



2021 ESG Report

EquipCapital

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Letter from the Managing Partner

We have high ambitions for our ESG work. I am also happy to say that our achievements match our ambitions. This is due to the continued hard work and focus from the team and our portfolio companies. I would like to highlight some of these achievements here.

A big milestone for Equip in 2021 has been to market our Fund II as an Article 8 Fund. Fund I also promotes environmental and social characteristics as defined in Article 8, but has not been marketed as such. It was therefore an easy decision to make and a natural next step to market Fund II as an Article 8 Fund of SFDR.

Quarterly ESG reporting in parallel with our financial reporting is another important step forward made in 2021. We get what we measure; and therefore, we collect ESG reporting from all our companies each quarter based on defined ESG goals. Although it has not been easy for the SMEs in our portfolio to monitor and report on the ESG KPIs, the importance of monitoring ESG performance is acknowledged and appreciated by our management teams and boards at the company level.

Ryde has in line with their vision and commitment to clean cities and carbon neutral operations received an ISO-14001 certification in 2022 for their environmental management systems. Ryde also became the first portfolio company to assess whether its activities are sustainable according to the EU Taxonomy, and it was concluded that Ryde is a sustainable investment with revenues, opex and capex are 100% aligned. Ryde has also become climate neutral in 2022 and is working very hard to recycle 100% of their electric scooters.

In 2021, several of our portfolio companies have shifted to purchase only renewable energy to meet our carbon reduction goals and reduce their environmental footprint. This transition will continue in 2022.

LGT Capital Partners conducts an annual ESG rating of managers where Equip received the top score of 1, confirming Equip's genuine commitment to ESG as an active owner with institutional processes in place, applying ESG criteria in our investment decision-making



"We are very proud to have received top ESG ratings from several of our investors during the last year".

Sverre B. Flåskjer
Managing Partner, Equip Capital

and reports on ESG. We are very proud and humble to achieve this top rating with the limited resources we have as a lower mid-market manager. We have also been asked to speak at several industry conferences and several of our portfolio companies have been featured in our investors' sustainability reports as partners and stakeholders have recognized our hard work and achievements.

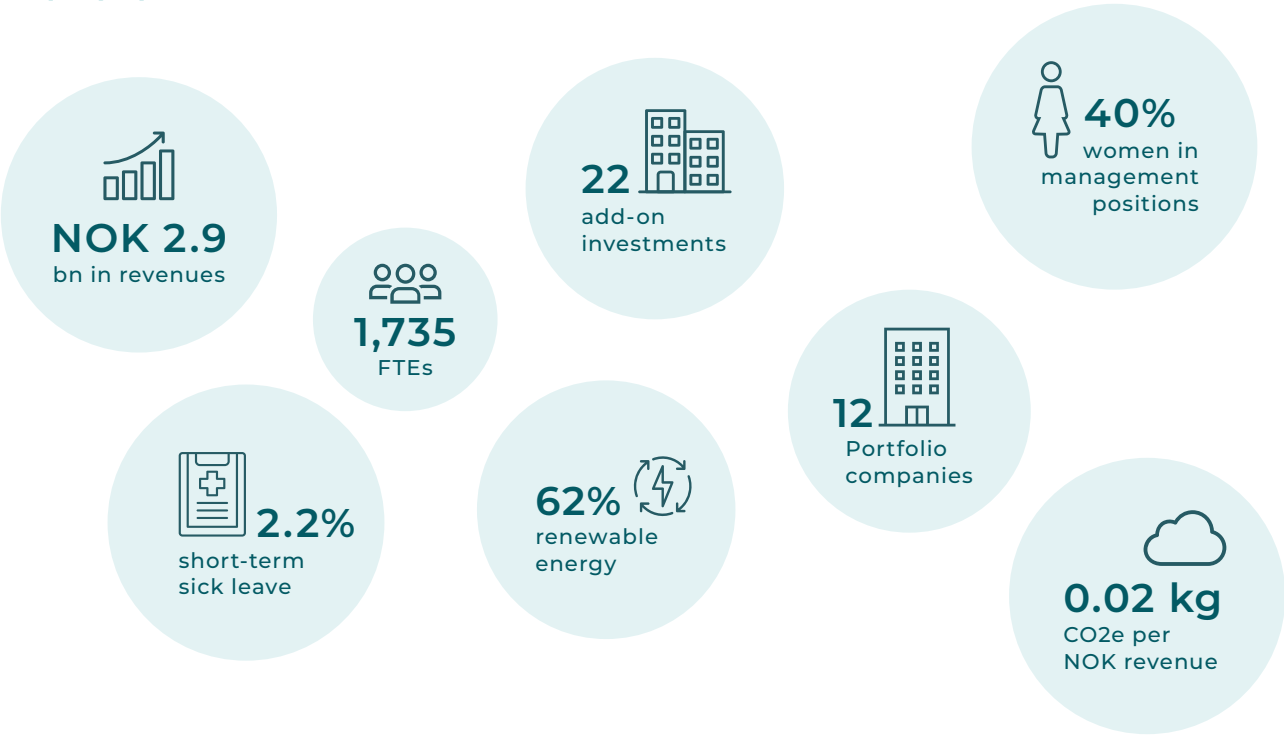
We find that sustainability and ESG means a lot to the talented people we meet in our recruitment processes. Several candidates have stated that they chose Equip partly based on an evaluation of our ESG commitment. And the topic will only become more important in the years to come – we look forward to working with our people, our companies and our partners to continuously improve!

2021 Highlights

Highlights

- Closed **6 new portfolio companies** during 2021
- **11** add-on investments
- **19%** growth in pro forma revenues
- **47%** growth in reported revenues
- Close to **400** new jobs created

Equip portfolio in numbers

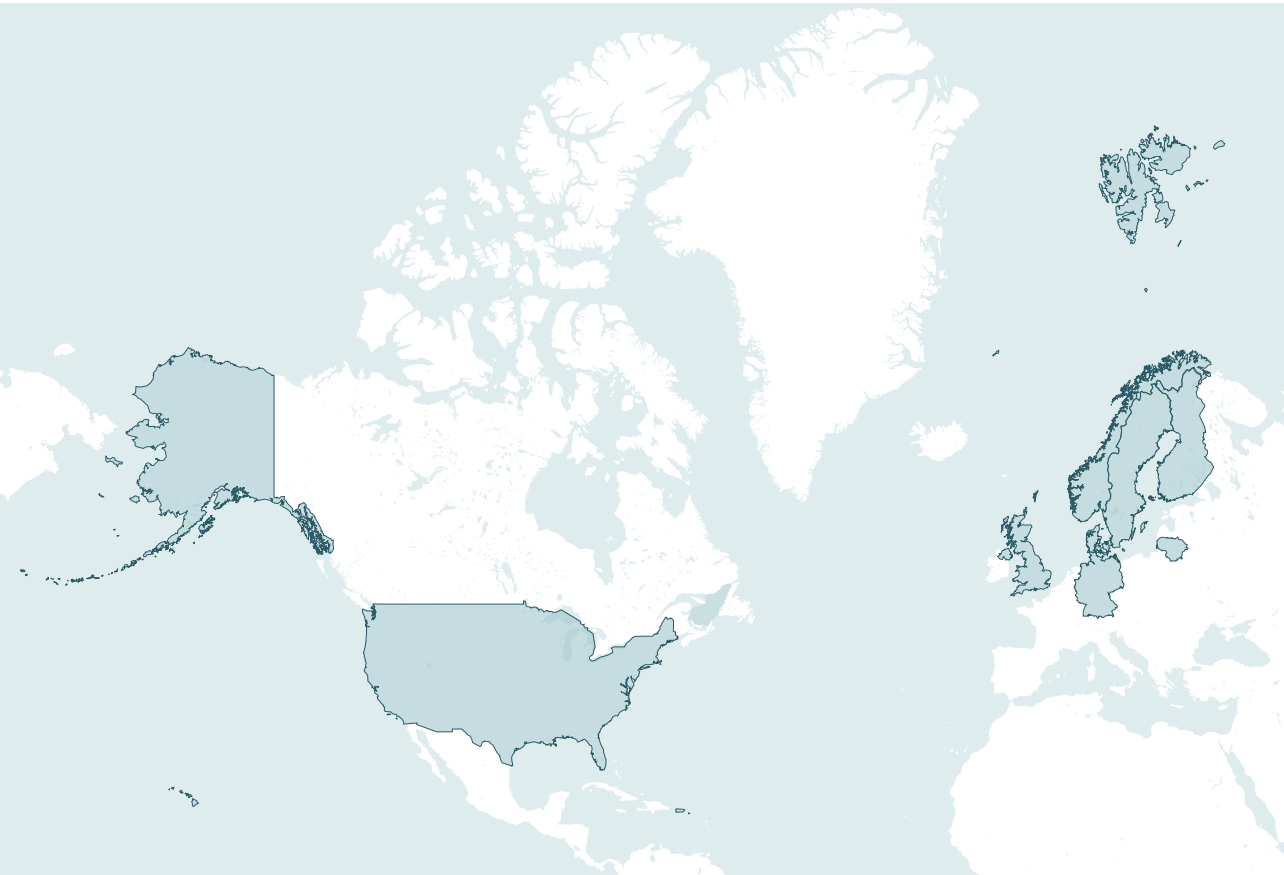


Fund I portfolio companies



Geographical footprint of the Equip portfolio

Portfolio Companies	Entry	Current	Portfolio Companies	Entry	Current
Makeup Mekka	Norway	Norway Sweden Denmark Germany	Iteam	Norway	Norway
Rush	Norway	Norway Sweden Denmark Finland Germany UK	Miles	Norway Lithuania	Norway Lithuania
Holy Greens	Sweden	Sweden	No Dig Alliance	Sweden	Sweden Finland
Busfabriken	Norway Sweden Denmark	Norway Sweden Denmark	Ryde	Norway	Norway Sweden Finland
Bastard Burgers	Sweden	Sweden Norway USA	Økonomibistand	Norway Sweden	Norway Sweden
			Cure Media	Sweden UK Germany	Sweden UK Germany
			Cautus Geo	Norway	Norway



We build better companies...

Our approach to active ownership

Equip's team has an extensive investment experience and focus mainly on investments in the consumer sector and the business services sector.

A core part of the team's investment strategy is to build robust partnerships with entrepreneurs and management teams. Equip takes control positions in profitable businesses with unrealised growth potential that can be triggered by applying our ownership methodology and expertise. Our approach is based on successful execution on focused, actionable value creation plans that build better companies.

