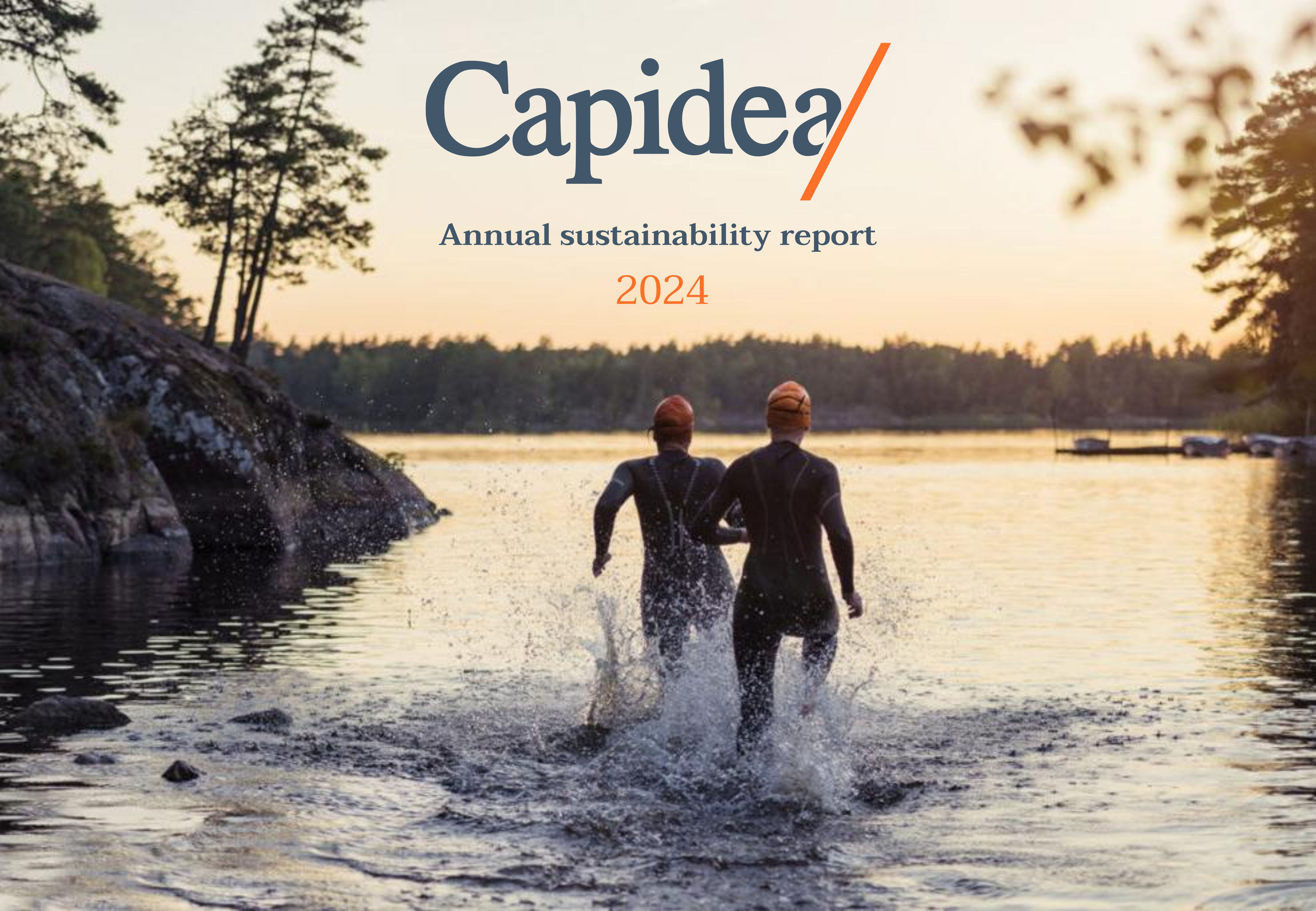
Capidea

Annual sustainability report

2024



Content

Introduction

"We consider sustainability crucial for value creation. Our goal is to make sustainability a cornerstone in the daily operations and commercial strategy of our portfolio companies, as well as to contribute to a more sustainable society"

- Martin Jørgensen, Managing Partner

Capidea at a glance

ESG is central of evaluating potential investment opportunities and establishing long-term societal value

About this report

This report covers the financial year from 1 January 2024 to 31 December 2024 for Capidea. The purpose of this report is to present our approach to sustainability and ESG in Capidea as well as for our portfolio companies and provide an opportunity to present our work and progress with sustainability throughout the year.

Danish private equity fund

Capidea is a Danish private equity fund that invests in small and medium-sized Danish companies. We, among other things, contribute capital and support to companies facing a generational change or international expansion. Capidea has raised funds with a total committed capital of approximately DKK 3.6 billion. Since our establishment in 2006, we have invested in 33 companies, 18 of which have later been divested. Capidea's investors are institutional investors, skilled business leaders and family offices. This ensures that we have a strong and wide network in the Danish business community.

Sustainability – A shared responsibility

As a Danish private equity fund, we incorporate sustainability-factors into our work. We set high, but realistic, sustainability standards for ourselves, our portfolio companies and our future investments. Our greatest societal impact is through the operations of our portfolio companies. Therefore, it is a requirement that our companies are signatories of the UN Global Compact, perform an annual ESG self-assessment, integrate relevant findings and report on progress on material sustainability factors.

As an **active owner** Capidea is committed to supporting our portfolio companies in contributing with support and ideas to help ensure long-term growth and business development.

" a leading private equity player in the Danish small- and mid cap market "

Established in 2006	Focus on small and mid-cap Danish companies
33 platform investments	Extensive network
Experienced team	DKK 3.6 bn in capital commitment
Blue-chip investor base	Attractive returns

Letter from the Managing Partner

In 2024, the private equity market was challenged by geopolitical uncertainty and weak consumer spending.

In spite of the market, Capidea had a good and active year in 2024, completing six exciting investments in new portfolio companies.

The new members of the Capidea family are all well run Danish companies with strong business models and significant growth potential. All of the management teams have embraced Capidea's vision for ESG in small cap businesses and how ESG can be a significant driver of value creation.

During the past year, we have continued to invest in strengthening ESG management in our investment processes and approach to active ownership. In 2024 all existing portfolio companies have continued the ESG efforts and all new portfolio companies have embarked on the ESG journey. This has resulted in sustainability reports for all the Fund III portfolio companies while the Fund IV portfolio companies have shown good progress on their way to fulfilling the Capidea reporting requirements.

