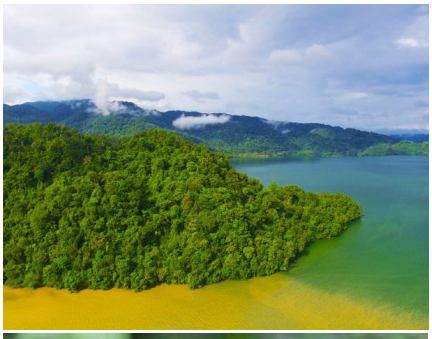
Investindustrial's funds set to become carbon positive by the end of 2020

- **Investindustrial increases the scope of its carbon offsetting by 14x annually to reach 2.6 million tCO_2e over five years**
- **Over 25[1] million tCO_2e avoided via a portfolio of proprietary nature-based solutions over the lifetime of these projects**
- **Investindustrial's success in building better businesses is rooted in its leading sustainability approach**





27 February 2020 – Investindustrial, a leading European investment group, is set to become carbon positive[2] across all of its funds by the end of 2020, by offsetting over 100% of carbon emissions in its funds via proprietary nature-based climate solution projects that focus primarily on avoided deforestation and marine coastal ecosystems.

At the organisational level, the 125 people Firm is a leader in its sustainability approach achieving carbon neutrality in 2009, and in 2015 for its stake within each fund. Investindustrial has been a signatory of the United Nations Global Compact since 2008, the Principle for Responsible Investing in 2009 and was awarded the ESG Award at the 2018 Real Deals Private Equity Awards event.

Investindustrial works with its portfolio companies to reduce emissions at source and to adopt technological solutions that reduce their reliance on fossil fuel energy. Achieving carbon positive status reinforces Investindustrial's commitment to be a responsible steward.

As part of its fiduciary duty and commitment to create value in its portfolio companies and funds, Investindustrial has been committed to sustainability for two decades. The company actively incorporates ESG factors such as environmental, social, governance, culture and ethics as well as data responsibility into its decision-making processes. Investindustrial believes that this is essential to creating value for its stakeholders and to developing a sustainable long-term strategy for its portfolio companies.

As expressed by Andrea C. Bonomi, Founder and Managing Principal of Investindustrial, "I am delighted to see the Firm achieve this significant milestone which was led by the Sustainability team and coordinated across the entire organisation and portfolio companies. As a Firm we became carbon neutral 10 years ago, for our investments in the funds 5 years ago and now carbon neutral for the entire funds." He continued, "Investindustrial has been on a journey consistent with our belief that financial and industrial investors are able to play a major role in making the world a better place through responsible investing, and that superior returns can be achieved with the inclusion of strong ESG guidelines".

The Firm calculates the carbon footprint of its entire portfolio, as well as other key ESG metrics, and reports this data via its Annual Review and Sustainability Report (www.investindustrial.com).

---

[1] Reflects the 22 million tCO_2e avoided by the Guatemala Caribbean Conservation Coast project plus the estimated 3.6 million tCO_2e avoided by the Africa Project for the lifetime of the projects (30 years).

[2] Carbon positive is defined by reducing and offsetting more than 101% of the total estimated carbon emissions.

Investindustrial's Climate Mitigation Strategy

Given Investindustrial's awareness of climate risks, carbon emissions reduction has been a key priority since 2016. The purpose of the firm's action on climate is to drive value creation in the portfolio companies by reducing the risks and costs associated with carbon emissions whilst embracing the emerging opportunities from climate solutions and services, thus enhancing the economic fundamentals and brand reputations, and better positioning the portfolio companies for exit.

To achieve this goal, in 2017 Investindustrial developed a comprehensive carbon and climate change mitigation strategy which considered both technological and nature-based solutions.