Equip values

Our values guide how we work and we are committed to building a firm and culture based on these five principles:

- › **Trust**
Each other, our stakeholders and the facts
- › **Ambition**
A prerequisite for superior value creation
- › **Collaboration**
Diversity and teamwork give better results
- › **Down to earth**
Be professional and unpretentious
- › **Agility**
Open to new ideas and move fast when necessary

Our mission

Our mission is to build better companies – for shareholders, employees, customers and society. We fundamentally believe that this creates most value for all stakeholders in the long run and are therefore strongly committed to promoting sound principles for protection of the environment, social responsibility and proper corporate governance in the execution of our ownership.

Equip strives to be the best owner for companies. We commit to raise ESG standards during our ownership period, but also to bring the ESG perspective into our investment analysis and decision-making processes. Our portfolio companies all serve as examples of how we work on ESG and support the UN Sustainable Development Goals.

All employees are required to commit to Equip's value, mission and vision when joining the firm by signing a value statement.

The UN Sustainable Development Goals

Equip Capital recognises the impact private equity owned companies may have on the environment and society at large and are therefore strongly committed towards promoting sound principles for the protection of the environment, social responsibility and proper governance practices in the course of our business conduct.

The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, and they are a call for action to promote growth while protecting the planet and address social needs.

Equip strongly believes that we as private equity owners are in a unique position to drive sustainability outcomes and implement principles of responsible investing to generate positive returns for society in specific areas as we do when generating strong returns for our investors through our controlling and active ownership model.

In line with our ESG Policy, each of Equip's portfolio companies shall always be committed to at least one of the 17 UN Sustainable Development Goals as we believe that working towards these goals is key for creating most value for all stakeholders in the long run and thereby solid returns to our investors.

Equip's prioritized SDGs



The UN Principles for Responsible Investment

Equip Capital has been a signatory of the Principles for Responsible Investment (PRI) as instituted by the United Nations since February 2020.



Signatories' commitment

- Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.
- Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.

- Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.
- Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.
- Principle 6:** We will each report on our activities and progress towards implementing the Principles.

Being a UN Pri signatory, we report on Equip's climate strategy, governance around climate-related risks and opportunities, risk management and sustainability metrics and targets, all anchored around TCFD recommendations.

Equip completed its first reporting in 2021, but is still awaiting the PRI Transparency Report and the Assessment Report, which is expected to become available in Q3 2022.

How Equip commit to the UN PRI

- Equip's active ownership approach is consistent with the Principles
- Equip addresses ESG issues in our investment policy statements
- Equip has developed an ESG Assessment Tool and ESG risks and opportunities are an integrated part of the Equip Risk framework
- ESG factors are a part of Equip's due diligence process
- Equip assesses whether the management teams have the capability to incorporate ESG issues through our ESG Assessment Tool and Management Assessment Tool
- Equip actively engages with potential targets and our portfolio companies on ESG issues
- Equip is committed to ensure alignment of investment policy, monitoring procedures and performance indicators
- Equip is committed to train their employees in best ESG practises and will continue to develop the team through internal and external seminars and training activities
- Equip seeks standardised and frequent reporting on ESG related topics both on Fund and portfolio level
- Equip provides an annual ESG report to investors in addition to integrating ESG reporting in the quarterly investor report Equip follows Invest Europe's Handbook of Professional Standards

ESG Policy

Equip's environmental, social and governance policy (ESG policy) was developed for the purpose of promoting and maintaining proper decision-making processes that focuses on high environmental, social and governance standards, and to encourage the establishment of appropriate ESG measures in portfolio companies.

- Environmental**
Equip seeks to minimise environmental impact and encourages environmental consciousness. Equip does not accept products or working routines that are unreasonably harmful to the environment or components of products that do not live up to high ethical, environmental and safety related standards.
- Social**
It is Equip's objective to be socially responsible with regards to its advisory business, and to contribute to the development of the communities in which companies operate by promoting sustainable and profitable growth of the Equip portfolio companies.

- Governance**
Equip acknowledges the importance of good corporate governance in connection with its business, and thus adheres to all applicable anti-corruption laws and best practice standards. The principles of fair business and marketing practices are essential to us, and Equip will thus seek to take all reasonable steps to ensure the quality and reliability of the goods and services provided by Equip and the Equip portfolio companies.
- Equip will exhibit honesty, integrity, fairness and respect in all its business dealings, and do not make representations or omissions, nor engage in any other practices that are deceptive, misleading, fraudulent or unfair.



Sustainable Finance Disclosures and EU Taxonomy

On 10 March 2021, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") entered into force in the European Union. According to the SFDR, alternative investment fund managers ("AIFM") are required to provide information to investors with regards to the promotion of environmental or social characteristics and sustainable investments, sustainability risk policies, adverse sustainability impacts and report on indicators related to the adverse sustainability impacts.

For Fund I, Equip Capital has chosen to voluntarily comply with the disclosure obligations to demonstrate our commitment to promoting sound principles for protection of the environment, social responsibility and proper corporate governance, while for Fund II the disclosures are obligatory. The disclosures in accordance with Articles 3, 4 and 5 of the SFDR are available here: www.equip.no.

Both Fund I and Fund II promote environmental and social characteristics as defined in Article 8 of SFDR and invests/will invest partly in sustainable investments. The Website Disclosure for Fund I and Fund II in accordance with Article 10 of SFDR for financial products referred in Article 8 is available here: www.equip.no.

Fund I made its first Annex IV disclosure as part of the 2021 annual report. Fund I has not committed to a minimum proportion of sustainable investments. However, Equip has assessed the portfolio of the Fund against the criteria for sustainable investments in the SFDR and the EU Taxonomy.

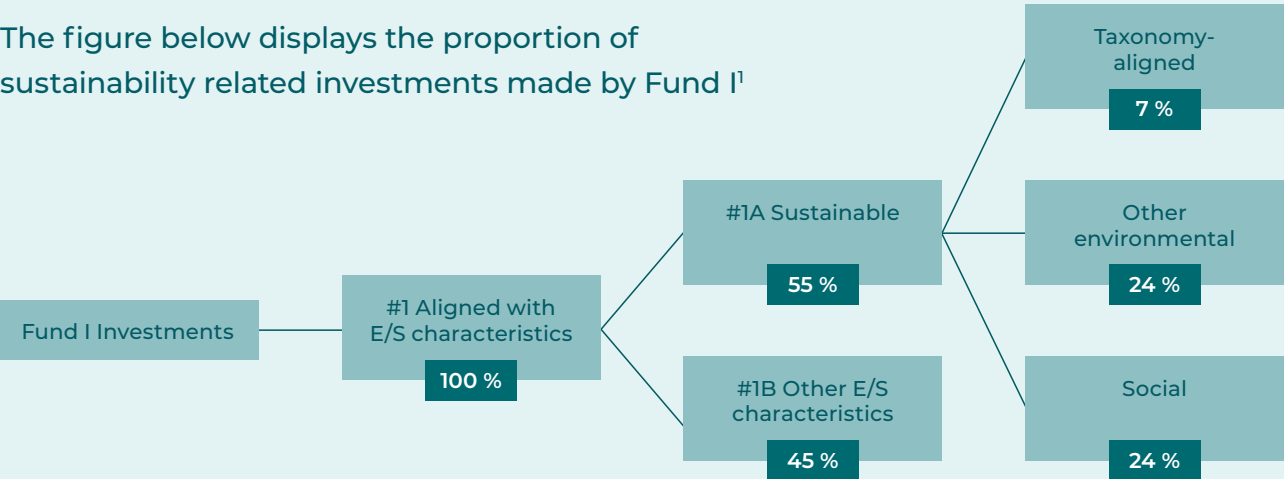
Due to there being limited regulatory guidance or practice available relating to the interpretation of sustainable investments within the meaning of SFDR, particularly the threshold for when an investee company contributes to an environmental or social objective, Equip has applied a conservative approach in its classification of investments. Equip will closely monitor the regulatory and market developments in the interpretation of sustainable investments going forward, which entails that the classification of certain investments may be changed in the future.

As of 31 December 2021, the portfolio of Fund I contained 55% sustainability-related investments, while the remaining 45% promoted environmental and/or social characteristics, but have not been classified as sustainable investments.

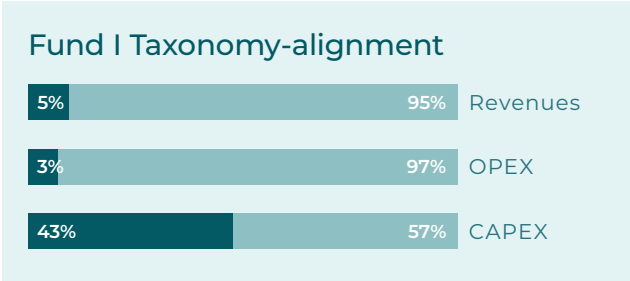
Equip has performed a high-level EU Taxonomy eligibility screening of all portfolio companies in Fund I which have an environmental objective, and completed a pilot with the portfolio company Ryde to test a taxonomy screening tool prepared by PWC Norway. The pilot concluded that the revenues, capex and opex of Ryde is 100% aligned with the EU Taxonomy, and thus defined Ryde as a sustainable investment according to the EU Taxonomy, see page 12 to read more about Ryde's EU Taxonomy pilot. Based on the preliminary screening of the remaining portfolio, Equip has assessed that parts of the economic activities in Iteam, No Dig Alliance and Cautus Geo may also be taxonomy-eligible. The eligibility and potential alignment with the EU Taxonomy are yet to be determined by Equip, and the analysis will continue in 2022 and 2023. Holy Greens and Makeup Mekka currently does not have any screening criteria available to determine whether their activities are taxonomy-aligned. The portfolio companies with a social objective have not yet been assessed as the Social Taxonomy has not yet been legally adopted.

The graph below displays a breakdown of the Taxonomy-aligned revenue, opex and capex as a proportion of all investments made by Fund I:

The figure below displays the proportion of sustainability related investments made by Fund I¹



¹Based on share of fair value as of 31 December 2021



Equip’s EU Taxonomy pilot: Evaluating environmental sustainability of Ryde’s operations

To meet the EU’s climate and energy targets for 2030 and reaching the objectives in the European green deal, the EU Taxonomy was established with the purpose of directing investments towards sustainable projects and activities. To achieve this, a common language and a clear definition of “sustainable” was needed, resulting in the EU taxonomy. The EU Taxonomy Regulation is a classification system for creating a common definition of environmentally sustainable economic activities.