In 2024 Capide has continued to fulfill its obligation **report under the UN Principle for Responsible Investments (UN PRI) regime.** Capidea looks forward to continuing our work and journey with ESG in 2025.

As done for several years Capidea has again in 2024 supported Team Rynkeby which consists of around 2.000 riders who bike to Paris to raise money for children with critical illnesses and their families.

The work with sustainability in Capidea and in our portfolio companies will continue in 2025. Our ambition is always to be one step ahead of current legislation as well as stakeholder expectations with respect to sustainability.

Managing Partner,
Martin Jørgensen

ESG highlights 2024

2024 marked a solid year of advancement for Capidea's portfolio companies which is expected to continue in 2025

UN Principles for Responsible Investment (UN PRI)

Capidea became a PRI signatory in 2021. 2024 was the third reporting year under the UN PRI.

The key performance indicators included are, among others:

- GHG emissions
- Carbon footprint
- GHG intensity
- Share of renewable energy
- Hazardous waste
- Violations of UNGC principles
- Negative impact on biodiversity-sensitive areas
- Gender pay gap
- Gender diversity
- Employee turnover

Emission trends

Establishing a certain level of data-maturity necessary to identify trends in the ESG key performance indicators can take multiple years.

The annual emissions, reported by our portfolio companies, are volatile. This is the result of a medium level of data-maturity. We will continue to support our portfolio companies in developing strong annual reporting wheels in order to increase the data-maturity.

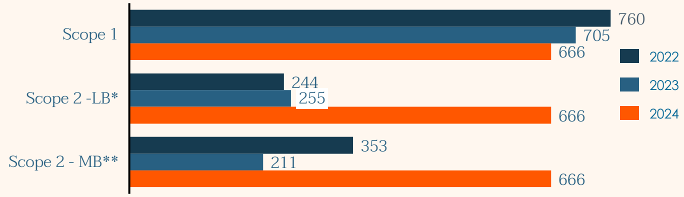
Examples of initiatives in our portfolio

Fairpoint supported the release of 20.000 Sea Trouts – An important initiative towards improving *Life Below Water* (UN Goal 14)

Digital Group has begun a shift towards using electric vehicles in operations, reducing scope 1 emissions.

European House of Beds achieved a major CO_2 reduction (20%) following improvements in electricity use, logistics and foam elimination.

Fund III



**LB = Calculated using the location-based methodology*
***MB = Calculated using the market-based methodology*
Comment: The increase of the total emissions is caused by an increased activity level

Integrated the PRI framework in our annual ESG reporting

Identified opportunities in our portfolio to support the UN SDG's

Established climate accounts in accordance with the GHG Protocol

Portfolio companies are signatories to the UN Global Compact

ESG at Capidea

"We are responsible investors who believe that sustainability creates value not only for society but also for individual businesses. We help make sustainability tangible and bring attention to its commercial aspects"

- Nicolai Jungersen, Partner and ESG-responsible

ESG integration in Capidea's investment process

Our ambition is to ensure that our companies have the required foundation for long term sustainable growth. We therefore integrate sustainability risks in our investment processes, from sourcing and due diligence, through active ownership and exit. ESG is integrated throughout the entire investment process as described below.

In the pre-investment phase, an initial screening is prepared to identify and assess ESG risks and opportunities. A dedicated ESG due diligence is completed with a third-party advisor ensuring all risks and opportunities are assessed before signing.

New portfolio companies participate in a structured ESG onboarding process facilitated by an external ESG advisor and with participation from Capidea. The onboarding process consists of ESG workshops and the drafting of a sustainability report for each individual portfolio company.

The work with ESG during the ownership period and the data and information gathered is the foundation for developing an ESG storyline in connection with an exit process.

Pre-investment		Ownership		Exit	
Initial screening to identify and assess ESG risks and opportunities	ESG risk & opportunity due diligence with a third-party advisor	ESG onboarding process facilitated by an external ESG advisor with participation from Capidea	Establishing an annual ESG reporting wheel and Sustainability Report	Documenting ESG performance	Developing an ESG storyline

ESG Policies and requirements towards Capidea's portfolio companies

Capidea keeps a stringent focus on the topics that are most material to our portfolio and identified synergies with our investment strategies

All Capidea funds are classified as Article 6 according to the SFDR. This means that our funds seek to provide transparency and disclose the integration of sustainability risks. We identify sustainability risks through an internal screening and through an ESG risk & opportunity due diligence, executed by a third-party advisor. Fund IV companies are working towards being article 8 compliant.

During our ownership, Capidea requires the portfolio companies to develop an ESG report, register as a signatory to the UN Global Compact, implement a whistleblower scheme, have ESG / sustainability on the agenda at board meetings, and report on a selected number of ESG KPIs.

Having an inclusive working environment and striving for gender equality within our portfolio has resulted in Capidea having a requirement for our Fund IV companies to have at least one female board member.

We are committed to continuing to increase the ESG ambition level for our portfolio companies. This is important for us to further understand and address our portfolio's impact, risks and opportunities and for Capidea to live up to the increasing stakeholder expectations.

Integrating sustainability across all funds

FUND II | FUND III | FUND IV

ESG Report
All companies prepare ESG reports including: CO_2e baseline and target, SDG aligned activities and an ESG strategy

Global Compact
All companies are registered in the Global Compact, a non-binding United Nations pact

Grievance mechanism
All companies become part of Capidea's independent whistleblower scheme

Gender diversity
Policy to appoint one female board member in every portfolio company

Board meetings
ESG / Sustainability must be on the agenda at board meetings

Reporting
Selected ESG KPIs initiatives are part of the reporting for all Capidea's portfolio companies

Progress in 2024

2024 marked an eventful for Capidea, highlighted by the successful divestment of Creative Company and platform investments in Capidea Kapital IV.

Capidea acquired the following six companies in 2025 but approached them in 2024; Gavefabrikken, Intermail, Digital Group, Fire Eater, Hvacon and Right People Group

In 2024, Capidea has continued the work on our ESG framework, which has taken ESG to the next level since its launch in 2021. The ESG framework includes Capidea's policies and ambitions, and how we work with our portfolio companies.

Capidea reported on the UN Principle for Responsible Investments for the first time in 2023. In 2023 Capidea also implemented the TCFD framework in identifying ESG-related risks and Established climate accounts in accordance with the GHG Protocol. In 2022, the portfolio companies participated in a number of joint ESG activities as well as worked individually with their ESG actions and targets. This process has continued in 2023 and an ESG route map for all new portfolio companies has been developed.