This carbon reduction strategy is focused on a three-pronged approach:

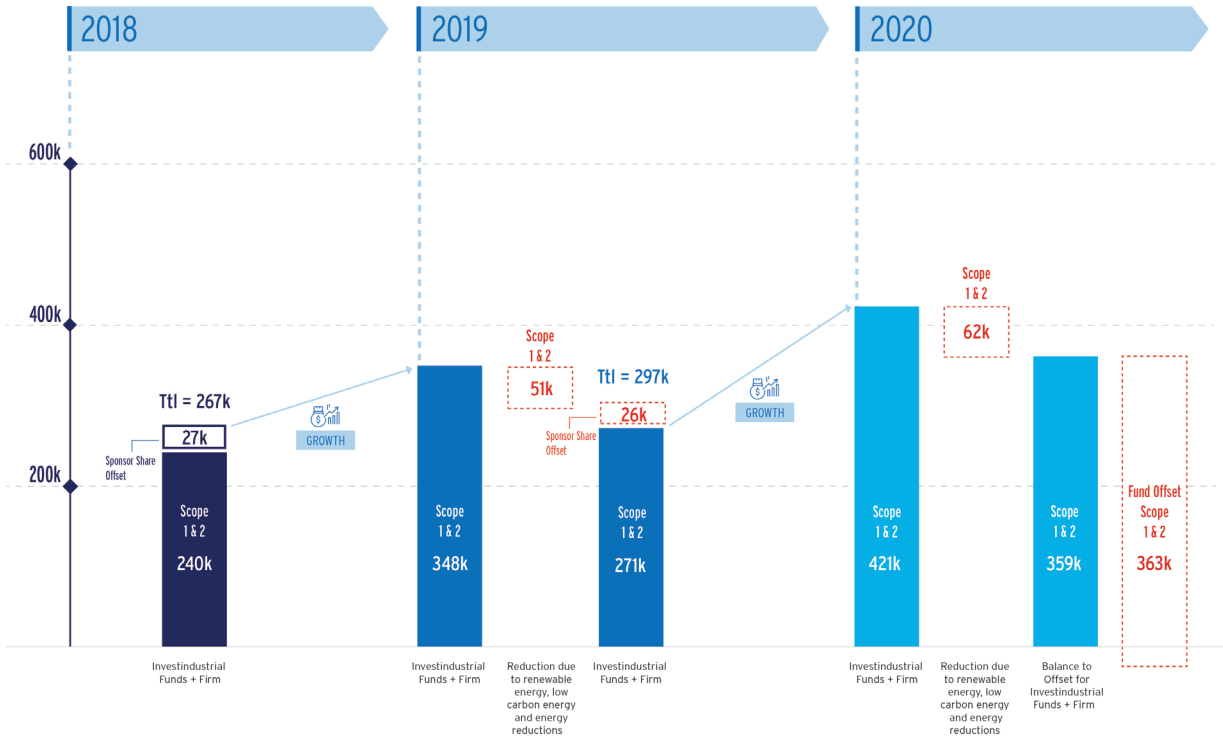
1. **Reducing carbon emissions at source.**
    a. Since 2016, all portfolio companies have embarked on energy efficiency projects to both reduce operating costs and as such their carbon footprints (both in terms of absolute GHG emissions as well as when considering this relative to the intensity of a specific activity or output).
    b. Starting from 2019, all portfolio companies have started the work to set science-based carbon targets with a view to have these completed by the middle of 2020. These targets are to be in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.
2. **Sourcing renewable and low carbon energy solutions.**
    a. Portfolio companies are encouraged to source their power and thermal energy uses via either on-site (e.g. photovoltaic panels) or off-site (e.g. contracts with green energy suppliers) low carbon and renewable energy sources.
    b. Currently, the target is for 75% of electricity consumption to be sourced from renewable energy across the portfolio by 2020 with the goal of reaching 100% by 2027.
3. **Offsetting remaining carbon emissions via nature-based climate solutions.**
    a. Since 2009, Investindustrial has become more sophisticated in its ability to source quality proprietary nature-based solutions and works directly with the project developers in their local markets. Investindustrial believes that by investing in solutions that provide direct access to global carbon projects, the Firm has more control over quality projects, which helps to improve value, whilst reducing risk and to generate tangible social, climatic and biodiversity outcomes.
    b. The Investindustrial Sustainability team works with best-in-class third party advisers to ensure a comprehensive due diligence process, assessing legal, reputational and technical risks. We also conduct regular on-site due diligence assessments.