The EU Taxonomy is designed to help investors, companies, issuers, and project promoters transition to a climate-resilient economy by providing a common language and uniform criteria to identify the extent to which economic activities may be considered environmentally sustainable. The EU Taxonomy sets performance threshold, technical screening criteria, to help stakeholders identify environmentally friendly activities and access green financing in order to grow low-carbon sectors and decarbonize high-carbon sectors.

Under the EU Taxonomy, an environmentally sustainable activity is called a taxonomy-aligned activity and must:

- Make a substantive contribution to one of six environmental objectives (listed below) or be enabling or transitional activities;
- Do “no significant harm” to the other five environmental objectives, where relevant;
- Meet minimum safeguards, including OECD Guidelines on Multinational Enterprises and the UN Guiding Principles on Business and Human Rights; and
- Comply with technical screening criteria.

The six environmental objectives set out in the Taxonomy Regulation are:

- 1) Climate change mitigation
- 2) Climate change adaptation
- 3) Sustainable use and protection of water and marine resources
- 4) Transition to a circular economy
- 5) Pollution prevention and control
- 6) Protection and restoration of biodiversity and ecosystems



Ryde is a leading Norwegian e-scooter sharing company with operations in Norway, Sweden, and Finland offering a time-efficient and environmentally friendly transportation alternative in urban areas. Equip acquired 38% of Ryde in June 2021.

Ryde’s mission is to contribute to solving the transportation issues that exist in congested cities today, as well as planning for tomorrow. Equip’s hypothesis was that Ryde should classify as a sustainable investment under the EU Taxonomy, and given Ryde’s interest in gaining a recognition as an environmentally sustainable business, Ryde became the first portfolio company to review whether the company’s activities were sustainable or not, according to the EU Taxonomy.

Ryde’s operations comprise renting out e-scooters and are covered by the taxonomy-eligible activity 6.4 Operation of personal mobility devices, cycle logistics, described as: Selling, purchasing, financing, leasing, renting and operation of personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity, where purchasing, renting and operation are the most relevant to Ryde.

Ryde has reviewed its operations according to the EU Taxonomy to define the share of our turnover, capital

expenditure (capex) and operating expenditure (opex) for the reporting period 2021, which are associated with Taxonomy-eligible economic activities related to the first two environmental objectives (climate change mitigation and climate change adaption) in accordance with Art. 8 Taxonomy Regulation and Art. 10 (2) of the Art. 8 Delegated Act.

The eligible activities have been assessed against technical screening criteria for determining the conditions under which an activity qualifies as contributing substantially to climate mitigation to identify the share of eligible turnover, capex and opex that qualify as taxonomy-aligned and thus defined as sustainable, according to the EU Taxonomy.

The review determine that Ryde’s activities are 100% taxonomy-eligible and that turnover, capex and opex subject to the activity “6.4 Operation of personal mobility devices, cycle logistics” are 100% taxonomy-aligned, thus defined as sustainable according to the EU Taxonomy.

The assessment of Ryde’s activities is documented in Ryde’s Taxonomy Disclosure Statement. PWC has provided limited assurance over Ryde’s reporting of their taxonomy-aligned activities.

How do Fund I and Fund II promote environmental and/or social characteristics?

(a) Positive screening for investments that perform well on ESG or has the potential to do so through our active ownership approach;

(b) Commitment to at least one UN Sustainable Development Goal by all portfolio companies;

(c) Measuring and monitoring of the implementation of policies and best practise standards for good governance and social responsibility in portfolio companies, in addition to defined KPIs to ensure accountability of companies' environmental impact and contribution to socially responsible growth that benefits the communities in which the companies operate in;

(d) An active ownership approach where ESG factors are an integrated part of the investment analysis and the decision-making processes throughout both the acquisition process, the ownership period and the exit process;

(e) Exclusion of investments that conflict with Equip's investment policy, which outlines activities that could have negative ESG characteristics; and

(f) Exclusion of investment opportunities with unmanageable sustainability risks or significant ESG issues or concerns unless there is a clear opportunity to raise standards to an acceptable level.

Throughout this report, Equip provides case studies and data on how environmental and/or social characteristics are promoted through our investments.

ESG Funds

Funds that promote environmental and/or social characteristics

Environmental impact

Equip has a strong commitment to UN SDG #13 Climate action, as well as UN SDG #7 Affordable and clean energy, UN SDG #9 Industry, innovation, and infrastructure and UN SDG #12 Responsible consumption and production, which we consider important enablers in the transition to a low carbon economy and climate change mitigation.

Greenhouse gas emissions must be reduced to a level where the Earth's net climate balance is zero in order to stabilize global temperatures. This objective has been ratified under the Paris Agreement. Equip agrees that we have to put strict focus on reducing sources for emissions, but at the same time also support the sinks to uplift nature's carbon cycle to achieve net zero.

During 2021, Equip onboarded four of the six portfolio companies acquired to the portfolio wide sustainability reporting template and to Normative, Equip's software platform for reporting carbon emissions across scope 1, 2 and 3 and whether the electricity consumed come from renewable energy sources. Equip will onboard the remaining two portfolio companies acquired in November and December 2021 during 2022.

The software is using science-based emission data and is built on the GHG Protocol, the global standard for carbon accounting. When collecting data from the newly added portfolio companies, we have used spend-based data in combination with supplier-specific data or activity data to achieve the highest accuracy in the emission calculations. All companies have provided fuel consumption, electricity consumption as well as financial data regarding purchases to derive their respective scope 1, 2 and 3 emissions - for both 2020 and 2021, except for Ryde who has defined 2021 as their base year.

The Equip portfolio companies promotes a wide range of initiatives to reduce global emissions, and please see further details on some of the examples below in the case studies on pages 18-21, 24-27 and the portfolio section on pages 34-57.

Ryde, which is an operator of rentable electric scooters and thereby offering a personal mobility solution from a zero-emission motor as an environmentally friendly alternative to a car or public transport.,

The **No Dig Alliance** offers no-dig laying and renewal pipes and cables, which causes significantly less greenhouse gas emissions than traditional digging with an open ditch method due to less fuel consumption, limited impact on the ground and significantly lower asphalt consumption.

Holy Greens' contribution to a more plant-based diet and a menu offering with a carbon footprint from each meal well below the average of 1.7 kg CO₂e¹, and

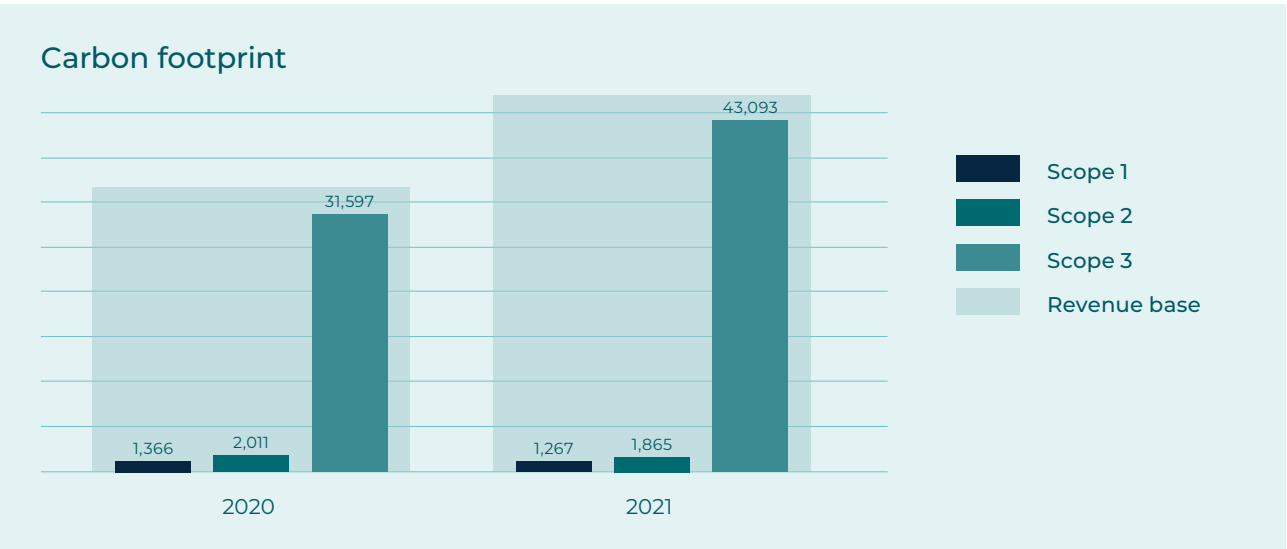
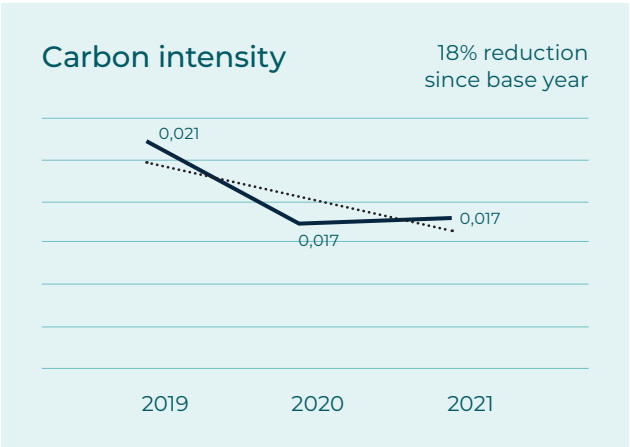
Cautus Geo delivers automated geotechnical and environmental monitoring solutions and survey systems. The solutions have a wide application within unstable land areas and ground condition monitoring like e.g. improved safety through monitoring and warning of natural hazards (like avalanches, landslides or rockslides), environmental services at and/or around construction and infrastructure projects as well as automated monitoring of infrastructure such as bridges, tunnels and railways. Cautus Geo also measures drinking water quality in EU and several projects that aim to reduce greenhouse gas emissions by reducing the use of concrete in construction projects.

¹Source: Klimato

Carbon emissions

Equip's portfolio contribute to the environmental characteristics of Fund I and Equip targets to reduce carbon emissions² across our portfolio by 50% from the 2019 base-year by 2030, or about 6% each year to support the goals set out in the Paris Agreement. As of 2021, the carbon emissions have been reduced by 18% across the Equip portfolio from 2019.