All portfolio companies Fund III have published their own sustainability reports in 2023. From fund IV, Capidea has collected ESG reports from Hvacon, Right People Group, Digital Group, Intermail and Gavefabrikken. The SDGs continue to be an integrated part of the sustainability reports.

Divestments in 2024

In 2024 Capidea made the following divestments:

creativ

Status on emissions

All current portfolio companies in Fund III have developed a scope 1 and scope 2 emission baseline and all portfolio companies in Fund IV are preparing their baseline matrix. All companies in Capidea fund III have assembled data on their scope 3 emissions for 2024.

Several of the portfolio companies have set targets to reduce their scope 1 and 2 emissions.

Ambitions for 2025

Portfolio companies acquired in 2024 will report fully according to the Capidea framework

We will continue our ESG journey and support our portfolio companies in setting and achieving ambitious goals.

Portfolio

"All companies have different starting points, and a small step at a time can make a big difference. Sustainability is a joint effort, and our portfolio companies are never alone."

\- The Capidea Team

Portfolio overview

In 2024, Capidea had 15 companies active in its portfolio, of which CC was divested in the winter of 2024. In 2023 Capidea closed its fourth fund and made the first investments in the first quarter of 2024. We work closely with our portfolio companies during our ownership. Both to execute investment strategies and operational improvements – and to support the development of an ESG strategy and the establishment of ESG targets.

On the following pages, we present the key ESG performance indicators for our Fund III, as well as 2023 highlights from each company in Fund III. Below is an overview of our past and present portfolio companies in their respective funds.

Capidea Fund I

Portfolio company	Year divested
EET Nordic	2011
AAGAARD	2015
KP	2014
inspiration	2012
schades	2013
UNION	2017
NÜMPH	2018
KLOKKERHOLM	2016

Capidea Fund II

Portfolio company	Year divested
ELLEPOT	2021
OPTIWARE	2019
xstream	2019
Aclass	2017
BROEN-LAB	2022
Guldager	2022
creativ company	Active*
Westpack	2022

Capidea Fund III

Portfolio company	Year divested
BUDWEG	2022
FlexoPrint AS	2020
wellvita	Active
european house of beds	Active
Feline	Active
Maki	Active
Obsidian	2023
DANCOVER	Active
FAIRPOINT OUTDOORS	Active
Guldager	Active

Capidea Fund IV

Portfolio company	Year divested
HVACON	Active
RPG Right People Group	Active
DIGITAL GROUP	Active
InterMail	Active
GaveFabrikken	Active
FIRE EATER	Active
HOYER MOTORS	Active
GUARDIQUE	Active

* Note: Fund II is not included in Capidea's overall ESG reporting

ESG indicators 2024

Currently, Capidea has two active funds. We have consolidated the ESG indicators for 2021, 2022, and 2023 for Fund III and IV. Only the active portfolio companies in Fund III which were still owned by Capidea on 31st of December 2024 are included in the below metrics. This includes six portfolio companies reporting on the ESG indicators below.

On pages 18 and 19 of this report, the reported on ESG indicators are presented for each active portfolio company in Fund III, which gives a good indication of the ESG progress in each portfolio company. On a fund level, we at Capidea are overall very satisfied with the progress and sustainability work conducted across the portfolio.

Sustainability Key Metrics		Fund III			Fund IV		
Key Performance Indicator	**Reporting unit**	**2022**	**2023**	**2024**	**2022**	**2023**	**2024**
Scope 1	tCO_2e	760.0	705.0	763.4	91.3	59.6	138.8
Scope 2 (Location-based)	tCO_2e	244.0	255.0	242.0	244.0	255.0	242.0
Scope 2 (Market-based)	tCO_2e	353.0	211.0	127.1	353.0	211.0	127.1
Scope 3	tCO_2e	50,589.0	36,549.0	41,007.3	50,589.0	36,549.0	41,007.3
GHG intensity	TCO_2e/mio. DKK	7.0	4.8	3.7	7.0	4.8	3.7
Renewable energy	% (percentage)	210.0	217.0	238.1	210.0	217.0	238.1
Lost Time Injury Rate	Rate	0.8	3.0	1.5	-	-	6.2
Sick absence	Days/FTE	4.9	7.7	7.7	-	-	5.0
Employee Turnover	% (percentage)	27.9	25.0	19.1	-	-	4.3
Unadjusted Gender Pay Gap	Times	1.3	1.3	1.1	-	-	5.8
Diversity in the organisation	% (percentage)	39.7	40.7	40.5	-	-	40.4
Diversity in management	% (percentage)	10.6	13.1	15.0	-	-	32.1
Diversity in BoD	% (percentage)	10.6	12.1	15.0	-	-	14.3

* During 2024, companies from Fund IV have been undergoing the process of adapting to Capidea ESG procedures – The data from Fund IV companies is therefore incomplete but is expected part of the following ESG rapport

Introduction to the portfolio companies

"We take all our businesses through a sustainability journey where we together create an ambitious, yet realistic strategy. Just as a realistic ESG strategy it is a criterion for us when assessing potential investment opportunities"

- Martin Jørgensen, Managing Partner

Wellvita

Sundhed direkte til dig

Wellvita develops, produces, and sells vitamins and dietary supplements to private customers either directly to the consumer (B2C) or indirectly via wholesalers and retail. Wellvita has more than 70,000 active customers, many of whom buy on subscription.

ESG progress in 2024

Nordic Well Group actively participated in the UN Global Compact and continued to strengthen sustainability initiatives across the merged entities. 2024 also marked the full integration of Wellvita, Natupharma, and Mezina under one umbrella.

Highlights of the work completed in 2024 include:

- Expanded use of green energy at several sites
- Implemented internal waste sorting and recycling, with 10.5 tons of waste managed
- Scope 1 and 2 emissions reduced to 69.5 tons CO_2e combined, with a shift toward greener electricity supply
- Scope 3 emissions identified as the major footprint driver (3,294.7 tons CO_2e, primarily from goods)
- Strengthened inclusivity by expanding apprenticeships, internships, and flex job opportunities.