Investindustrial's Climate Mitigation in Practice

It is through a well-honed sustainability approach and climate mitigation strategy that Investindustrial truly distinguishes itself from its private equity peers and demonstrates its role as an industrial investor. Understanding the carbon footprint at both the aggregate and portfolio company level is the starting point for developing strategic carbon reduction initiatives that both work towards a carbon neutrality goal, whilst also creating value within the portfolio companies.

Illustrated in the graph below is how the three levers of Investindustrial's climate mitigation strategy work together to achieve carbon neutrality. The GHG emissions for each portfolio company are calculated annually and then aggregated across all portfolio companies as well as at the fund level (2018 actual figures are provided below whereas 2019 and 2020 are estimates). Included in these aggregate numbers are the reductions for any climate mitigation initiatives (energy reduction, renewable energy, low carbon sourcing, offsetting) taking place across the portfolio companies. The estimates for these reductions are reflected separately in the graph below for illustrative purposes (e.g. 62k tCO_2e estimated reductions in 2020). After reductions have been accounted for, the final figure for GHG emissions remains (e.g. 359k tCO_2e estimated in 2020). It is this final figure set to be offset in its entirety, with carbon credits in reserve, to become carbon positive for the year ending 2020.

Investindustrial Funds – Actual and Forecasted GHG Emissions (tCO_2e)



1) For year ending 2018, the total carbon emissions across all the portfolio companies and the Firm was c. 747k tCo_2e. Investindustrial was carbon neutral at the Sponsor level for Scopes 1, 2 and 3 and will be carbon neutral in 2019 for Scopes 1 and 2. Note that Scope 1 and 2 carbon emissions for the portfolio companies is the majority of the Firm's Scope 3 emissions. Scope 3 emissions of the portfolio companies has been excluded at this time due to the uncertainty and incompleteness of the data, however, as the quality of this data improves it may be considered for future years. 2) The estimated figures in years 2019 and 2020 are provided as an example of what can be anticipated in regard to carbon offsetting going forward. 3) The Growth between years reflects the addition of new investments and is an estimate.

Some examples of these value accretive initiatives across the portfolio include, but are not limited to, the following:

Energy Reduction

In a drive to reduce energy consumption and increase overall energy efficiency, Flos took various actions to meet this end goal. One such measure taken in 2018 was a real-time monitoring system of its energy consumption level at its Bovezzo headquarters which is a sophisticated system that allows energy demand of different production processes within the plant to be monitored.

Additionally, in 2017, the Company substituted existing lighting systems with LED lighting in all of its Bovezzo production divisions which resulted in decreased electricity consumption of 13% (2018 vs. 2017). The Italian subsidiary dedicated to the Outdoor segment pursued this LED conversion process in 2019.

Renewable Energy Sourcing

PortAventura is pursuing one of the largest private photovoltaic plants in Spain which is a 100,000 sqm photovoltaic station or the equivalent of 14 football fields.

The installation, which will include 25,000 solar panels and avoid 4,000 tCO_2e emissions yearly, represents between 30% and 40% of the total electrical consumption for the resort and will generate significant operational cost savings due to the lower consumption, coming online from 2020 onwards.

Low Carbon Solution

As part of an Energy Study completed in 2017, Artsana identified a low carbon sourcing solution which was the installation of a 900 kW trigeneration plant at the company's Verolanuova plant (manufacturer of childcare products) allowing the plant to self-generate part of their electricity on-site whilst also using the waste heat for industrial and space heating and cooling purposes.

By implementing this solution, which had a three-year ROI, the Verolanuova plant reduced their GHG emissions by 23% and primary energy by 14%. Given the successful implementation of this solution, trigeneration plants are being considered for all Artsana facilities and the headquarters in Grandate, Como – Italy.

Nature-Based Solutions

For GHG emissions that cannot be reduced at source through energy reduction or sourcing low-carbon and renewable energy sources, Investindustrial is pursuing a diverse range of proprietary nature-based projects for offsetting emissions at the fund level. This portfolio approach enables Investindustrial to cover multiple geographies, helping to reach more marginalised communities and threatened wildlife, whilst mitigating key risks (e.g. economic, political, execution, reputation).