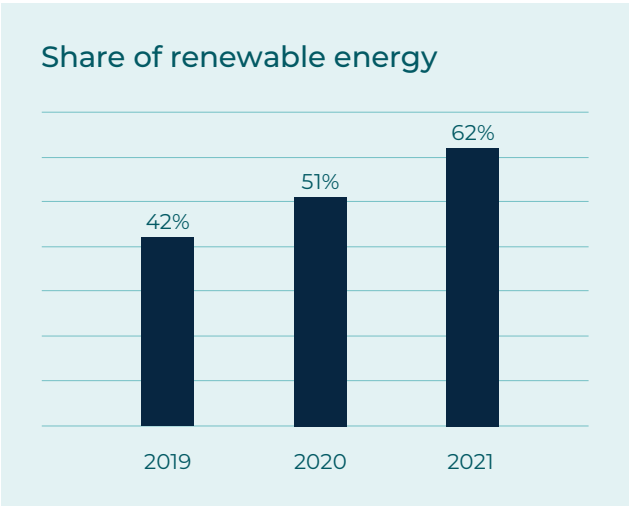
Scope 1 emissions was reduced by 7.2% from last year, while scope 2 emissions was reduced by 17%. Given the strong growth of the portfolio, scope 3 emissions from the value chain increased by 36% from 2020, and remains a focus area throughout the portfolio in order to to reach the 50% carbon reduction ambition by 2030.



Share of renewable energy

The portfolio companies' emissions in scope 1 and 2 is mainly related to use of fossil fuels for electricity, cooling and/or heating of buildings. In 2021, the share of renewable energy across the Equip portfolio was 62%, up from 51% in 2020 and 42% in 2019.

Equip has no exposure to companies active in the fossil fuel sector.



²Measured as kg CO2e per unit revenues

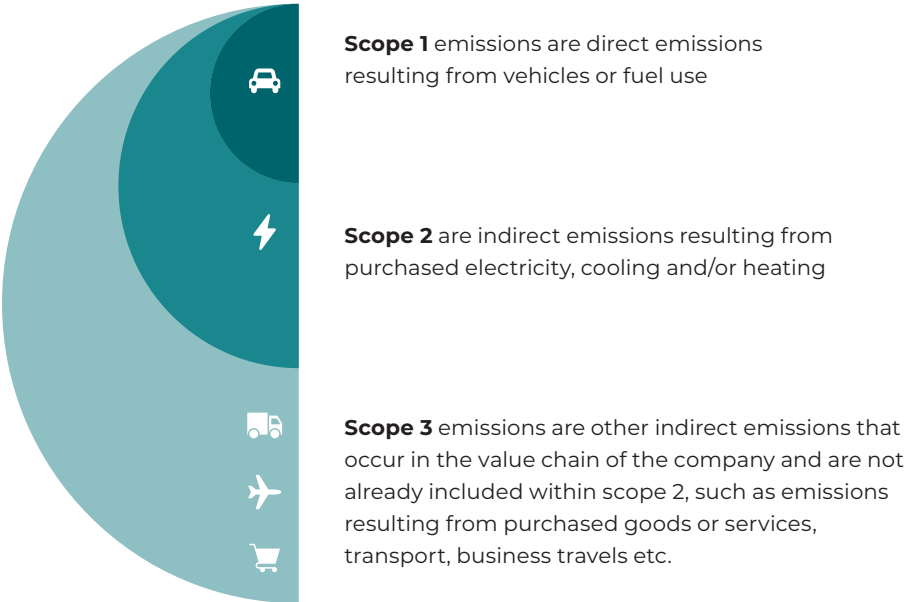
New technology from Normative has enabled more accurate emission calculations

In February 2022, Normative introduced an improved version of their impact calculation model. This new model has been used when calculation the carbon emissions for Equip Capital and the Equip portfolio companies in this 2021 ESG Report.

Emissions factors are the basis for GHG emissions calculations. Increased granularity and wider range of activities has led to more accurate emission factors. In addition, the emission factors have been updated as the new impact model uses Exiobase 3 (instead of World-Input-Output-Database) for all spend-based data, resulting in more accurate emissions values.

In addition, the new impact calculation model will help Equip Capital and our portfolio companies to move from spend-based data input to activity-based data input, as recommended by the Greenhouse Gas Protocol.

Normative's new impact model shows carbon emissions with greater accuracy, and thereby enabling us to better target our carbon reductions. By applying the improved calculation model, some of our historic carbon emissions numbers have changed from Equip's 2020 ESG Report to reflect the more precise measurements and to be comparable with the 2021 emission figures.



Case study: No Dig Alliance

No Dig Alliance saves the environment, saves time and saves cost

Equip founded the No Dig Alliance in May 2021, an alliance consisting of the leading Nordic companies within no-dig technologies for pipe newbuilding and pipe renewal with clear ambitions of becoming a dominant Northern European player. NDA's cutting-edge technologies and broad competence solves challenges that were previously impossible or have had a negative impact on the environment. Since entry, NDA has grown into a market leader in Sweden and has started its expansion into Norway and Finland.

The water and wastewater pipe infrastructure in Northern Europe is aging and underinvested, which is causing inefficiencies such as water loss of up to 40% during transport in some cities. In addition, population growth, urbanisation and climate change continue to put pressure on the existing networks.

Traditional excavation methods are expensive and have a significant negative impact on the environment. Therefore, entrepreneurs and municipalities are now looking at alternative methods for installation and renovation of pipes for water, sewage, district heating, electricity etc with reduced risks of damaging current infrastructure and the environment. No-dig methods have gained share relative to traditional digging methods over time, due to both cost and environmental advantages, especially in cities and close to other infrastructure.

The market for no-dig renewal and newbuild of pipes is estimated to be NOK 3.5-4 bn in Norway and Sweden. The Swedish no-dig market is more developed, while Norway has a higher rate of renewal of pipelines. The market is non-cyclical due to the high share of public end customers, especially within pipe renewal.

No-dig technologies reduce carbon footprint from projects by up to 90%. The environmental savings are huge due to reduced transport and less use of construction machinery, which leads to lower energy consumption and reduced carbon emissions. In addition, no-dig technologies save the use, processing, and production of input factors such as gravel, stone, and asphalt products. Other benefits are less noise, airborne dust and a more efficient use of human resources.

Today, No Dig Alliance operates through the entities Riggtech, Pollex and Quickpipe in Sweden and Savon Suuntaporaus in Finland, but with projects that reduce emissions and costs, protect biodiversity and improve the living environment throughout the Nordics.

Although the carbon emissions are reduced by up to 90% through no-dig methods, NDA strives to increase its environmental impact even further. In 2021, Riggtech became the first company in Europe with an electric auger boring machine. Riggtech has been a pioneer in green underground construction options striving to use the most modern and environmentally friendly machines on the market. Furthermore, Savon Suuntaporaus has invested in a market-leading recycling unit using recycled water when drilling and also minimizing potential waste. Pollex has started to present CO2 emissions saved in their tenders to clearly demonstrate the environmental benefits of choosing no-dig instead of traditional excavation methods.



"NDA must be innovative and modern, think long-term and always keep the bigger picture in mind. It is not easy being first, but NDA will continue to push for development and lead the transition to low carbon construction."

Anders Olsson
Founder and Head of Operations, Riggtech



Case study: Project KlimaGrunn in Cautus Geo

Developing new technologies for groundwork in construction projects to reduce carbon emissions.

Cautus Geo continuously invests in developing accurate, robust and reliable solutions with different technology to cover all aspects of a monitoring project. They collaborate with leading players in various technologies around the world, in order to offer good solutions for both small and extensive projects.

The construction industry is a high emitting sector and carbon emissions from the construction industry have increased by 58% from 1990 to 2016³. The Norwegian Public Roads Administration and Bane NOR (the Norwegian government agency responsible for the railway network) has set a target to reduce carbon emissions by 40% in their construction projects by 2030. Statsbygg (the Norwegian Directorate of Public Construction and Property) has an even more ambitious target, aiming to deliver climate-neutral buildings.

KlimaGrunn is an innovation partnership between The Norwegian Public Roads Administration, Bane NOR and Statsbygg to develop new technologies aiming to reduce

carbon emissions from ground stabilisation in construction projects. KlimaGrunn was started in December 2021 and is supported by Innovation Norway. The purpose of KlimaGrunn is to reduce carbon emissions by avoiding overconsumption of soil stabilising material, and KlimaGrunn aims to provide new methods that provide reliable documentation of the effect of ground stabilisation. Cautus Geo is one of four suppliers in the innovation partnership, together with Multiconsult, Norcem and Argeo.

Research from a recent road construction project in Norway showed that 26% of the total greenhouse gas emissions came from burnt limestone and cement, while another 25 % came from oil combustion⁴. Limestone cement piling is widely used when constructing new infrastructure and buildings to increase the strength of the surrounding quick or soft, sediment-sensitive clay. This process improves the ground conditions and increases safety without major terrain interventions.

The KlimaGrunn project is due in the autumn of 2022 with the following goals and targets:

- Develop climate-friendly protection and ground reinforcement methods for quick clays that also safeguard biodiversity,
- Ensure safety through ground stabilisation without compromising the environment,
- Reduce the use of limestone and cement in ground stabilisation, and
- Develop new methods for measuring the strength of stabilized clay. Successful stabilization of the clay base with the help of limestone cement piles, is expected to substantially reduce both carbon emissions and construction costs.

³Source: SSB

⁴Source: The Norwegian Public Roads Administration

"Automated monitoring provides safety and documentation, but also lower use of resources, faster construction times, and reduced climate footprint. To achieve this, measurements must be automated, with data collected in one place and automatically processed and converted into actionable information. Cautus Geo's monitoring-as-a-service delivers all this."



Atle Gerhardsen
Founder and COO, Cautus Geo



Social impact

Equip promotes social responsibility and actively seeks to achieve gender equality and empower all women and girls in line with UN SDG #5. Another important focus area is securing decent work and economic growth as stated in UN SDG #8.

The employees and the customers are among the most valuable assets for a company, and thus their safety and wellbeing must thus be a top priority to ensure the long-term success of its business.

In Norway, the unemployment rate decreased from 4.9% in 2020 to 3.3% in 2021, while GDP increased 4.2%. In Sweden, the unemployment rate increased from 8.3% in 2020 to 8.8% in 2021, while GPD increased 4.8%⁵. Despite the challenging market situation several months during 2021 due to the pandemic, the number of FTEs across the Equip portfolio increased by 391 from 2020 to 2021 on a pro forma basis.

Decent work

Through the investment process, Equip conducts due diligence to identify prevent, mitigate and address any adverse human rights impacts. Equip supports UN Global Compact and recognises that corporate sustainability starts with a value system and a principle's-based approach to doing business.

Immediately after closing a transaction, Equip provides the new portfolio company with best practise standards covering policies and procedures to minimise the risk of breach of fundamental responsibilities in the areas of human rights, labour, working environment and anti-corruption. Please see page 29 for further details regarding the Equip onboarding pack.