Plans and targets for 2025

The planned key activities for 2025 include:

- Broaden integration across subsidiaries to ensure consistent ESG policies and monitoring
- ESG reporting across merged entities
- Finalize and implement workplace health and stress prevention policies
- Structured employee engagement surveys
- Continue to work towards the aim to use bioplastics (100%)

3	Good health and wellbeing
8	Decent work and economic growth
12	Responsible consumption and production

Risks and Opportunities

ESG risks and opportunities have been reviewed under VSME standards and verified by CalcAir

Risks	Opportunities
High Scope 3 emissions, primarily from goods and services used across the supply chain	Positioning the Group as a climate-aware brand in the health sector and using sustainability to attract skilled employees
Challenges in aligning sustainability efforts across all new subsidiaries	

Introduction to the portfolio companies

european house of beds

European House of Beds A/S was established in 2008. The company produces and sells complete bed collections – through both own brands and a wide range of private label bed concepts. The company operates in the business areas B2B and the professional contract market.

ESG progress in 2024

European House of Beds fully anchored sustainability into its corporate strategy in 2024, supported by the establishment of a dedicated Head of ESG. Key progress areas included:

- Achieved a 20% reduction in electricity consumption compared to 2023 (from 451,837 kWh to 362,367 kWh)
- Developed a Scope Calculator for transparent reporting of Scope 1, 2, and 3 emissions.
- Improved recycling efficiency to 84%, covering cardboard, plastic, wood, metal, and foam cutoffs returned for recycling
- Expanded the use of FSC-certified wood and OEKO-TEX textiles in product lines
- Introduced detailed employee workplace assessments (APV) with 74% participation; no harassment or discrimination cases reported.

Plans and targets for 2025

The planned key activities for 2025 include:

- Complete installation of solar panels at production facilities (May 2025)
- Further reduce Scope 1 and Scope 2 emissions through electrification of the company car fleet
- Increase the use of certified and recycled sustainable materials across product portfolio

SDG focus areas

	7	Affordable and clean energy
	8	Decent work and economic growth
	12	Responsible consumption and production
	17	Partnerships for the goals

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
High Scope 3 emissions (10,413 tons CO_2e) from raw materials and supplier activities	Have materials and consumption certified on CO2 emission factors to enable product declaration on CO2 level and other impact factor.
Climate-related natural disasters can threaten the supply chain and delivery capability.	Reduce the consumption of raw materials and thus costs by minimizing waste from production and recycle as much as possible.
Regulatory changes such as CBAM and EUDR creating compliance complexity	Positioning European House of Beds as a circular and climate-aware brand in the furniture sector

Feline

Holiday Group (Feline) consists of several brands and websites, forming a leading online provider of vacation rentals primarily in Denmark. The company is an Online Travel Agency providing the consumers with an aggregated offering of vacation rentals.

ESG progress in 2024

Holiday Group Invest advanced its sustainability work significantly in 2024, with progress across climate, social responsibility, human rights, and governance. Key highlights include:

- Scope 1 emissions reduced to 1.2 tons CO_2e (from 10.9 in 2023)
- Scope 2 emissions reduced to 5.6 tons CO_2e (location-based), reflecting a switch to green electricity in Denmark and electrification of the company car fleet
- All luxury holiday homes with pools were tagged as climate friendly where data was available, and an "Energy Friendly" search filter was rolled out on platforms
- Gender diversity across the workforce: 56% women, though board diversity remains at 0% female representation

Plans and targets for 2025

The planned key activities for 2025 include:

- Reduce Scope 1 and Scope 2 emissions to 0 tons CO_2e through continued electrification and green energy sourcing
- Full tagging and classification of all Danish holiday homes by energy performance (supporting the industry's upcoming labeling scheme "Koglemærket")
- Improve board and management diversity to reach a 25/75 ratio with 25% women

SDG focus areas

	7	Sustainable energy
	8	Decent jobs and economic growth

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Climate risks from extreme weather events (floods, storms) affecting holiday homes, especially in coastal areas Gender imbalance at the board level remains a governance challenge	If there is an increased focus on energy sources, the holiday homes with sustainable energy sources will be rented out first and at a higher price due to increased demand.

Introduction to the portfolio companies

Maki

Maki imports and distributes toys for kids aged 1 to 12 years in the Nordics. With more than 60 brands, Maki sells toys to both online and physically retailers. An increasing part of the sales goes to "un-traditional" sales channels such as building material shops and gasoline stations.

ESG progress in 2024

- Relocated to a new energy-efficient HQ/warehouse with district heating, EV chargers and advanced waste sorting
- Reduced CO_2 intensity to 0.38 tonnesCO_2/DKKm revenue
- Electrification in car fleet – 39% of driven company car kilometers were electric
- Scope 3 reporting improved – now covering ~70% of toys sourced based on supplier data rather than Maki's own estimates
- Achieved record Employee and Leader Net Promoter Scores, with improved motivation, satisfaction, and reduced sickness absence
- Strengthened compliance by hiring a Product Safety & Compliance specialist

Plans and targets for 2025

- Maintain CO_2 intensity at ≤0.30 tonnes CO_2e/DKKm revenue
- Prepare adoption of the new European Toy Safety Regulation
- Broaden implementation of compliance tools: product risk matrix, supplier risk ranking, and document validation

SDG focus areas

5	Achieve gender equality and empower all women and girls
7	Affordable and clean energy
8	Decent work and economic growth
12	Responsible consumption and production

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Stricter EU reporting and CO_2 taxation could increase costs across the supply chain	Competitive advantage by offering FSC-certified, recyclable, and eco-friendly toys
Toy industry dependence on plastics carries risks of chemical bans and pollution regulations	Innovation in toy recycling and packaging reduction can position Maki as an industry leader
Exposure to social risks (forced/child labor) in Asia, requiring strict monitoring and audits	Proactive ESG reporting and supplier engagement can differentiate Maki as a preferred partner for global toy brands

DANCOVER.com

Dancover A/S is the leading European supplier of a wide selection of products and equipment for event, party, garden-life, incl. party tents, gazeboes, greenhouses, and various storage solutions, for both private customers and professionals.

ESG progress in 2024

In 2022, Dancover initiated alignment of their operations with the UNGC and executed a TCFD risk and opportunity assessment.

Some highlights of the work completed in 2024 include:

- Implemented supplier Code of Conduct with focus on ethical production and environmental performance
- Optimized freight and logistics to reduce emissions per shipment
- Maintained a zero-accident record in 2024
- Whistleblower system implemented and actively communicated to employees

Plans and targets for 2025

The planned key activities for 2025 include:

- Reduce Scope 1 and 2 emissions by 10% through fleet electrification and renewable energy use.
- Finalize and implement a comprehensive health and stress prevention policy
- Continue increasing our products lifespan. (i.e. improvement of packaging + increase in Spareparts.)

