

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



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# CONTENTS

- 5. INTRODUCTION
- 7. GOVERNANCE
- 8. STRATEGY
- 13. RISK MANAGEMENT
- 16. METRICS & TARGETS

# INTRODUCTION

## ABOUT INVESTINDUSTRIAL: ACTIVE OWNERSHIP WITH SUSTAINABILITY AT THE CORE

**Founded in 1990 out of an industrial conglomerate and with more than €19 billion<sup>(1)</sup> of raised fund capital, Investindustrial is one of Europe's leading independent investment groups focused on taking majority or control positions in leading, high-quality mid-market companies.**

Investindustrial operates with the support of one global cohesive team based across offices in London, Lugano, Luxembourg, Madrid, New York, Abu Dhabi, Shanghai and Tokyo. Investindustrial combines a deep understanding of its portfolio companies and their industries with a proven ability to partner with entrepreneurs and managers. In turn, this has resulted in a successful track record of developing businesses internationally, organically and through complementary add-on acquisitions. Investindustrial's mission is to actively develop its portfolio by offering a robust global platform.

## THE FIRM'S APPROACH TO CLIMATE CHANGE

Sustainability considerations, including climate-related topics, have been part of how Investindustrial views and drives value creation in portfolio companies. The Firm's engagement on climate is longstanding and started in 2009, when it started assessing its carbon footprint.

Since then, Investindustrial has developed a decarbonisation and climate mitigation strategy at firm and portfolio level, that is disclosed in this report. However, Investindustrial continues to keep its eye on the future: a decarbonising economy represents both a tremendous challenge and opportunity for businesses we invest in, and our portfolio companies must be prepared.

We invite you to learn more about our approach and initiatives across the Firm in the pages that follow.

(1) Including raised capital post year-end.