All portfolio companies report on sick leave and occupational injuries as part of their quarterly sustainability report to Equip, which provides a good indication of the wellbeing of the employees.

Covid-19 has of course had a negative effect on the absenteeism figures also in 2021, especially within the restaurant and leisure sectors where the employees

cannot perform their work remotely, due to strict instructions to stay home in case of any symptoms of a cold or an influenza. Provided that Holy Greens and Bastard Burgers have remained open during the pandemic while many hotels and restaurants have been closed and with their personnel temporarily laid off, also makes it challenging to compare absenteeism numbers within the jointly reported hotel and restaurant sector during Covid-19. Holy Greens and Bastard Burgers are closely monitoring their sick-leave statistics, and expect a reduction in short-term sick leave in the second quarter of 2022.

The ambition that all Equip portfolio companies should implement a system for monitoring employee satisfaction, was not achieved in 2021, and this work will thus continue in the quarters to come.

Number of days lost to occupational injuries, accidents or fatalities = 0

Sick leave	Short term	Long term	Sector average
Makeup Mekka	3.0 %	0.0 %	4.1 %
Rush	2.7 %	0.4 %	3.9 %
Holy Greens	3.9 %	0.6 %	2.7 %
Busfabriken	1.9 %	0.8 %	2.8 %
Bastard Burgers	4.5 %	0.2 %	2.7 %
Iteam	2.2 %	1.2 %	6.2 %
Miles	1.5 %	0.9 %	6.2 %
No Dig Alliance	3.7 %	0.5 %	3.7 %
Ryde	1.1 %	0.0 %	5.2 %
Økonomibistand	0.6 %	0.9 %	6.2 %
Cure Media	0.7 %	0.0 %	3.3 %
Cautus Geo	1.3 %	0.6 %	3.4 %
Fund I average	2.2 %	0.5 %	4.2 %

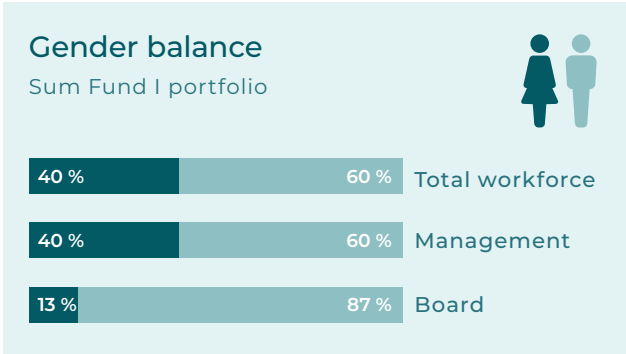
⁵Source: SSB for Norway and SCB for Sweden

Gender equality

Research show that a better gender balance boosts profits, and that a critical mass of female participation in the workforce raise profitability, and management participation is considered most important to a company's profitability, returns and earnings volatility. Results have shown the following levels for critical mass of women at each level for impact on performance: more than 45% of the total workforce, above 30% in management and more than 20% of women on the board⁶.

Equip recognises that as investors, we have both the ability and the imperative to improve diversity, equality and inclusion across our portfolio. Although the gender balance on management level across the Equip portfolio is good with 40% female representation, we see large variances within the portfolio. The restaurant, IT and engineering and construction industries have historically been dominated by men and the industry trends are also visible in the reported diversity figures for Bastard Burgers, Iteam, Økonomibistand and Cautus Geo. Ryde is the only portfolio company without any female management representation. However, Holy Greens' concept and Miles' unique culture seems to attract females to a great extent, as they have 91% and 50% female representation in their management, respectively.

Gender balance at board level, is an improvement area for Equip. As Equip's investment professionals typically hold two of the board positions in each board, the male representation has been high as the company was founded by five men. At the end of 2021, only 50% of the boards had female board representation.



Bastard Burgers initiated several initiatives to achieve their goal of being “inclusive in every way”. The decision to compensate the employees the variance between their annual salary and the amounts covered through the social security system, have increased the personnel costs in the short-term, but generates positive returns for society and maximises the overall long-term value of the business. The initiatives have already proven to be successful as by end of 2021, the share of women of the total workforce had increased from 32% in Q4 last year to 42% and from 22% to 32% in management.

Miles has received rewards for their new and innovative way of leading and operating their business. Miles' vision is to “create an outstanding workplace” based on the values “warmth” and “professional authority”. Read more about their Servant Leadership Philosophy on page 46.

The Equip portfolio companies promotes several other initiatives to secure decent work and economic growth as well as improve gender balance and diversity, please see further details in the portfolio section on pages 34-57.

Gender balance (Q4 2021)	Total workforce % female	Management % female	Board % female
Makeup Mekka	90 %	80 %	33 %
Rush	57 %	43 %	0 %
Holy Greens	87 %	91 %	0 %
Busfabriken	65 %	69 %	33 %
Bastard Burgers	42 %	32 %	17 %
Iteam	9 %	13 %	17 %
Miles	23 %	50 %	17 %
No Dig Alliance	3 %	8 %	0 %
Ryde	5 %	0 %	0 %
Økonomibistand	39 %	15 %	17 %
Cure Media	70 %	33 %	0 %
Cautus Geo	25 %	14 %	0 %
Fund I average	40 %	40 %	13 %

⁶Source: RobecoSAM, SAM Corporate Sustainability Assessment (CSA), 2019

Case study: Developing the next generation Holy Greens managers

Everyone who has been in the hospitality industry has had to manage the issue of retaining talented staff. Although Holy Greens prides itself on being an attractive workplace, which is taking good care of its employees, staff turnover is higher in the restaurant industry than in many other industries.

With Holy Greens' current expansion plan, this is a critical issue to manage as staff turnover makes it more challenging to retain the strong company culture in an expansion phase with rapid growth. Holy Greens is in constant need of leaders for new units and new markets. In a perfect world, all new units and markets would be managed by seasoned Holy Greens leaders. To achieve this, Holy Greens needs to attract and retain smart people with high aspirations.

It is often difficult to attract long-term employees as seasonal peaks cause the number of employees to fluctuate throughout the year, and many young employees thus struggle to see a long-term career path within the industry.

“Reducing staff turnover and nurturing talent are two of our top priorities at Holy Greens”, says Tone Wicklund-Hansen, CEO of Holy Greens, further explaining that the ambition is to recruit practically all senior managers internally.

To address the issue, Holy Greens has developed “Växa och gro” (Swedish idiom, coarsely translated to “Grow and develop”), a program designed to clearly visualize a long-term path for the individual employee and provide transparency with regards to compensation and benefits. The program visibly describes the defined career path within Holy Greens, all the way from junior staff to CEO.



“Växa och gro” clearly defines tasks and requirements for each level as well as the training each employee will be given and detailed benefits (down to hourly wage for various levels of restaurant staff). The aim is to motivate employees to take on more responsibility, which would lead to a higher salary as well as building a career and development path, which could lead the employee all the way to the top, if successful.

“Växa och gro” has become an important part of Holy Greens' onboarding program and hopefully, in a few years' time, Holy Greens will be able to harvest first-class senior managers from the seeds sown today.



Tone Wicklund-Hansen
CEO, Holy Greens



Case study: Onboarding of Økonomibistand

Implementing ESG as an integrated part of operations by focusing on people, competency and culture.

Following Equip's acquisition in July in 2021, Økonomibistand ("ØB") has been through a journey of professionalization; involving a review of internal processes, practises, company values, and reporting. The result was a new strategy and an increased focus and awareness of the key value drivers of the business.

ØB's ambition is to become the leading Nordic ERP and CRM partner, and to create a cloud leader. This ambition is not achievable without the right people. To attract and retain talent, ØB needs to invest in developing their people, competency, and culture – which are all key value drivers for the company.

ESG has previously not been a designated focus area for ØB, but the importance of ESG and sustainability has matured when revising the strategic business plan. ØB has realized and acknowledges the value of ESG and recognize the close link to what their business is all about; people and technology.

ØB has developed from a company with an entrepreneurial mindset and profit-optimizing focus to a structured group of talented people with a large customer base and strong Nordic presence. The company acknowledges that the real value of the business is added through competent and loyal employees – ØB's greatest asset.



"100% of our employees are people, 100% of our customers are people, 100% of our partners are people and 100% of our investors are people. If you do not understand people, you do not understand business."

Terje Simonsen
CEO



In ØB, ESG is not a separate policy or a response to a requirement from owners or other stakeholders, but it has become an integrated part of the business strategy. ØB has not made drastically changes to what they do or how they work, but rather changed how to think and speak about certain topics.

New and professionalized reporting routines and standards have increased the visibility of ØB's financial performance, but moreover given valuable insight into important non-financial KPIs such as sick leave and gender balance. The company has also recently implemented a new employee survey to ensure high engagement and wellbeing of employees. Diversity and employee satisfaction are key drivers of performance and innovation, and to ensure that ØB better understand their customers' needs.

Several priorities in ØB's strategy are directly aligned with the UN SDGs. ØB's ambition is to build an integrated ecosystem in the cloud and deliver a complete cloud-based portfolio. By driving the migration of customers to cloud solutions, the company contributes to a more resilient and innovative infrastructure and increased resource efficiency. ØB enables customers to become more sustainable through digital transformation and improved documentation, reporting, and transparency. The software, solutions, and support provided by ØB free-up time for people, which can then be spent on more meaningful activities. The Covid-19 pandemic has definitely proved the importance of delivering high quality, reliable and resilient infrastructure, and services. ØB's focus on satisfied customers and employees further supports economic productivity through diversification, technological progress, and innovation.



Governance impact

The acknowledgements of the importance of good corporate governance and the need to build effective, accountable and inclusive institutions at all level to achieve sustainable development supports UN SDG #16 Peace, justice and strong institutions.

In addition to promoting environmental and social characteristics, Equip acknowledges the importance of good corporate governance in connection with our business and will therefore adhere to all applicable anti-corruption laws and best practise standards.

Research show that private equity companies continued to outperform public markets across multiple time periods and geographies⁷. The engaged form of corporate governance from private equity boards is an important contributor to this superior performance. After acquiring of a portfolio company, Equip will typically take the Chairperson position and appoint other board members with extensive industry expertise which can support the management team in the implementation of the value creation plan. The boards of the Equip portfolio companies challenge the management teams to set ambitious targets and measure the progress towards the set goals though comprehensive reporting on both financial and non-financial parameters. Board meetings are held regularly, typically every second month, with open discussions and a direct line of communication between the board and the management team. The Equip investment team also interact frequently with the management team as a sparring partner outside the board room. The independence between the operational management team and the board alongside clear roles and responsibilities defined in the set of policies that Equip requires to be operationalised by each portfolio company are seen as effective preventive measures to minimise the risk of fraud, corruption, bribery and manage potential conflicts of interests.