SDG focus areas

5	Gender equality
8	Decent work and economic growth
12	Responsible consumption and production
15	Life on land

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
High Scope 3 dependency on international suppliers and transport partners	Reducing operating costs through logistics optimization and renewable energy transition
Need for alignment across multiple subsidiaries and product categories	
Change in customer preferences to more sustainable products	Attracting eco-conscious customers by expanding sustainable product portfolio

Introduction to the portfolio companies

FAIRPOINT
— OUTDOORS —

Fairpoint Outdoors A/S develops, manufactures and sells sport fishing equipment and has activities across Europe. Fairpoint Outdoors' products cover a wide range of equipment and gear for sport fishing, the majority of which are own products.

ESG progress in 2024

Fairpoint Outdoors advanced its sustainability agenda across environment, social responsibility, and governance in 2024. Key highlights include:

- Continued phasing out of lead in products, aiming for 100% elimination by 2030
- Significant reduction in plastic packaging, introducing cardboard-based and downsized packaging solutions
- Employee satisfaction survey in 2024 showed 86% positive ratings, though slightly lower than 2022
- No whistleblower reports filed in 2024; system continues to be managed independently via EY

Plans and targets for 2025

The planned key activities for 2025 include:

- Continuing phase out lead products (lead-free by the end of 2030)
- Introduce programs to prevent employee wear down and stress-related risks
- Investigate greener materials and eco-friendly paint used in lures
- Implement binding contracts with suppliers to secure human rights compliance

SDG focus areas

7	Affordable and clean energy
8	Decent work and economic growth
12	Responsible consumption and production
14	Life below water

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Higher raw material costs and potential bans on certain lure inputs	General development of better raw materials focused on environmentally safe use.
Exposure to policy restrictions and shrinking fishing habitats, limiting customer access	Enhance brand position as a sustainable fishing gear supplier aligned with UN SDGs
Suppliers call for the increased cost of products (raw materials).	Develop new "green" product lines and expand recyclable product portfolio

Guldager
Wise Water Treatment

Guldager is a Danish water treatment company and is internationally present through its subsidiaries in Switzerland and Belgium. The company was founded in 1946 and has been owned by the Guldager family until Capidea became the majority owner in 2016.

ESG progress in 2024

Guldager Group went through a transformative year in 2024, marked by the acquisitions of Vision Watercare, ARO Energy Solutions A/S, and VAI Service. The focus was primarily on integration, harmonizing ESG policies across entities, and establishing data collection frameworks. Even though fewer new initiatives were launched, the company maintained momentum in key ESG areas:

- Lost Time Injury Rate decreased to 3.3 (from 7.7 in 2023), sickness absence fell to 3.7%. Employee turnover reached an all-time low of 12% (down from 38% in 2020)
- Consumption rose by 286%, mainly due to Vision Watercare's regenerative filter process. While water-intensive, this approach minimizes landfill waste compared to competitors
- Overall gender diversity increased to 20% (up from 15% in 2020)

Plans and targets for 2025

The planned key activities for 2025 include:

- Harmonized ESG reporting across all newly acquired entities, ensuring a unified group-level baseline
- Reach an LTI rate of zero
- Progressively raise female representation in management and on the Board, aiming toward the 40% targets

SDG focus areas

5	Gender equality
6	Clean water and sanitation
7	Affordable and clean energy
8	Decent work and economic growth
12	Responsible consumption and production

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Low energy prices could reduce incentives for efficiency investments	Increase in legislative demand for environmentally friendly technology. Best alternative technology.
	Increase in energy taxes. Incentive to invest in energy efficiency.
Rising sea levels could increase salt content in groundwater, requiring adaptation of products	Global scarcity in fresh water.

Introduction to the portfolio companies

HVACON MARINE SYSTEMS

Hvacon Marine Systems delivers advanced, energy-efficient HVAC and refrigeration solutions tailored for the demanding conditions of the global maritime industry

ESG findings from Due Diligence

- During the ESG due diligence process, PwC concluded that Hvacon demonstrates an emerging approach to ESG.
- Importantly, no red flags were identified that would prevent the investment. However, PwC noted that while Hvacon is by nature an environmentally oriented business, its ESG strategy is still relatively immature and largely undocumented.
- Current practices are characterized by informal, ad hoc initiatives rather than formalized policies, procedures, or reporting frameworks

Focus Areas for Improvement

- Begin systematic calculation of GHG emissions where data is already available (e.g., business travel)
- Develeop a formal, company-specific health and safety policy
- Strengthen supplier management by implementing a Code of Conduct for suppliers and subcontractors
- Conduct training on ethical business conduct and monitor completion across the organization

SDG focus areas

- ESG workshops have been held, and the company is currently in the process of selecting key focus areas for SDG

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Stricter maritime decarbonization regulations may increase compliance costs and require faster decarbonization of HVAC systems	Expand product offering to highlight "avoided emissions" as a customer benefit, quantifying the CO_2 savings generated
Rising ocean temperatures may change operational needs of HVAC systems onboard vessels, requiring more resilient and energy-intensive cooling systems	Global shipping's decarbonization drive is creating strong demand for retrofit and upgrade solutions

RPG

Right People Group connects organizations to expertly matched IT and business consultants across Europe – offering high-caliber talent solutions that deliver great business impact

ESG findings from Due Diligence

- RPG has limited impact on greenhouse gas emissions, as its activities are primarily employment-related
- The main ESG risk area is within working conditions and equal treatment.Employee satisfaction is high (above 80%), but no formal frameworks exist to systematically measure or document well-being among consultants
- RPG has no formal diversity & inclusion policy; current Code of Conduct is high-level and lacks reference to global frameworks (UNGC, whistleblower safeguards)
- Overall, RPG is on par with peers but has "room for improvement" in formalizing ESG processes and documentation.