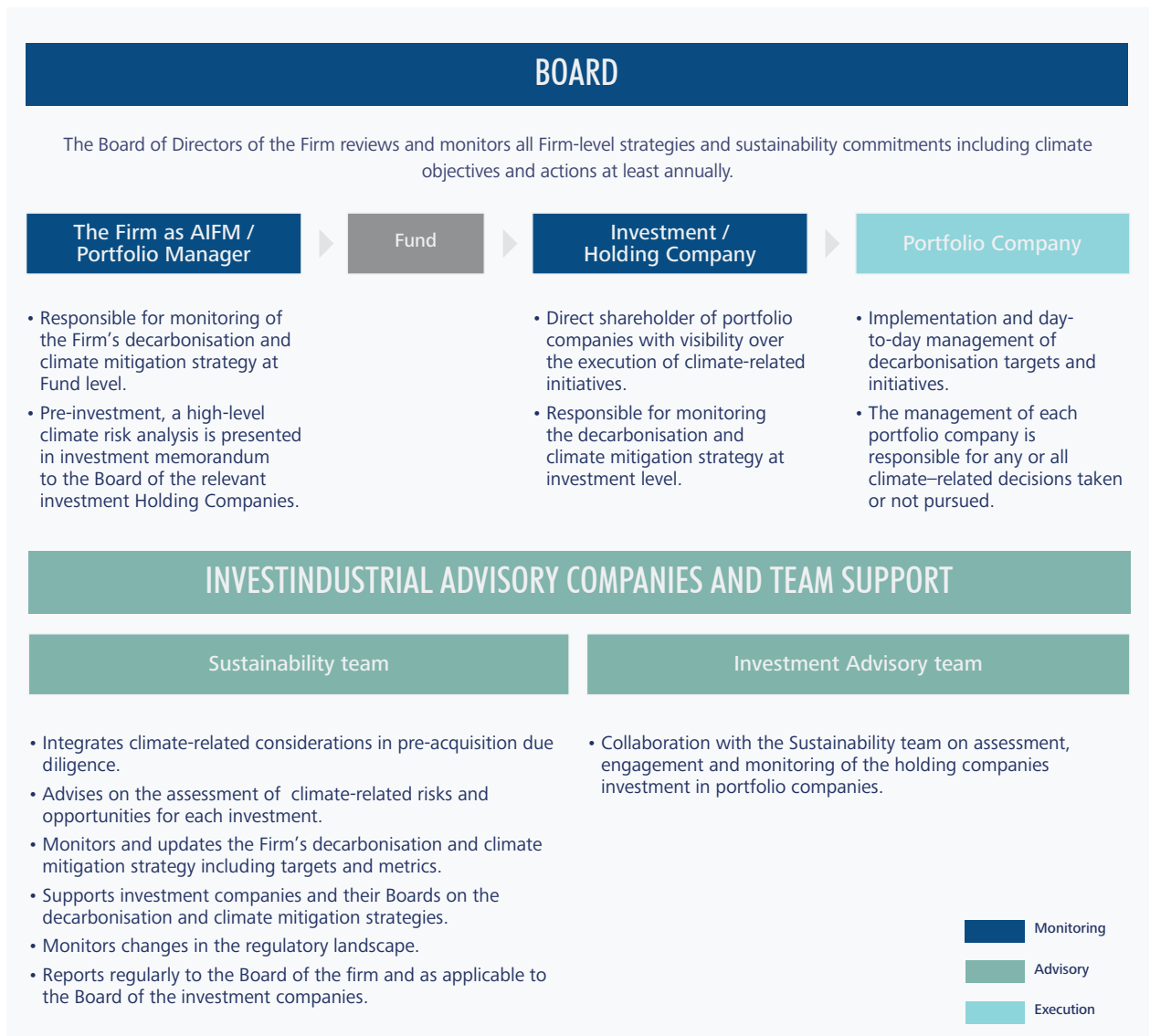


Guala Closures, an independently managed company of Investindustrial VII LP, has integrated 2.4 MW of rooftop solar panels in its newly developed Gartcosh facility in the United Kingdom. This facility is strategically located in Scotland's whisky-producing area, serving both major global brands and smaller producers.

# GOVERNANCE

## BOARD'S OVERSIGHT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES AND MANAGEMENT'S ROLE IN ASSESSING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES

The Firm has a governance structure built around a Board of Directors, supported by an Advisory team comprised of individuals from across Investindustrial and its affiliates. As detailed below, all these stakeholders manage climate-related topics:



Please refer to the disclaimer on page 2 for further information.

# STRATEGY

## CLIMATE-RELATED RISKS AND OPPORTUNITIES THE ORGANISATION IDENTIFIED OVER THE SHORT, MEDIUM, AND LONG TERM

Investindustrial is a mid-market, pan-European private equity firm investing in three broad sectors: Industrial Manufacturing, Healthcare & Services and Consumer. As such, the Firm is faced with a broad spectrum of climate-related risks and opportunities, both physical and transition. Policy-related transition risks have been increasingly impacting the Firm's portfolio companies, both from an opportunity and risk standpoint. Examples in the European Union include, historically, the European Union Emissions Trading Scheme (EU ETS), and presently the Carbon Border Adjustment Mechanism (CBAM), the European Union Deforestation Regulation (EUDR), the Packaging and Packaging Waste Rule (PPWR) and the Streamlined Energy and Carbon Reporting (SECR).

As detailed below and in the following pages, in 2025\* Investindustrial has undertaken a scenario analysis of climate-related risks and opportunities across its portfolio to identify which of those are material, using:

- **Three timeframes:** 2030 (short term), 2050 (medium term) and 2100 (long term)
- **Three scenarios:** orderly transition (RCP 2.6), disorderly transition (RCP 4.5) and hot house world (RCP 8.5)
- **Six physical risks and four transition risks** (described on page 11). The materiality of risks and opportunities identified is ranked from 1 (no impact) to 5 (high impact) for each physical risk, and from low (no impact) to high (high impact) for each transition risk.

The results of this scenario analysis showcase that certain manufacturing sites and portfolio companies are exposed to 'high impact' climate-related physical and transition risks and opportunities in most scenarios and timeframes. Current themes that are emerging involve extreme heat from a climate physical risks perspective, and regulation from a transition risks standpoint.

\*The calculation was performed using data from the reference period 1 January 2025 to 31 December 2025.

## IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ORGANISATION'S BUSINESSES, STRATEGY, AND FINANCIAL PLANNING, AND RESILIENCE OF THE ORGANISATION'S STRATEGY, TAKING INTO CONSIDERATION DIFFERENT CLIMATE-RELATED SCENARIOS, INCLUDING A 2°C OR LOWER SCENARIO

Climate-related risks and opportunities are assessed together with other economic and financial criteria as part of the investment process for all strategies and types of funds. Investindustrial considers climate-related risks and opportunities, both transition and physical risks, across all stages of the investment lifecycle, from pre-investment activities through the post-investment holding period and exit and takes account of these risks as part of the investment process, with the results forming a key element of the overall analysis on investment opportunities.