Climate mitigation is the requirement of the 2015 Paris Climate Agreement goal of cutting committed countries emissions and keeping global warming to less than 2ºC above pre-industrial levels. This means both reducing the sources of greenhouse gases (i.e. employing new technologies, changes in consumer behaviour, …etc.) and enhancing the "sinks" that store these gases (i.e. oceans, forests, soil). Nature-based solutions, which enhance the "sinks", are a fundamental part of action for climate and biodiversity. Authoritative research [3] indicates that nature-based solutions can provide over one-third of the cost-effective climate mitigation needed between now and 2030 to stabilize warming to below 2°C, achieving nature's mitigation potential of 10-12 gigatons of CO_2e per year. With regards to forests, today, forests cover 15.4 million square miles of the earth's surface, or roughly 30% of its land area, and the most critical of all forest types are primary forests, or otherwise known as old-growth or virgin forests. By protecting natural forests, there is the potential to deal with 30% of the desired global emission reductions. [4]

Investindustrial is developing a portfolio to represent different forestry ecosystems such as equatorial rainforest, temperate rainforest and marine coastal ecosystems, with proprietary projects in Latin America and North America. In all cases, a detailed due diligence including onsite visits has been carried out by the Sustainability team.

The current projects in the proprietary nature-based solutions portfolio are:

- **Guatemalan Caribbean Conservation Coast Project, Guatemala**: a forest conservation project in Izabal department, on the Caribbean Coast of Guatemala, the project aims to finance the long-term conservation of up to 59,941 hectares of threatened natural forest in and around the region's network of protected areas and to avoid over c. 22 million tCO_2e emissions through avoided deforestation for the lifetime of the project

[3] United Nations Global Compact website; page dedicated to Nature-Based Solutions.
[4] "Drawdown The Most Comprehensive Plan Ever Proposed to Reverse Global Warming", edited by Paul Hawken.

(30 years). Guatemalan Conservation Coast is a REDD+[5] project certified by the VERRA standard to VCS[6], CCB[7] with Gold Biodiversity status.

- **Blue Carbon Methodology Development Project, Canada:** located in the Great Bear Rainforest on the western coast of Canada in British Columbia, this project aims to develop a methodology to avoid degradation of existing wetland and seagrass habitat through conservation regulations and marine parks. Investindustrial will work with the Nanwakolas Council Society and the Coastal First Nations/Great Bear Initiative Society and other academic and commercial advisors on a feasibility study to identify potential estuary protection project sites, establish a scientific foundation and develop a project methodology under the British Columbia carbon mechanism.

The Sustainability team is also in discussion with regards to a third proprietary project in Africa, which represents a savannah landscape (mixed woodlands and grasslands) with a projected project area of over 100,000 hectares with the aim to prevent 250,000 trees from being cut every year and for over 1.2 million tCO_2e emission credits to be issued over the first 10 years.

In Summary

- Investindustrial increases the scope of its carbon offsetting by 14x annually to reach 2.6 million tCO_2e over five years.
- Over 25 million tCO_2e avoided via a portfolio of proprietary nature-based solutions over the lifetime of these projects.
- Investindustrial's success in building better businesses is rooted in its leading sustainability approach.