Focus Areas for Improvement

- Introduce structured policies on diversity & inclusion, equal opportunity, anti-discrimination, and anti-harassment
- Strengthen governance framework: Update the Code of Conduct to include recognized international standards (e.g., UNGC, whistleblower policies)
- Establish clear ownership of ESG initiatives and formal documentation to align with client expectations

SDG focus areas

- ESG workshops have been held, and the company is currently in the process of selecting key focus areas for SDG

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
With no formal frameworks to measure or report employee/consultant well-being, RPG risks being perceived as lagging behind peers in social responsibility	Implementing structured diversity & inclusion policies, anti-harassment protocols, and whistleblower safeguards would enhance RPG's governance maturity
	Introducing GHG measurement and reporting – even if emissions are limited – positions RPG as proactive

Introduction to the portfolio companies

DIGITAL GROUP

Digital Group pioneers secure and intelligent document management through print, scanning, and software solutions tailored for sectors like legal, financial services, education, and design

ESG findings from Due Diligence

- Own workforce identified as the most material ESG topic due to business value dependency on people
- Lack of alignment across the organization on employee management processes
- Commitments in social policies only partially executed
- No reporting on workforce KPIs such as employee health, turnover, sickness absence, or long-term leave
- No whistleblower, anti-bribery, or AML policies in place
- Currently not addressing PAI indicators relevant for Article 8 alignment; no ESG governance framework established

Focus Areas for Improvement

- Introduce structured processes for employee engagement, feedback cycles, regular satisfaction surveys, and KPI reporting (turnover, absence, health)
- Implement whistleblower scheme, anti-bribery policy, and AML compliance framework
- Establish environmental policies, climate-data reporting, and initiate Scope 1–3 GHG measurement

SDG focus areas

- ESG workshops have been held, and the company is currently in the process of selecting key focus areas for SDG

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Stricter EU requirements (CSRD, Article 8/9 alignment) could expose Digital Group to compliance costs	Establishing strong employee well-being and engagement policies enhances retention, productivity, and employer brand
Absence of formal ESG policies could harm credibility with investors, regulators, and clients, leading to reduced business opportunities	Developing climate-data reporting and GHG reduction strategies can reduce costs (e.g., energy savings) and position the company competitively under EU taxonomy alignment

InterMail

InterMail is a data-driven communications provider – offering seamless, integrated digital and print solutions across lead generation, customer outreach and loyalty services for over a century

ESG progress in 2024

- Scope 1 (direct emissions from company vehicles) was reduced to 13 tons, achieving a 72% reduction compared to 2018/19, thus exceeding the target
- InterMail continued to expand ESG integration, publishing its third ESG report
- The company tied its ESG work to 10 UN Sustainable Development Goals (SDGs), with concrete progress on emissions reduction, responsible production, gender equality, and strong governance

Plans and targets for 2025

- Narrow focus to 4–5 SDGs (from 10 currently) with explicit, quantifiable targets where InterMail can create the most impact
- Improve data collection for Scope 3 and value-chain emissions
- ISO 14001 environmental certification planned for 2024/25

SDG focus areas

- InterMail actively works with 10/17 SDG goals (3, 5, 6, 7, 8, 9, 10, 12, 13 and 16)

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Increasing demand from banks, regulators, and customers for credible ESG reporting and climate action	ESG integration provides a strategic differentiator in the Nordic market, supporting growth and competitiveness
Limited control over energy production; renewable share (currently 76%) is sensitive to geopolitical factors	Focus on digital services and climate-neutral production offers new revenue streams (e.g., providing clients options for climate-neutralizing their campaigns)

Introduction to the portfolio companies

GaveFabrikken

Gavefabrikken is Scandinavia's leading corporate gift provider – delivering over 1 million curated, designer-quality gift solutions annually, with a strong focus on personalization and sustainability

ESG findings from Due Diligence

- ESG approach is basic: initiatives like "Gave med omtanke" and UN Global Compact reporting are in place
- ESG framework is largely supported by ISO 14001:2015 certification, CSR Policy, Supplier Code of Conduct, and Environmental Policy
- Annual UN Global Compact Communication on Progress lacks metrics, targets, and substantiated assessments

Focus Areas for Improvement

- Develop a standalone ESG and sustainability strategy, aligned with GF's size, industry, and business model
- Carbon accounting, SDG target contributions, supplier ESG assessments
- Ensure that ESG communications and UNGC reporting are backed by data and clear methodologies
- implement structured ESG risk assessments and monitoring across the value chain

SDG focus areas

- ESG workshops have been held, and the company is currently in the process of selecting key focus areas for SDG

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Failure to meet CSRD and EU directives could result in financial penalties, reputational damage, or loss of customer trust	Early compliance with CSRD and EU regulations could differentiate GF as a trustworthy and sustainable supplier
Customers increasingly demand verified ESG practices	Establishing carbon accounting and reduction targets allows GF to cut consumption and appeal to ESG-conscious customers
Stricter environmental requirements (packaging waste, CO_2 taxation)	Strong ESG due diligence can reduce risks, ensure quality, and improve relationships with stakeholders

FIRE EATER

Fire Eater A/S delivers globally trusted, environmentally safe fire suppression solutions using patented Inergen systems – engineered to extinguish fires swiftly without harming people, equipment, or the planet

ESG findings from Due Diligence

- Initial steps taken through Life Cycle Assessment (LCA) to map carbon emissions across manufacturing, transport, and waste
- No comprehensive GHG inventory (Scope 1–3) in place; climate mitigation efforts not yet translated into actionable reduction targets
- Compliance with ISO standards (ISO 14001, ISO 9001, ISO 45001), but lacks a formalized ESG governance framework
- Missing a structured supplier code of conduct and double materiality assessment to prioritize sustainability topics
- Not fully aligned with EU SFDR Article 8 requirements. Key gaps: GHG reporting, gender pay gap monitoring, and waste management practices

Focus Areas for Improvement

- Develop a comprehensive ESG strategy with measurable targets and action plans.
- Establish a GHG inventory across Scope 1–3 and set emission reduction targets.
- Formalize DE&I framework and track workplace equality and safety metrics.
- Implement ESG governance structures, including a supplier code of conduct and board-level ESG oversight.
- Conduct a double materiality assessment to align with global ESG standards (e.g., CSRD, UNGC).

SDG focus areas

- ESG workshops have been held, and the company is currently in the process of selecting key focus areas for SDG

Risks and Opportunities

ESG risks and opportunities have been categorized in accordance with the recommendation of the TCFD framework. Highlights of TCFD framework analysis include:

Risks	Opportunities
Delays in aligning with CSRD and SFDR Article 8 could expose Fire Eater to fines, reputational damage, or loss of EU funding eligibility	Establishing Scope 1–3 GHG reporting and emission reduction targets can position Fire Eater as a sustainability frontrunner in its sector
	A formal DE&I strategy and transparent social metrics improve retention, recruitment, and employee well-being
Climate-related disruptions in the supply chain (e.g., materials, transport)	Strengthening ESG governance and supply chain codes of conduct reduces operational risks and builds trust with stakeholders

ESG key figures – Environmental data

Capidea is commited to support our portfolio companies in developing the required foundation for long-term sustainable growth. Reporting on a selected number of environmental KPIs is essential to prepare for future ESG legislative requirements. In 2022, a number of portfolio companies started reporting on Scope 3, GHG intensity, and renewable energy or improved their data reporting, which resulted in higher reported emissions. In 2023 all portfolio companies in Fund III have reported on scope 3 and GHG intensity. Portfolio companies in fund IV are currently adapting to the full ESG implementation hence relevant data will be included from next year's ESG rapport and onwards,

The GHG protocol defines three scopes for GHG emissions. Scope 1 covers all direct GHG emissions from operations that are owned or controlled by the portfolio companies. Scope 2 covers all indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by the portfolio company. Scope 3 is all indirect emissions which are not included in Scope 2 that occur in the value chain of the portfolio company. In 2023 all companies have reported on Scope 1, 2, and 3.