Carbon emissions reductions form a core part of how climate-related risks are managed at the Firm and portfolio company level. As such, the Firm has validated Science-Based Targets (SBTs) covering 100% of its portfolio by 2030. This means that all the portfolio companies active in the portfolio at that time are encouraged to have set validated SBTs. Our plans for achieving these targets are set out on page 12.

The transition to low carbon economies can represent both a headwind and a tailwind for portfolio companies, potentially affecting their markets, value chains and operations depending on their industry, business models and geographies. As such, the Firm works in collaboration with portfolio companies to help them navigate the transition to a low-carbon economy. This work helps to both mitigate risk in the portfolio as well as to better position companies for the opportunities arising from this significant shift in industry and infrastructure.

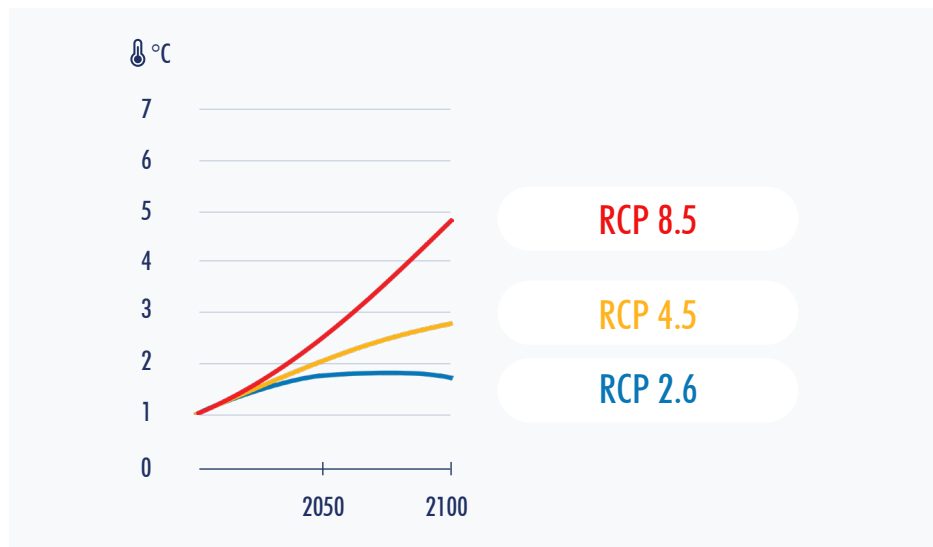
## APPROACH TO SCENARIO ANALYSIS

To help inform our development of investment strategies and investment decision making, we conducted scenario analysis to identify how climate-related risks might impact our portfolio over time. The Inter-governmental Panel on Climate Change (IPCC) established Representative Concentration Pathways (RCPs) which are pathways for limiting global warming to radiative forcing levels and act as a carbon budget with respect to emissions. A higher RCP corresponds to more global warming. For our analysis, we leveraged three of the IPCC RCPs. The scenarios can be characterised as follows:

- **Orderly transition (RCP 2.6)**  
that includes a stringent mitigation scenario
- **Disorderly transition (RCP 4.5)**  
that includes an intermediate scenario
- **Hot house world (RCP 8.5)**  
a scenario with very high GHG emissions

### Illustrative graph to show temperature for the RCP-based scenarios over the 21st century

Adapted from: [AR6 SYNTHESIS REPORT: CLIMATE CHANGE 2023 \(IPCC.CH\)](https://www.ipcc.ch/report/ar6/synthesis/)