The Board of Equip Capital AS has appointed a Compliance Committee consisting of two internal members and an external member (a representative from the Company's legal advisor). The task and functions of the committee is to review all proposed investment advice to be rendered by Equip to ensure that any recommendations are made within the bounds of the investment strategies and within the limits with regards to, inter alia, the risks and instruments of the relevant funds advised by Equip as well as reviewing potential conflicts of interest.

Equip will comply with sanctions and screen any sellers, key people and ultimate beneficiaries against sanctions list. In addition, there are several types of companies that Equip will not invest in; for instance (but not limited to) in companies involved in coal, weapons, firearms and ammunition, nuclear power, drugs, tobacco, alcohol, gambling, genetic engineering, corruption, animal testing, companies targeting criminal activities such as money laundering, financing of terrorism, tax crime or a company that appears on the list of companies excluded from the investment universe of the Norwegian Government Pension Fund (Global). (NO: Statens Pensjonsfond Utland)⁸.



Status implementation of onboarding pack across the portfolio

Implementation of the value creation plan, including ESG related improvement areas and relevant SDGs always starts at the Board of Directors of the relevant portfolio company. This plan is then further detailed into a strategic action plan with KPIs, milestones and targets, to be implemented by the management team. The plan is dynamic and continuously adjusted, and reviewed once a year by the Board of Directors ahead of the budget process.

During the first period of ownership, the Equip onboarding pack is implemented and adopted by the Board of Directors of the relevant portfolio company. In addition, any other short-term risks or issues (ESG related

or not) not addressed by the onboarding pack is mitigated. The onboarding pack includes a template for ESG policy, which then is tailored to meet the ESG aspects of the value creation plan and the SDG(s) that the company has committed to.

In addition to the documents specified below, we typically implement new and standardized employee agreements for all key employees as part of the acquisition.

The investments in Cure Media and Cautus Geo were completed in November and December 2021, and had thus not yet been onboarded by the end of 2021.

	Makeup Mekka	Rush	Holy Greens	Busfabriken	Bastard Burgers	Iteam	Miles	No Dig Alliance	Ryde	Økonomibistand	Cure Media	Cautus Geo
ESG Policy	✓	✓	✓	✓	✓	✓	In progress	In progress	In progress	✓	—	—
Code of Conduct	✓	✓	✓	✓	✓	✓	In progress	In progress	In progress	✓	—	—
Anti-corruption Policy	✓	✓	✓	✓	✓	✓	In progress	In progress	In progress	✓	—	—
Whistle-blowing Policy	✓	✓	✓	✓	✓	✓	In progress	In progress	In progress	✓	—	—
Workplace Harassment Policy	✓	✓	✓	✓	✓	✓	✓	In progress	In progress	✓	—	—
GDPR Privacy Protection Policy	✓	✓	✓	✓	✓	✓	In progress	In progress	In progress	✓	—	—
ESG Procedure relating to 3rd parties	✓	✓	✓	✓	✓	In progress	In progress	In progress	In progress	✓	—	—
Standard SHA	✓	✓	✓	✓	✓	✓	✓	In progress	In progress	✓	—	—
Instructions for the Board of Directios	✓	✓	✓	✓	✓	✓	✓	In progress	In progress	✓	—	—
Instructions for the CEO	✓	✓	✓	✓	✓	✓	✓	In progress	In progress	✓	—	—

For Iteam, implementation of the onboarding pack is in progress for some of the most recent add-on investments

⁷Bain & Company: The Private Equity Market in 2021, The Allure of Growth
⁸<https://www.nbim.no/en/responsibility/exclusion-of-companies/>

Equip's main ESG goals and 2021 achievements

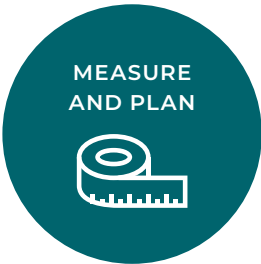
Environmental factors

Increase awareness of each Equip portfolio company with regards to their carbon emissions and environmental risks, show stewardship on how to mitigate risks, seek opportunities in the transition to a more environmentally sustainable operation as well as investing in innovative concepts and technologies that benefits the planet.

2021 achievement

- Onboarded four new portfolio companies to Normative to enable reporting of carbon emissions across scope 1, 2 and 3
- 17.8% reduction in kg CO2e per NOK revenue from 2019 (base year)
- Share of renewable energy increased to 62% (vs 51% last year)
- Equip Capital AS has offset 100% of our emissions across scope 1, 2 and 3 since 2019, and have reached net zero for scope 1 and 2 emissions in 2021.

Equip's path to net zero



Map our climate impact and define our ambitions and reduction targets



Execute on our plan to cut emissions under our control (scope 1 and 2) and setting a strategy to reduce emissions in the value chain (scope 3)



Support climate projects beyond own business to compensate our residual emissions

Social factors

Ensure that Equip portfolio companies are well-reputed employers that are inclusive and promote equal opportunities at all levels of the workforce.

2021 achievement

- 391 new jobs created during the year
- 19% pro forma revenue growth vs 2020
- 7 out of 12 portfolio companies had more than 30% women in management positions
- 6 out of 12 portfolio companies with at least one female board member

"The Equip team are engrossed in developing companies, and as a business owner, I have never felt safer. They are a partner in good and bad times, and they bring the whole toolbox of capital, knowledge, and network. A key part of this is how they have helped us put sustainability front and center in what we do."

Lars Ivar Simonsen
CEO, Iteam



Governance factors

Equip is a responsible and professional owner for who acknowledges the importance of good corporate governance will therefore adhere to all applicable anti-corruption laws and implement best practise standards with the aim to reduce the risk of corruption and bribery in our businesses.

2021 achievement

- 0 convictions or fines for breach of anti-corruption and anti-bribery laws
- 7 out of 12 portfolio companies have implemented the mandatory Equip onboarding pack
- 3 are in progress with the implementation and the remaining 2 are expected to complete the implementation by Q3 2022

ESG strategy and SDG alignment per portfolio company

MAKEUP
MEKKA

ESTD 2016
BASTARD
BURGERS
STREETFOOD CO.

ryde

rush
TRAMPOLINEPARK

iteam
GLOBAL IT LOKALT

ØkonomiBistand

HOLY
GREENS

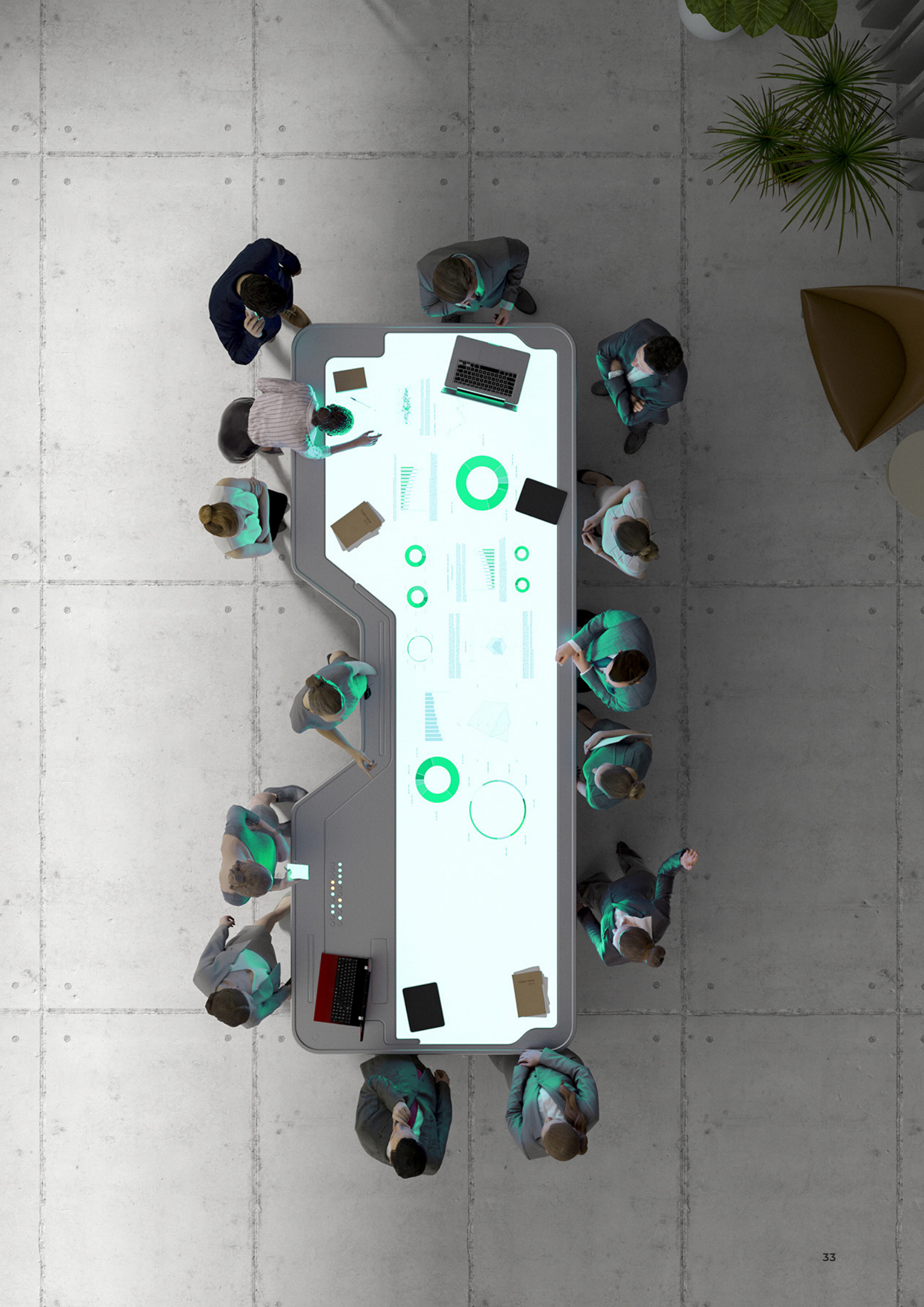
Miles

CURE
MEDIA

BUS
fabriken

No
Dig
Alliance —

CAUTUS GEO
surveying for safety



Makeup Mekka

Makeup Mekka is an online retailer and brand of coloured cosmetics in the Nordics, committed to UN SDG #12 Responsible consumption and production. Makeup Mekka spends significant resources in ensuring that its products do as little harm to the environment as possible by selling 100% vegan products, have zero tolerance for animal testing , and eliminating unnecessary secondary packaging (typically cardboard and plastics) of products. The company has for example replaced shrink-wrapping of products with small hygiene seals whenever possible and several product lines are now produced in cardboard instead of plastic components. The products are shipped to the end consumers in recycled paper and plastics.