For further information please contact Carl Nauckhoff, Tel: +44 (0) 207 664 2138

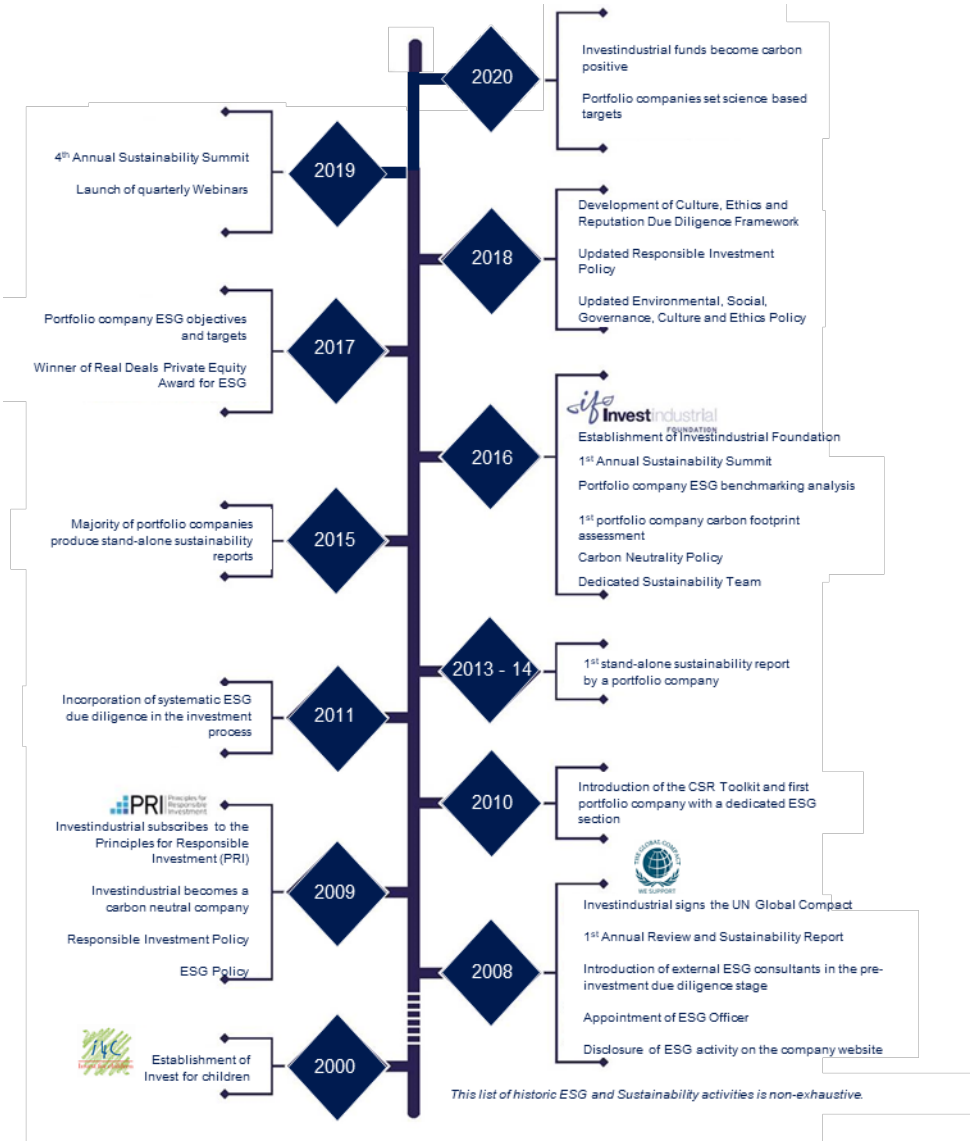
[5] *United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries, https://redd.unfccc.int*
[6] *Verified Carbon Standard (VCS), www.verra.org, Project ID 1622, under VM0015 Methodology*
[7] *The Climate, Community & Biodiversity Alliance: CCBA, www.climate-standards.org, 3rd Edition Standard*

Appendix 1

Investindustrial's Sustainability Approach

Underpinning Investindustrial's success in building better businesses is the company's leading sustainability approach, both within the business and at the portfolio company level. For the last 20 years Investindustrial has actively been developing and delivering on its sustainability credentials and commitments.

Investindustrial's ESG Evolution



To support Investindustrial's ambitious sustainability strategy, the company has a dedicated Sustainability team which works with the advisory and transformation teams on sustainability issues across the complete deal cycle, from pre-screening to final exit.

As part of the monitoring process, the Sustainability team advises and supports the portfolio companies to ensure operational effectiveness, leverage capabilities and promote best practices within their business. Under the guidance and support of the Sustainability team, portfolio companies are better positioned to receive recognition in their market and from their customers.

The team also supports The Investindustrial Foundation whose mission is to promote science and education, diversity, environmental conservation, as well as culture and arts.

Appendix 2

Investindustrial's ESG Metrics Data

The Firm measures and reports carbon emission and other ESG KPIs data for each portfolio company via its Annual Review and Sustainability Report (www.investindustrial.com); See below the extract for 2018.