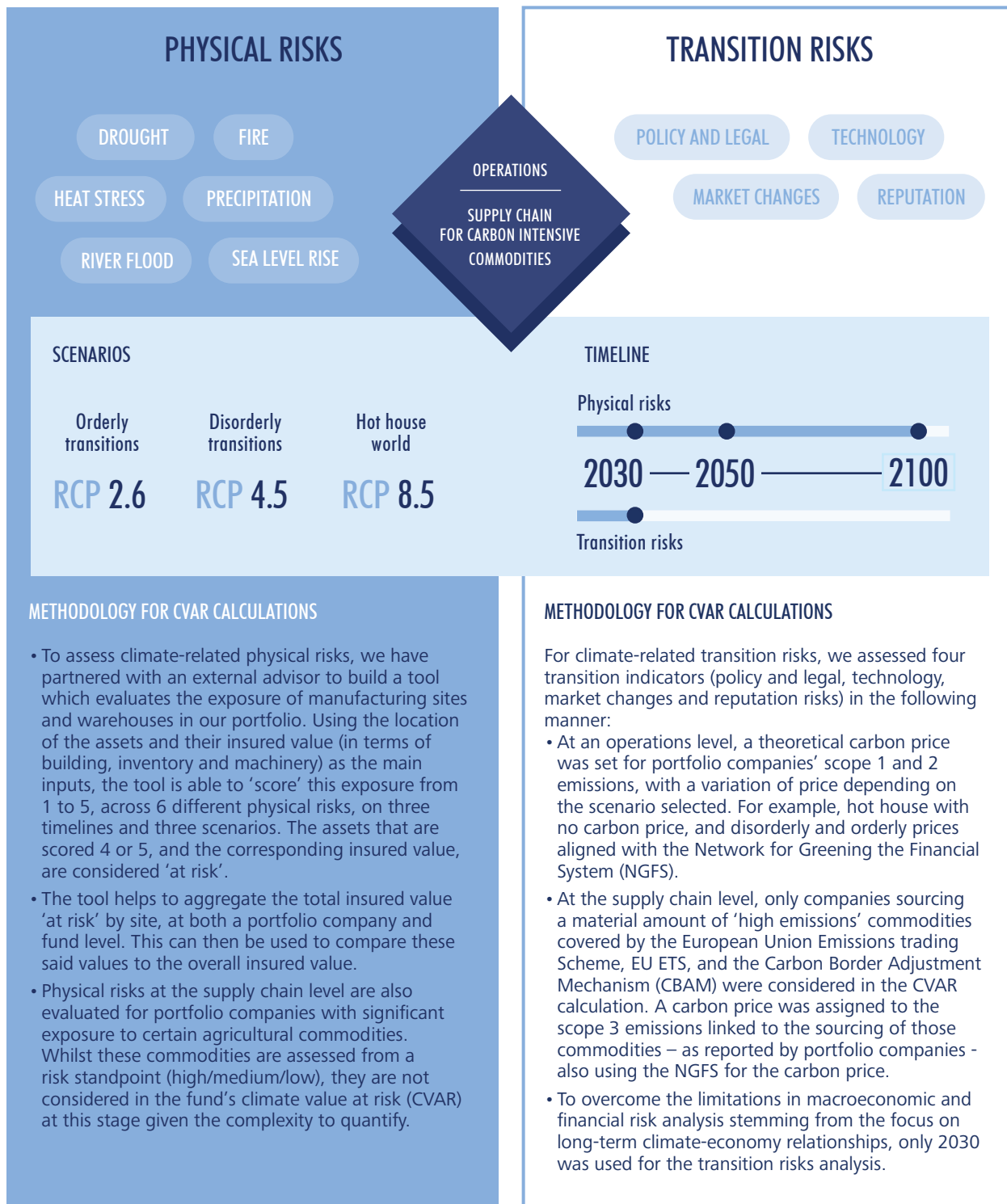


The scenario analysis did not involve the use of the IPCC Shared Socioeconomic Pathways.

As set out on the next page, we used three scenarios across three timeframes and with six physical and four transition risks to calculate climate value-at-risk (CVAR) for each of our portfolio companies. We then aggregated to calculate CVAR at a fund level. We use CVAR to determine our approach to risk management (please see the Risk Management section for more information).

## Investindustrial’s approach to climate-related scenario analysis

Intended to be repeated annually.



To meet our carbon emissions reduction targets, Investindustrial has formalised a decarbonisation strategy which applies to, and is implemented by the Firm as follows:



Please refer to the disclaimer on page 2 for further information.

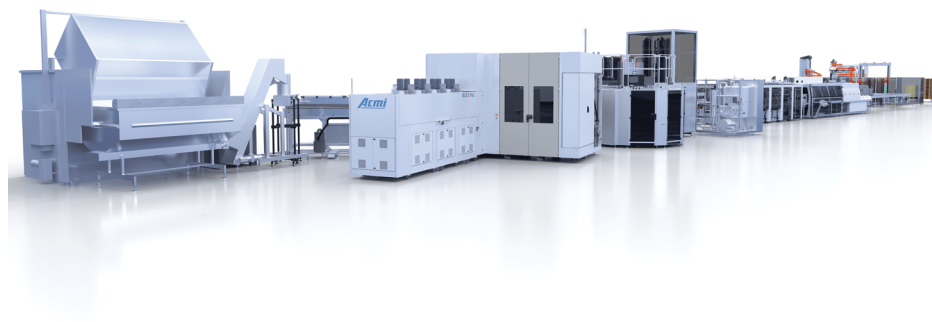
# RISK MANAGEMENT

## ORGANISATION'S PROCESSES FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS

During the pre-investment stage, Investindustrial's Sustainability team completes a high-level, medium-term (15 years) climate-risk analysis that covers four transition indicators (including regulatory changes) and six physical indicators. The analysis considers the likelihood of the transition or physical risk occurring, the vulnerability of the company and any impact it may have in general as well as on financial metrics such as revenue, market share, profitability, operating expenditure, capital expenditure and reputation.