When products are packed together in kits, plastic bags have been replaced with cellophane of cellulose or paper bags. Reducing packaging overall and using as much recycled materials as possible have positive impact on the environment with less waste, pollution, and greenhouse gas emissions. However, the indirect effects are also large as the eliminating of secondary packaging have reduced the number of pallets on both inbound and outbound freight. On outbound freight this is achieved by packaging the more than 480,000 orders by only using e-commerce bags made from recycled plastics. In 2021, Makeup Mekka moved into a new office and warehouse facility with 100% renewable energy consumption.



Investment date	Sector	SDG alignment	Revenues 2021
7 May 2019	Consumer	SDG 12	NOK 110.3 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway, Sweden, Denmark & Germany	20%	29	4

ESG goals	KPI	2021	2020
Animal welfare	No animal testing, % cruelty free	100%	100%
Animal welfare	% vegan product offer	100%	98%
Minimize emissions from transport	Below 1% return share (12 months rolling)	0.2%	0.2%
Minimize emissions from transport	Optimized packing	680	505
Minimize emissions from transport	Avoid airborne freight when possible, % of products delivered by air (measured by weight)	2%	5%
Sustainable packaging	Recyclable materials - outbound logistics, % share	100%	100%
Sustainable packaging	Less use of plastic wrap on products, % share with less plastics than average of industry standard	98.3%	98.1%

Portfolio ESG Goals	KPI	2021	2020	2019
Wellbeing of employees	Sick-leave, short-term	2.1%	1.1%	
Gender balance management	% female in management positions	80%	75%	
Transition to a more environmentally sustainable operation	Share of renewable energy	100%	91%	7%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	4,635	5,893	3,743
Reduce carbon emissions	Scope 1	-	-	-
Reduce carbon emissions	Scope 2	-	1	1
Reduce carbon emissions	Scope 3	4,635	5,892	3,742
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.04	0.06	0.05



Rush

Rush is a leading operator of trampoline parks and has since Equip invested in the company in July 2019, grown its geographical footprint significantly beyond Norway. Rush now operates trampoline parks across Norway, Denmark, Sweden, Finland, Germany, and the UK. The parks are indoor activity centres with trampolines and other attractions where people can be challenged into doing fun activities and high-flying tricks. In its core business, Rush is directly building on UN SDG #3 Good health and wellbeing with a purpose to increase physical activity through joy and excitement for everyone, and

especially children. Rush promotes a healthier and more active lifestyle, and also works actively on reducing their environmental footprint through for instance installing LED lightning, switch to renewable energy sources and improve waste recycling in their restaurants. Rush also aims to be best in class on safety with regular safety checks of equipment, safety assessments, adherence to international ATM standards, customer safety briefings and regular training of personnel to handle any potential injuries, and also strict registration of any injuries

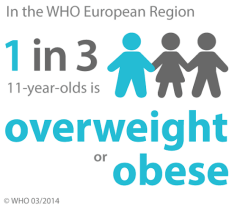


Investment date	Sector	SDG alignment	Revenues 2021
05 July 2019	Consumer	SDG 3	NOK 394.2 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway, Sweden, Denmark, Finland, UK & Germany	164%	369	293

ESG goals	KPI	2021	2020
Customer safety	Injury rate for customers, injuries per jump hour	0.05%	0.09%
Customer safety	% of facilities inspected for safety, % share inspected vs planned	98%	94%
Customer satisfaction	Net promoter score	47	n/a
Gender balance management	Number of jump hours per quarter	712,322	164,782
Reduce food waste	Reduce wastage, value of wastage / revenues from food and beverages	0	3.39%

Portfolio ESG Goals	KPI	2021	2020	2019
WellBeing Of Employees	Sick-leave, short-term	2.7%	3.0%	
Gender balance management	% female in management positions	43%	23%	
Transition to a more environmentally sustainable operation	Share of renewable energy	52%	45%	43%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	3,521	2,016	2,042
Reduce carbon emissions	Scope 1	14	5	5
Reduce carbon emissions	Scope 2	690	618	621
Reduce carbon emissions	Scope 3	2,817	1,393	2,042
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.01	0.01	0.02



Holy Greens

Holy Greens is a chain of salad restaurants in Sweden with a concept built on premium quality, healthy and locally sourced ingredients, efficient serving, and sustainability. By serving carbon-effective salads with an average emission well below the current average per meal, Holy Greens contributes to reducing greenhouse gases and supports the transition into a more plant-based diet. Holy Greens use 100 % renewable energy in their operations, and only serves products with sustainable ingredients, which are mainly locally sourced and produced ecologically. For instance, the chicken served is climate certified chicken, the shrimps served in the salads meet the MSC's global standard for sustainability and the salmon is ASC certified while vegetables are purchased from local organic focused farmers. Holy Greens also seeks to limit their environmental footprint throughout its operations and thus all plates used are made from sugar

In 2021, Holy Greens sold more than 1.2 million healthy and carbon-effective salads, thereby saving the planet from more than 800 tons of carbon emissions!

beet and are fully degradable, and all cutlery is fully recyclable. Holy Greens has committed to UN SDG #3 Good health and wellbeing, and UN SDG #13 Climate action.

360° Eat Guide is the only restaurant guide in the world that rates both sustainability (circles) and gastronomy (points). In April 2022, Holy Greens was rewarded with a dotted circle as the first restaurant chain⁹.



⁹<https://360eatguide.com/articles/holy-greens/>

Investment date	Sector	SDG alignment	Revenues 2021
21 August 2019	Consumer	SDG 3 & 13	SEK 130.4 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Sweden	27%	107	25

ESG goals	KPI	2021	2020
Healthy and sustainable meal offering	Carbon footprint per served meal (kg Co2e per meal YTD)	1.00	1.03
KRAV certification	KRAV certification in 2022, % of suppliers from certified sources (KRAV ASC, MSC, etc)	In progress	In progress
Employee satisfaction	Great Place to Work - top 10 ranking in 2022	Not yet started	Not yet started

Portfolio ESG Goals	KPI	2021	2020	2019
Wellbeing of employees	Sick-leave, short-term	3.9%	5.7%	
Gender balance management	% female in management positions	91%	88%	
Transition to a more environmentally sustainable operation	Share of renewable energy	100%	90%	89%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	1,873	1,356	1,391
Reduce carbon emissions	Scope 1	-	0	0
Reduce carbon emissions	Scope 2	-	12	12
Reduce carbon emissions	Scope 3	1,873	1,356	1,391
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.01	0.01	0.01



Busfabriken

Busfabriken is one of the leading operators of indoor play centres in the Nordics. The play centres enable people, and especially young people, to be physically active, exercise and improve their health while having fun with a wide range of attractions. Busfabriken’s service offering is directly built on UN SDG #3: Good health and wellbeing. Busfabriken has won prizes for being among the best indoor play centres in Sweden for seven consecutive years from 2014 to 2020 (no award published for 2021 or so far in 2022). Busfabriken promotes a healthier and more active lifestyle, and also works actively on reducing their

environmental footprint through for instance installing LED lightning, switch to renewable energy sources and improve waste recycling in their restaurants. Busfabriken also has high ambitions for safety and hygiene on their premises and use Get Compliant for daily tracking of key compliance issues such as food safety, proper hygiene standards as well as safety. The tool is app based and works real-time, thus enabling management to quickly implement new initiatives across the entire organization, if needed.

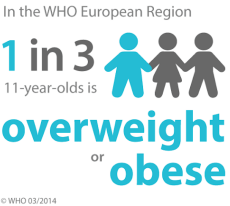


Investment date	Sector	SDG alignment	Revenues 2021
01 October 2019	Consumer	SDG 3	SEK 92.5 million

Country of operaton	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway, Sweden & Denmark	6%	85	44

ESG goals	KPI	2021	2020
Promote active lifestyle among kids	Number of visitors	201,100	110,314
Customer safety	Injury rate customers (injuries requiring professional medical treatment beyond first aid), incidents per 1,000,000 based on total visitors	73	In progres
Customer safety	Percentage of facilities that failed inspection by authorities (0%-vision)	0 %	In progres
Customer safety	Quality of general hygiene, food and beverage safety, level of compliance	93.6%	91.1% (Dec 2020-April 2021)

Portfolio ESG Goals	KPI	2021	2020	2019
Wellbeing of employees	Sick-leave, short-term	1.9%	3.5%	
Gender balance management	% female in management positions	69%	62%	
Transition to a more environmentally sustainable operation	Share of renewable energy	68%	38%	35%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	2,564	2,103	2,668
Reduce carbon emissions	Scope 1	10	90	103
Reduce carbon emissions	Scope 2	343	970	1 366
Reduce carbon emissions	Scope 3	2,211	1,042	1,402
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.03	0.02	0.02



Bastard Burgers

Bastard Burgers' philosophy is that people perform better when they love their job and feel that their employer cares about them. The company is also a strong believer in equal opportunities and that diversity increases team performance. Bastard Burgers is actively working to increase the share of female employees and promotes inclusion and diversity by also recruiting employees that receive employment support. Bastard Burgers was the first Swedish restaurant chain to offer paid parental leave and received an honorary award for this from Martin Servera, one of the largest suppliers to the Swedish restaurant industry.

In 2021, Bastard Burgers launched its “Feel good like a Bastard” program to improve both physical and mental health among employees. All employees can participate free of charge and receive dietary advice, participate in Yoga classes, coached training sessions and mental health lectures.

To ensure necessary training and coaching of its staff while growing rapidly, Bastard Burgers has set up several training programs and competitions, rewarding high performing employees and restaurant teams, as well as inspiring across the organization. Bastard Burgers also focuses on developing leadership skills internally. Managers can participate in weekly thematic education days to improve a certain skill and selected promising employees are invited to participate in the 9-month Future Leadership Program.

Environmental sustainability is also an integral part of Bastard Burgers' culture and strategy. The company offers climate smart vegan alternatives of the whole menu, and works actively on minimising food waste, responsible sourcing of its ingredients and using electricity from renewable energy sources.