Fund III

	Scope 1 (direct emissions)			Scope 2 Location-based			Scope 2 Market-based			Scope 3			Development in GHG intensity (Scope 1&2 Market based)			Renewable energy		
	tCO_2e			tCO_2e			tCO_2e			tCO_2e			development from baseline year			% (percentage)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Wellvita	25.0	24.0	54.9	46.0	52.0	14.6	26.0	27.0	-	218.0	106.0	3,294.7	1.0	1.0	-	56.0	58.0	58.4
EHoB	181.0	105.0	230.0	84.0	39.0	32.0	0.0	0.0	0.0	7,340.0	5,032.0	10,413.0	1.0	0.6	1.3	51.0	56.0	N/A
Feline	14.0	11.0	1.2	11.0	9.0	5.6	18.0	11.0	16.7	324.0	263.0	225.7	1.0	0.7	0.6	41.0	37.0	61.0
Maki	129.0	143.0	66.7	26.0	87.0	124.3	84.0	27.0		5,371.0	6,099.0	12,838.2	1.0	0.8	0.3	25.0	34.0	84.9
Dancover	115.0	27.0	23.5	40.0	29.0	22.3	116.0	91.0	55.4	37,242.0	24,952.0	14,098.1	1.0	0.5	0.3	N/A	N/A	27.0
Fairpoint	29.0	56.0	48.1	21.0	22.0	26.2	64.0	N/A	N/A	42.0	51.0	91.5	1.0	-	-	37.0	26.0	N/A
Guldager	267.0	339.0	339.0	16.0	17.0	17.0	45.0	55.0	55.0	52.0	46.0	46.0	1.0	1.3	1.3	N/A	6.0	6.9
Total:	**760.0**	**705.0**	**763.4**	**244.0**	**255.0**	**242.0**	**353.0**	**211.0**	**127.1**	**50,589.0**	**36,549.0**	**41,007.3**	**7.0**	**4.8**	**3.7**	**210.0**	**217.0**	**238.1**

Fund IV

	Scope 1 (direct emissions)			Scope 2 Location-based			Scope 2 Market-based			Scope 3			Development in GHG intensity (Scope 1&2 Market based)			Renewable energy		
	tCO_2e			tCO_2e			tCO_2e			tCO_2e			development from baseline year			% (percentage)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Hvacon	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	70.0
RPG	N/A	N/A	11.4	N/A	N/A	19.0	N/A	N/A	N/A	N/A	N/A	133.0	N/A	N/A	N/A	N/A	N/A	70.0
Digital Group	N/A	N/A	67.0	N/A	N/A	13.6	N/A	N/A	N/A	N/A	N/A	22.4	N/A	N/A	N/A	N/A	N/A	N/A
InterMail	32.0	13.0	13.0	78.0	83.0	90.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	87.0	84.0	85.0
Gavefabrikken	59.3	46.6	47.4	17.1	20.8	22.9	31.5	60.2	105.1	17.9	20.7	27.2	1.0	1.2	1.7	72.5	82.9	82.6
Total:	**91.3**	**59.6**	**138.8**	**95.1**	**103.8**	**145.5**	**31.5**	**60.2**	**105.1**	**17.9**	**20.7**	**182.6**	**1.0**	**1.2**	**1.7**	**159.5**	**166.9**	**307.6**

ESG key figures – Social and governance data

As an active owner in the companies we invest in, Capidea takes responsibility for considering ESG factors not only in strategic decisions, but also in the day-to-day business activities. As owners, we do this as members of the Boards of Directors of our companies, and furthermore Capidea provides the companies with tools, guidance, and knowledge sharing opportunities regarding ESG management. Portfolio companies in fund IV are currently adapting to the full ESG implementation hence relevant data will be included from next year's ESG rapport and onwards,

As our portfolio companies are still in the process of developing an annual reporting wheel on ESG key indicators, there are some values absent. We will continue to support our portfolio companies in strengthening their reporting processes.

Fund III

	Lost Time Injury Rate			Sickness Absence			Employee Turnover			Unadjusted Gender Pay Gap			Diversity in the organisation			Diversity in management			Diversity in BoD		
	Rate			(Days/FTE)			% (Percentage)			Times			% (Percentage)			% (percentage)			% (percentage)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Wellvita	0.0	0.0	0.0	4.6	4.1	7.6	23.0	20.0	38.5	1.5	1.0	1.3	62.0	63.0	60.0	0.0	0.0	25.0	0.0	0.0	16.7
EHoB	5.6	4.4	2.6	11.6	10.3	12.5	44.0	41.0	32.9	1.2	1.0	1.1	23.0	30.0	30.3	0.0	22.0	16.7	0.0	17.0	14.3
Feline	0.0	0.0	0.0	3.5	12.0	7.6	18.0	13.0	7.2	2.0	2.0	1.9	59.0	61.0	55.5	0.0	0.0	0.0	0.0	0.0	0.0
Maki	0.0	0.0	1.2	3.3	6.7	5.7	18.0	20.0	12.2	0.9	1.7	1.3	49.0	54.0	53.0	31.0	36.0	27.0	31.0	17.0	20.0
Dancover	0.0	0.0	2.3	4.8	N/A	4.4	58.0	55.0	23.0	1.0	1.0	1.2	51.0	42.0	54.0	33.0	17.0	17.0	33.0	17.0	20.0
Fairpoint	0.0	9.0	1.4	1.8	2.4		5.0	11.0	7.9	1.3	1.2	N/A	18.0	16.0	11.0	10.0	8.0	10.0	10.0	14.0	14.0
Guldager	0.0	7.7	3.3	N/A	10.5	8.1	29.0	15.0	12.0	N/A	N/A	0.0	16.0	19.0	20.0	0.0	9.0	9.0	0.0	20.0	20.0
Total	0.8	3.0	1.5	4.9	7.7	7.7	27.9	25.0	19.1	1.3	1.3	1.1	39.7	40.7	40.5	10.6	13.1	15.0	10.6	12.1	15.0