Post-investment, Investindustrial's dedicated Sustainability team engages with the management of portfolio companies to help them better understand which climate-risk indicators are most relevant for their business, their overall exposure and mitigation measures available. As described in the Strategy section, Investindustrial has developed a methodology to assess the CVAR of portfolio companies. This evaluation has been introduced to allow the board of each applicable portfolio company to monitor the risks and opportunities of portfolio companies, to build mitigation actions and to influence exit strategies where appropriate, as well as to inform investment strategies and long-term climate goals.

In addition, all portfolio companies advised by the Firm provide carbon emissions reporting, along with other non-financial metrics, on both a quarterly and annual basis. These emissions are benchmarked against industry averages, and reported quarterly to the General Partner and annually to the Board.



Omnia Technologies, an independently managed company of Investindustrial VII LP, has developed a Compact Line, halving floor space requirements through a linear, modular layout that improves accessibility and production flow. By integrating full automation and eliminating conveyors, it reduces energy use, maintenance, and operating costs while enabling operation by just two staff and delivering significant efficiency gains across key components.

## ORGANISATION'S PROCESSES FOR MANAGING CLIMATE RELATED RISKS

The main method for managing climate-related risks is the Firm's decarbonisation strategy (see the Strategy section) and risk and opportunity analysis. In addition, portfolio companies may decide to pursue Investindustrial's sustainability approach which includes identifying the material topics for their business and developing a sustainability strategy. This will typically include climate-related objectives and initiatives, including setting Science Based Targets. In the instance that an imminent physical risk is identified, Investindustrial will support the portfolio companies on the appropriate adaptation measures.

Investindustrial has adopted guidelines to exclude or limit investments in certain sectors, which help manage climate-related risks by limiting the Firm's exposure to such sectors considered at risks from a climate change standpoint. Current excluded sectors for climate-related considerations are as follows:

- **Thermal coal:** directly engaging in the extraction, exploration, processing/ refinement of and/ or power generation from thermal coal as well as involved in the construction (including expansion and upgrading) of a coal-fired power plant.
- **Oil and Gas:** directly engaging in the exploration, development and production of oil and/ or gas as well as the power generation from oil and/or gas.

For other sector exclusions see: [INVESTINDUSTRIAL'S RESPONSIBLE INVESTMENT POLICY](#)

## INTEGRATION OF PROCESSES FOR IDENTIFYING, ASSESSING, AND MANAGING CLIMATE-RELATED RISKS INTO THE ORGANISATION'S OVERALL RISK MANAGEMENT

At the pre-investment stage, climate-related risks are identified and any immediate action will be included in the newly acquired portfolio companies' Value Creation Plan - an action plan defined pre-acquisition detailing the key topics to be addressed by the portfolio companies in the 100 days post-acquisition. The process for managing these risks post-investment is described above.



PortAventura World's 7.5 MWp photovoltaic plant in Salou (Spain).  
 PortAventura World is an independently managed company of PortAventura Continuation L.P.

# METRICS & TARGETS

## METRICS USED BY THE ORGANISATION TO ASSESS CLIMATE-RELATED RISKS AND OPPORTUNITIES IN LINE WITH ITS STRATEGY AND RISK MANAGEMENT PROCESS

Portfolio companies provide carbon emissions reporting, along with other non-financial metrics, on both a quarterly and annual basis. The Firm started collecting non-financial data, including climate-related data, from its portfolio companies in 2016 via the Annual Sustainability Questionnaire.

This Questionnaire is updated annually to reflect changes in regulation, investor requests and business drivers.

Additionally, some portfolio companies are linking performance of defined non-financial KPIs to up to 25% of management variable compensation. These typically include climate-related KPIs.

The main metrics used to assess climate-related risks and opportunities include:

- Scope 1, 2 and 3 GHG emissions
- Weighted Average Carbon Intensity (WACI)

Specific targets and commitments taken by the Firm are detailed in the 'Strategy' section and below.

In 2021, Investindustrial had its Science Based Targets validated by the Science Based Targets initiative (SBTi).