ESG DATA REPORTING

		INVESTINDUSTRIAL [1]	ARTSANA [2]	ASTON MARTIN [3]	BENVIC [4]	B&B ITALIA [5]	CEME [6]	DISPENSA EMILIA [7]	FLOS [8]	HTG [9]	LIFEBRAIN [10]	LOUIS POULSEN [11]	MTD [12]	OKA [13]	PERFUME HOLDING [14]	POLYNT REICHHOLD [15]	PORTAVENTURA [16]	SERGIO ROSSI [17]
ENVIRONMENT	GHG emissions (tons) – Scope 1	50	9,964	9,573	-	2,704	376	17	858	13,233	624	526	1,219	431	199	564,297	5,180	335
	GHG emissions (tons) – Scope 2	56	10,672	7,326	2,123	2,298	3,884	537	1,123	196	585	551	29,753	271	274	-	-	1,171
	GHG emissions (tons) – Scope 3	466	22,153	13,357	10,851	431	14,283	440	3,363	97	365	3,109	1,058	4,283	48	-	1,781	647
	Total GHG emissions (tons)	571	42,789	30,256	12,974	5,433	18,543	995	5,344	13,526	1,574	4,186	32,030	4,985	521	564,297	6,961	2,152
	Electricity Consumption (kWh)	241,982	31,177,737	25,880,634	36,916,626	6,338,105	13,047,378	1,652,465	2,546,785	1,030,107	2,998,700	2,888,000	38,629,193	1,806,258	770,937	401,715,650	42,789,298	3,805,514
	Energy Consumption met via Renewable Energy (%)	36%	0%	100%	0%	51%	0%	0%	0%	48.5%	2.2%	0%	0.3%	0%	0%	0%	100%	13.5%
	Water Consumption (m³)	2,300	81,452	53,565	-	49,290	7,351	15,000	n/a	5,699	16,186	7,367	48,600	1,900	5,059	-	1,296,744	12,874
	Total Waste (tons)	76	3,112	1,179	-	929	2,970	-	562	113	15,394	280	1,411	482	203	-	3,955	29
	Total Waste to Recycling or Reuse (% of total Waste)	51%	84%	75%	-	72%	14%	-	55%	26%	77%	100%	69%	52%	62%	-	91%	52%
	Environment Management System (Yes/No)	No	No	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	No	Yes	Yes	Yes	No
	Environmental Manager on staff (Yes/No)	Yes	No	No	Yes	No	Yes	No	No	Yes	No	Yes	No	No	Yes	Yes	Yes	No
SOCIAL	Male Employees (%)	62%	31.2%	84.1%	85%	65.2%	70.3%	24%	57.1%	71.9%	27.6%	47%	44.6%	37.1%	23.7%	84%	34.3%	37.5%
	Female Employees (%)	38%	68.8%	15.9%	15%	34.8%	29.7%	76%	42.9%	28.1%	72.4%	53%	55.4%	62.9%	76.3%	16%	65.7%	62.5%
	Total Employees (number)	104	8,223	2,913	260	626	918	318	619	7,334	848	453	1,922	350	167	3,259	1,642	491
	Employee Training (hours)	450	26,760	23,895	-	4,172	3,413	12,369	3,885	40,565	15,115	3,959	2,592	200	1,029	92,226	40,629	3,664
	Abenteeism (%) [18]	1%	3.3%	30.7%	-	3.5%	3.8%	1.7%	3.7%	12.4%	1.5%	3.6%	<6%	2%	4.5%	4.5%	3.6%	2.8%
	Voluntary Turnover (%) [19]	12%	4.5%	6%	1%	7%	6%	34.1%	4.3%	7.2%	10.3%	3.9%	See notes	31.1%	9.8%	3.7%	21%	15.3%
	Workers Council (Yes / No / n/a)	n/a	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Partly	No	Yes	Yes	Yes	Yes
	Philanthropy (Yes/No)	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	Yes	Partly	Yes	Yes	Yes	Yes
GOVERNANCE	Code of Conduct/Ethics (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
	Diversity Policy (Yes/No)	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes
	Female Board Members (%)	22%	11%	21.4%	20%	0%	16.7%	20%	0%	11.1%	16.7%	0%	12.5%	20%	20%	0%	0%	12.5%
	Health and Safety Policy (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	Enviromental Policy (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No	Partly	No	Yes	Yes	Yes	Yes
	Waste Management Policy (Yes/No)	No	Yes	Yes	No	Yes	Yes	Yes	No	No	Yes	No	Partly	No	Yes	Yes	Yes	No
	Executive Committee Member responsible for CSR (Yes/No)	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	Yes	No	Partly	Yes	No	No	Yes
	Anti-corruption Policy (Yes/No)	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Partly	Yes	Yes	Yes	Yes	Yes
	Corporate Governance Policy (Yes/No)	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	Yes	Partly	Yes	Yes	Yes	Yes
	CSR Report (Yes/No)	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes

1 **Investindustrial:** GHG emissions figure includes the following by scope: Scope 1: refrigerant gas losses and company vehicles; Scope 2: electricity consumption; Scope 3: water, waste, staff commuting and business travel Female Board members relate to all fund subsidiaries including portfolio companies.

2 **Artsana:** GHG emissions figure includes the following by scope: Scope 1: fuels used for heating and other purposes, fuels used for Company's car fleet (including long term leasing), refilling of air conditioning systems; Scope 2: electricity consumption; Scope 3: business travel as well as inbound and outbound transportation of products. Data, including gender split, reflects the babycare area and includes commercial & production sites (Italy, Romania), commercial subsidiaries in Argentina, Belgium, Brasil, China, France, Germany, India, Mexico, Poland, Portgual, Romania, Russia, Spain, Switzerland, Turkey, UK and USA (both Artsana US and Boppy), and also the Artsana headquarters and Italian owned shops. Total employees excludes PIC.

3 **Aston Martin:** GHG emissions figure includes the following by scope: Scope 1: Gas consumed for all sites, diesel usage for delivery of product and production parts, assembly/engineering – petrol usage (on site pumps); Scope 2: energy consumption; Scope 3: Business air miles, management and employee car mileage and employee commuting.

4 **Benvic:** GHG emissions figure includes the following by scope: Scope 2: Location-Based Emissions (as opposed to Market-Based Emissions); and Scope 3: including fuel and energy related emissions, business travel (km numbers used for rail and air travel. Assumed all trips are return and applied standard emissions factors. Assumed given data is 75% of travel for group as a whole.), employee commute, product transport (used client assumption for imported freight and used the Spain distance multiplied by four. Used average freight load of 20 tonnes based on detailed data provided. No weights for MON so estimated based on average for FER and CHE.), waste management and purchased goods. No data available re Scope 1 emissions, water consumption, total waste, employee training or absenteeism.

5 **B&B Italia – Part of Design Holding:** GHG emissions figure includes the following by scope: Scope 1: fuel consumption for heating and other uses (natural gas, wood offcuts, gasoline, BTZ) and the diesel consumption related to the car fleet; Scope 2: electricity consumption; Scope 3: business travel by air. Reported figures include data related to B&B Italia S.p.A., Arclinea and the French and American affiliates.

6 **Ceme:** GHG emissions figure includes the following by scope: Scope 1: stationary emissions; Scope 2: Location-Based Emissions (as opposed to Market-Based Emissions); Scope 3: including fuel and energy related emissions, business travel, estimated employee commute (based on 450 employees travelling 20km per day by car for 240 days per year), waste management, and purchased goods (emissions are based on 5,748 tonnes of metal, assumed to come from recycled sources and 670 tonnes of plastics assumed to be 50% from recycled sources and 50% from virgin materials).

7 **Dispense Emilia:** GHG emissions figure includes the following by scope: Scope 1: fuels used for Company's car fleet; Scope 2: electricity consumption; Scope 3: employee commuting. No data available re total waste.

8 **Flos – Part of Design Holding:** GHG emissions figure includes the following by scope: Scope 1: fuels used for Company's car fleet (including long term leasing), fuels used for Company's truck fleet, refilling of air conditioning systems, fuels used for heating and production processes; Scope 2: electricity purchased from national grid, district heating purchased from a waste to energy plant; Scope 3: business travel by air and train, logistics of purchased goods and sold products. Reported figures are based on Flos, Antares and Ares with 'Total Employees' reflecting all operations.