Fund IV

	Lost Time Injury Rate			Sickness Absence			Employee Turnover			Unadjusted Gender Pay Gap			Diversity in the organisation			Diversity in management			Diversity in BoD		
	Rate			(Days/FTE)			% (Percentage)			Times			% (Percentage)			% (percentage)			% (percentage)		
	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024	2022	2023	2024
Hvacon	N/A	N/A	16.1	N/A	N/A	6.5	N/A	N/A	4.3	N/A	N/A	1.09	N/A	N/A	21.0	N/A	N/A	22.0	N/A	N/A	0.0
RPG	N/A	N/A	0.0	N/A	N/A	5.0	N/A	N/A	5.3	N/A	N/A	10.6	N/A	N/A	26.0	N/A	N/A	18.0	N/A	N/A	40.0
Digital Group	N/A	N/A	0.0	N/A	N/A	5.3	N/A	N/A	3.2	N/A	N/A	N/A	N/A	N/A	28.0	N/A	N/A	17.0	N/A	N/A	17.0
InterMail	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gavefabrikken	0.0	17.6	8.8	n/a	n/a	3.1	N/A	N/A	N/A	N/A	N/A	N/A	86.1	86.7	86.5	76.9	69.2	71.4	33.3	33.3	0.0
Total	0.0	17.6	6.2	#DIV/0!	#DIV/0!	5.0	#DIV/0!	#DIV/0!	4.3	#DIV/0!	#DIV/0!	5.8	86.1	86.7	40.4	76.9	69.2	32.1	33.3	33.3	14.3

Accounting practices

The accounting practices for the reported on ESG-KPIs in this 'annual sustainability report' are presented below. These accounting practices have guided our portfolio companies in reporting on their progress and ensure aligned reporting among our entire portfolio.

KPI	Accounting practices
Scope 1	**Scope 1 emissions** are direct emissions of greenhouse gases (GHG) and are measured as CO_2-equivalents. Scope 1 emissions from our portfolio companies consists of emissions from fuel and gas use for various operational activities. Scope 1 involves three different categories: stationary combustion, mobile combustion and fugitive/process emissions. Organizational boundaries are determined by operational control. **Stationary combustion**: meaning usage of fuel for power generation, heat and/or steam is based on invoices, meter readings and supplier reports, and is collected in January-June for all our portfolio companies. When information is unavailable, entities estimate values based on the previous reporting period. As the default emission factor for purchased fuels, we use emission factors from Department for Business, Energy & Industrial Strategy (BEIS) which are updated and released publicly on an annual basis. **Mobile combustion**: measuring usage of fuel for internal transportation movements at the locations of our portfolio companies and company-owned modes of transportation is based on invoices, supplier reports and mileage balances, and is collected in January-June for all our portfolio companies. When information is unavailable, entities estimate values based on the previous reporting period. As the default emission factor for purchased fuels, we use GHG transportation calculation following the BEIS factors, which are regularly updated and released publicly. **Fugitive/process emissions**: our portfolio companies do not include fugitive/process emissions in their scope 1 as they are not relevant in their business operations.
Scope 2 (Location-based/Market-based)	**Scope 2 emissions** include indirect emissions from electricity, heat, steam and cooling purchased and consumed by our portfolio companies. We use location-based and market-based methods for calculations of scope 2 emissions. Organizational boundaries are determined by operational control. When information is unavailable, entities estimate values based on the previous period. Electricity, purchased heat, steam or cooling consumption is based on invoices or meter readings, and is collected in January-June for all our portfolio companies. **For activities in Denmark**, we apply the (Energinet) emission factors. For activities within Europe, we apply the location and market-based AIB residual mix emission factors. For activities outside Europe, we apply publicly available emission factors. If market-based residual emission factors for certain sites are not available, we use location-based emission factors, cf. recommendations from the CDP web page. **For market-based**, if our portfolio companies have purchased renewable energy, can provide certificates and/or are building renewable energy projects onsite, we calculate them as having an emission factor of zero. If renewable energy is generated at the site and is connected directly to the facility: sites do not need to report on renewable electricity certificates.
Scope 3	**Scope 3 emissions** is calculated based on an assessment of which of the 15 scope 3 categories that is deemed material for each specific company. Reported categories for the scope 3 of the portfolio companies include emissions related to category 1 (purchased goods and services), category 4 (upstream transport and distribution), category 6 (business travel), and category 7 (employee commuting). **Calculation of scope 3 emissions** are based on supplier specific data whenever this is available, or activity data measured in weight or distance. For certain categories it has been necessary to calculate the emission based on spend-related activities. For further information on the calculation of scope 3 emissions please refer to the accounting practices of the individual portfolio companies.

Accounting practices

The accounting practices for the reported on ESG-KPIs in this 'annual sustainability report' are presented below. These accounting practices have guided our portfolio companies in reporting on their progress and ensure aligned reporting among our entire portfolio.

KPI	Accounting practices
GHG intensity	Tonnes CO_2-eq (Scope 1 & Scope 2 Market-based) divided by the revenue in million DKK, reported as the development since the baseline year of 2021.
Renewable electricity	Percentage of electricity purchased that is based on renewable sources and/or is generated by renewable energy projects onsite.
Lost Time Injury Rate	Amount of injuries of employees leading to a loss of at least one day off work / number of available working hours * 200,000
Sick absence	Number of sick days for all FTEs in 2023 divided by total number of FTEs for 2023.
Employee Turnover	Number of voluntary and involuntary terminations divided by total number of permanent Full Time Equivalents as of 31st December 2023.
Unadjusted Gender Pay Gap	Median salary men compared to median salary women. Salary 2023 incl. bonus & pension. Month of salary differ between portfolio companies.
Diversity in the organisation	Share of women and men according to FTE's as of 31st December 2023.
Diversity in management	**Share of women and men** in management according to FTE's as of 31st December 2023. **Management** is defined as Executive management (e.g., CEO, CFO, and COO) and other senior positions (e.g., team leaders, department heads, and other managers), which are responsible for the day-to-day operations and have someone referring to them.
Diversity in BoD	Female board members elected by the general meeting compared to all board members elected by the general meeting. Number per 31st December 2023.

Capidea

Annual sustainability report

2024