SCIENCE BASED TARGETS INITIATIVE COMMUNICATION ON PROGRESS <sup>1</sup>					
TARGETS	UNIT	BASELINE	2030 TARGETS	2025 ANNUAL TARGETS	END OF YEAR PERFORMANCE (31/12/2025)
Investindustrial commits to reduce scope 1 and 2 GHG emissions 68% per headcount by 2030 from a 2019 base year.	Scope 1&2 / Headcount	1.16	0.36	0.72	<b>0.73</b> Marginally behind target
Investindustrial commits to increase annual sourcing of renewable electricity from 45% in 2019 to 100% by 2030.	% Renewable electricity consumed	45%	100%	75%	<b>100%</b> Ahead of target
Investindustrial commits that 50% of its Private Equity investments by invested capital will have set science-based targets by 2026 and 100% by 2030 from a 2020 base year.	% Invested capital with validated science-based targets	0%	100%	42%	<b>44%</b> (9 companies) Ahead of target

(1) Excl. companies within the two-year Grace Period as defined by the SBTi Private Equity Guidance; but incl. companies within the Grace Period which have already committed to the SBTi. Investindustrial's portfolio targets cover 98% of total investment and lending activities by Invested Capital as of end of 2021.

## SCOPE 1, SCOPE 2 AND SCOPE 3 GREENHOUSE GAS (GHG) EMISSIONS, AND RELATED RISKS

### Firm carbon reporting

INVESTINDUSTRIAL 2025 GHG EMISSIONS (tCO <sub>2</sub> e)				TOTAL EMISSIONS	
<b>SCOPE 1</b>	<b>187</b>	<b>SCOPE 2 (MARKET BASED)</b>	<b>6</b>	<b>SCOPE 3</b>	<b>37,145</b>
Energy use (gas, heating, other fuel)	74	Electricity consumption	0	Business travel	4,415
Owned/ leased vehicles	89	District Heating	6	Purchased services	180
Refrigerants	24	<b>SCOPE 2 (LOCATION BASED)</b>	<b>103</b>	Employee commuting	170
		Electricity consumption	97	Waste	6
		District Heating	6	Water	0
				Outbound deliveries	1
				Investments	32,305
				Fuel and energy related activity	69

### Aggregated Funds carbon reporting

This aggregated Fund carbon reporting follows the TCFD recommended metrics for Asset Managers.

All data is collected directly from the investee companies on a quarterly and annual basis via sustainability questionnaires and is processed by the Investindustrial Sustainability Team. The data used as the basis for this report is the annual data for year-end 2025 which is considered to be the most accurate data as at the time of publication.

We have included historical performance data<sup>(1)</sup> in the table below. However, year-on-year comparisons of the performance of data across the different indicators is challenging due to changes in investee company performance per indicator, incorporation of new funds, and changes to the composition and scope of the investment portfolio. Furthermore, the underlying sustainability data has been obtained from investee companies who provide data on a best-efforts basis and have ultimate responsibility for the accuracy and correctness of the data.

(1) Past performance is not necessarily indicative of future results and future performance is not guaranteed.

	FUND EMISSIONS tCO <sub>2</sub> e <sup>②</sup>		FUND CARBON FOOTPRINT tCO <sub>2</sub> e/€M invested <sup>③</sup>		FUND WEIGHTED CARBON INTENSITY tCO <sub>2</sub> e/€M sales <sup>④</sup>	
	2024	2025	2024	2025	2024	2025
<b>AGGREGATED FUNDS<sup>①</sup></b>	528,716	768,415	236	250	458	502

① Includes but not limited to PortAventura Continuation L.P. Investindustrial V LP., Investindustrial VI, Investindustrial VII LP., Investindustrial VIII SCSp, Investindustrial Lower Mid-Market, Investindustrial Lower Mid-Market III, Ourvita Build-Up SCSp, and other feeder vehicles. Only assets reporting sustainability data are included in this calculation: 24 companies in 2024, and 28 in 2025.

$$② \sum_n^i \left( \frac{\text{current value of investment}}{\text{investee company's enterprise value}} \times \text{investee company's Scope 1, 2 and 3 GHG emissions} \right)$$

$$③ \sum_n^i \left( \frac{\text{current value of investment}}{\text{investee company's enterprise value}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emission}}{\text{current value of all investments (€M)}} \right)$$

$$④ \sum_n^i \left( \frac{\text{current value of investment}}{\text{current value of all investments (€M)}} \times \frac{\text{investee company's Scope 1, 2 and 3 GHG emission}}{\text{investee company's €M revenue}} \right)$$