9 **HTG:** GHG emissions figure includes the following by scope: Scope 1: gas for heating the workplaces, fuels used for ambulance fleet, fugitive emissions air conditionng systems; Scope 2: electricity consumption; Scope 3: waste related emissions. Since the fusion of Ambuibérica and Emeru, a combined code of ethics and anti-corruption policies had not been produced Individually, each entity has its historic policy in place.

10 **Lifebrain:** GHG emissions figure includes the following by scope: Scope 1: fuels used for heating and other purposes, and fuels used for Company's car fleet; Scope 2: electricity consumption; Scope 3: business travel.

11 **Louis Poulsen – Part of Design Holding:** GHG emissions figure includes the following by scope: Scope 1: stationary emissions; Scope 2: Location-Based Emissions (as opposed to Market-Based Emissions); Scope 3: including fuel and energy related emissions, business travel, employee commute, product transport (using Danish emissions data for sea, air, rail and road relating to an assumed average packet weight of 50kg for USA domestic freight and that all USA freight is by HGV), waste management, and purchased goods.

12 **MTD:** GHG emissions figure includes the following by scope: Scope 1: fuels used for heating and other purposes, fuels used for Company's car fleet (including long term leasing), refilling of air conditioning systems; Scope 2: electricity consumption; Scope 3: business travel. Data reflects Pikdare in Italy and France, and HTL in Poland and the USA. Voluntary employee turnover at Pikdare was 5.61% and at HTL was 14.36%. Pikdare has a workers council, a waste management policy, and an anti-corruption policy in place – HTL does not. HTL has an environmental policy in place – Pikdare does not.

13 **OKA:** GHG emissions figure includes the following by scope: Scope 1: stationary and mobile emissions (mobile sources from owned fleet vehicles, assuming standard 12mpg); Scope 2: Location-Based Emissions (as opposed to Market-Based Emissions); Scope 3: including fuel and energy related emissions, employee commute, product transport (based on detailed container movements. Assumed container weight of 27t for exports and road frieght, waste management, and purchased goods (assumed paper, wood and plastics are from primary rather than recycled sources). OKA has an Executive Committee Member responsible for CSR and a Corporate Governance Policy – Wisteria does not. Wisteria has supported philanthropic projects – OKA has not. Data relating to total waste and absenteeism is for OKA only. Data relating to water consumption and employee training is for Wisteria only.

14 **Perfume Holding:** GHG emissions figure includes the following by scope: Scope 1: gas for heating the workplaces; Scope 2: electricity consumption; Scope 3: company fleet emissions. Reported figures are based on Morris Profumi Spa with the exception of 'Total Employees' which is for the Perfume Holding Group.

15 **Polynt Reichhold:** GHG emissions figure includes the following by scope: Scope 1: estimated based on owned sources. No data are available relating to scope 2 or 3 emissions, water consumption, waste, or employee training as a % of payroll.

16 **PortAventura World:** GHG emissions figure includes the following by scope: Scope 1: transport of own fleet and the combustion of fossil fuels (ACS/heating boilers), fugitive emissions of fluorinated gases from refrigeration equipment; Scope 2: electricity consumption; Scope 3: treatment of municipal waste and consumption of drinking water.

17 **Sergio Rossi:** GHG emissions figure includes the following by scope: Scope 1: fuels used for heating and other purposes, fuels used for the Company's car fleet (including long term leasing), refilling of air conditioning systems; Scope 2: electricity consumption; Scope 3: business travel by air, train and car. Data reflects Sergio Rossi S.p.a. (San Mauro Pascoli headquarter and Milan offices) as well as EMEA Direct Retail Network whilst the 'Total Employee' figure reflects total employees globally.

18 Absenteeism rates are calculated as the total days lost due to sickness over the number of total working days for the workforce (this will vary from company to company depending on holiday policies, etc).

19 Voluntary turnover is calculated as the number of departures for the year over the end of year employee headcount or in some cases the peak employee headcount.

20 ESG data from most portfolio companies is independently assured by third party providers, as detailed in their respective annual sustainability reports.