Bastard Burgers is committed to remain a leader within sustainability, which also includes continued focus on employee satisfaction and development, reducing plastic consumption, and improving waste handling. Since the carbon footprint from beef is high, Bastard Burgers has carefully selected suppliers with the aim to limit its environmental impact by using locally sourced ingredients. Bastard Burgers' meat suppliers use only natural or ecological pasture and no (or certified) soy as feed for their animals, and ensures that antibiotics are only used when prescribed by a veterinarian. These commitments contribute positively to biodiversity, even though the carbon footprint of the sold meat remains high. Bastard Burgers also offers a fully-plant based alternatives for each item on the menu and has regular campaigns to promote the plant-based menu options with a lower emissions per meal.

Bastard Burgers has committed to UN SDG #5 Gender equality, UN SDG # 8 Decent Work and Economic Growth and UN SDG #12 Responsible Consumption and Production.

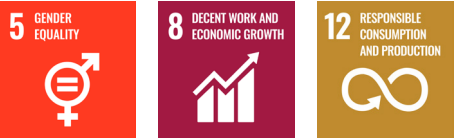


Investment date	Sector	SDG alignment	Revenues 2021
13 December 2019	Consumer	SDG 5, 8 & 12	SEK 529.6 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Sweden, Norway and USA	29%	393	96

ESG goals	KPI	2021	2020
Employee engagement	Winning temp score, average score (max. 10)	7.9	8.0 (introduced in Dec 2020, first result in Q1 2021)
Reduce waste	Registered kg waste / kg purchased	0.86%	1.09%
Increase sale of non-meat products	Vegan burgers sold / Total burgers sold	10%	10%
Ensure food quality	Quality points mystery shopper (max. 100)	90	94
Customer satisfaction	Are they happy average score (max. 5)	3.98	3.98

Portfolio ESG Goals	KPI	2021	2020	2019
Wellbeing of employees	Sick-leave, short-term	4.5%	3.9%	
Gender balance management	% female in management positions	32%	22%	
Transition to a more environmentally sustainable operation	Share of renewable energy	77%	78%	64%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	14,907	11,737	3,310
Reduce carbon emissions	Scope 1	13	14	3
Reduce carbon emissions	Scope 2	71	45	30
Reduce carbon emissions	Scope 3	14,823	11,679	3,277
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.03	0.03	0.01



Iteam (previously Mimir)

Iteam is an IT service provider with a broad service offering to SME customers across Norway as well as larger customers within selected industry verticals. Aquaculture represents one of the largest industry verticals, where digital solutions and innovation promote a more sustainable aquaculture industry. By collecting huge amounts of data and establishing rules based on real-time observations, Iteam document and monitor the impact of the fish cages on nearby waters as well as conditions within the cage. Iteam offers several Internet of Things ("IoT") devices measuring e.g. oxygen, salinity and algae levels. These devices do not require external power supply and last a full farming cycle on a single charge. The farmer can support fish health through a number of

intelligent solutions for counting and registering lice (a significant problem for salmon farmers), adapting feeding schedules based on live observations and creating fish welfare dashboards. All brought online through modern network solutions and controlled remotely from a state-of-the art control room. The company has become an important partner for fish farmers in Norway, Scotland and Canada, which serves as a great example of how digital solutions and innovation can promote a more sustainable aquaculture industry. Iteam is committed to UN SDG #9 Industry, innovation and infrastructure, UN SDG #11 Sustainable cities and communities and UN SDG #14 Life below water.



Investment date	Sector	SDG alignment	Revenues 2021
21 January 2020	Business Services	SDG 9, 11 and 14	NOK 714.7 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway	94%	250	105

ESG goals	KPI	2021	2020
Provide digital solutions to customers to reduce carbon footprint	Number of active Microsoft Teams subscription	25,706	10,943
Data security	Zero security breaches involving personally identifiable informatin	0	0
Satisfied and competent employees	Employee satisfaction (eNPS)	43	In progress
Satisfied and competent employees	Sickness absence rate under 4%	3.4%	In progress
Positive engagement and presence in local communities	Local sponsorships	16	10
Positive engagement and presence in local communities	Participation and contribution to local arrange-ments and/or activities (yes/no)	Yes	Yes
Positive engagement and presence in local communities	Active memberships in local organisations	11	5

Portfolio ESG Goals	KPI	2021	2020	2019
Wellbeing of employees	Sick-leave, short-term	2.2%	1.6%	
Gender balance management	% female in management positions	13%	13%	
Transition to a more environmen-tally sustainable operation	Share of renewable energy	22%	43%	36%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	9,855	8,672	10,181
Reduce carbon emissions	Scope 1	144	127	72
Reduce carbon emissions	Scope 2	510	294	384
Reduce carbon emissions	Scope 3	9,201	8,251	9,725
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.01	0.01	0.02



Miles

Miles is a unique IT company with a vision to “create an outstanding workplace” based on the values “warmth” and “professional authority”. Miles has a Servant Leadership Philosophy where no managers have titles containing “leader” or “manager”, and this leadership philosophy has won praise from the business community, scholars within HR and leadership, and – most importantly – among IT consultants in Norway.

As part of the continuously work towards the vision, all employees are invited to join an employee satisfaction survey conducted three to four times per year. The survey summarizes how well Miles delivers on their values

“professional authority” and “warmth”. To further support the engagement in all parts of the organization, a share program was launched as part of Equip’s acquisition of Miles where all employees were invited to invest in the company. Miles is committed to UN SDG #9 Industry, innovation and infrastructure.

Miles has received the Innovation Reward from Great Place to Work as one of the 25 most innovative corporations in Norway six consecutive years in a row from 2016 to 2021 where the committee has rewarded Miles for leading and operating in new innovative ways.



Investment date	Sector	SDG alignment	Revenues 2021
19 February 2021	Business Services	SDG 9	NOK 300.1 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway and Lithuania	6%	194	18

ESG goals	KPI	2021
Be an Outstanding Workplace based on our values Professional Authority and Personal Warmth	"How satisfied are you with your professional development?" score in the Tempen survey (max. 6)	4.8
Be an Outstanding Workplace based on our values Professional Authority and Personal Warmth	"How satisfied are you with Miles as your employer?" score in the Tempen survey (max. 6)	5.5
Certified as Miljøfyrtårn	Number of subsidiaries with Miljøfyrtårn certification	3 out of 4
Certified as Miljøfyrtårn	ESG checklist compliance for new suppliers	In progress
Professionalize our privacy and personal information management across systems and processes	Number of subsidiaries implimented ATS	In progress
Professionalize our privacy and personal information management across systems and processes	Number of subsidiaries implimented GDPR-system	In progress

Portfolio ESG Goals	KPI	2021	2020
Wellbeing of employees	Sick-leave, short-term	1.5%	1.6%
Gender balance management	% female in management positions	50%	33%
Transition to a more environmentally sustainable operation	Share of renewable energy	24%	7%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	510	531
Reduce carbon emissions	Scope 1	-	-
Reduce carbon emissions	Scope 2	43	46
Reduce carbon emissions	Scope 3	467	484
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.002	0.002



No Dig Alliance

The No Dig Alliance operates within pipe renewal and drilling of new pipes for water and wastewater, as well as maintenance and inspection of existing pipes. In addition, the company operates within no-dig drilling of cables, e.g. fiber/broadband and power/electricity.

The no-dig technology causes significantly less greenhouse gas emissions (c. 80-90% based on specific project experience) than traditional digging, due to less fuel consumption, limited impact on the ground as the required area is significantly lower and significantly lower asphalt consumption compared to traditional digging with an open ditch method.

Most pipe networks in Norway and Sweden date from the 1950s and 1960s and needs to be renewed or replaced in the coming years to ensure safe drinking water and

secure wastewater pipelines. Many wastewater pipes work as combined pipelines for stormwater and sewage, and more extreme weather with heavy rain caused by climate changes as well as a growing population, especially in urban areas, are putting pressure on the water and sewage pipeline networks.

The management team in No Dig Alliance is in the process of setting company specific ESG goals. The hypothesis is that the Company is aligned with UN SDG #6 Clean water and sanitations and UN SDG #11 Sustainable cities and communities.

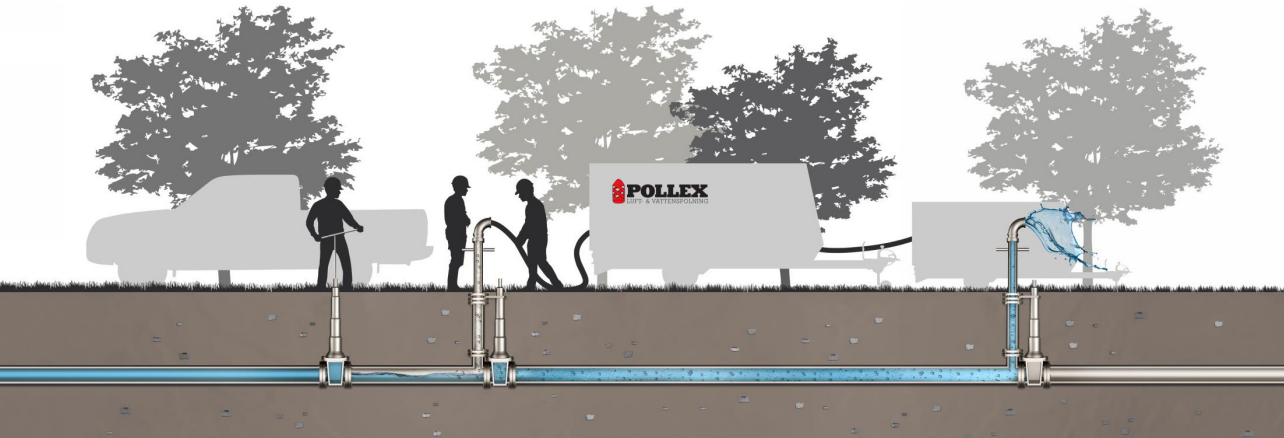
The company has started to implement important ESG measures, such as showcasing the total emissions saved due to projects being executed with no-dig technologies and not traditional excavation methods.



Investment date	Sector	SDG alignment	Revenues 2021
07 May 2021	Business Services	SDG 6 & 11	SEK 169.2 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Sweden	2%	59	2

Portfolio ESG Goals	KPI	2021	2020
Wellbeing of employees	Sick-leave, short-term	3.7%	
Gender balance management	% female in management positions	8%	
Transition to a more environmentally sustainable operation	Share of renewable energy	13%	9%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	2,707	2,424
Reduce carbon emissions	Scope 1	938	1,127
Reduce carbon emissions	Scope 2	6	12
Reduce carbon emissions	Scope 3	1,763	1,284
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.016	0.015



Ryde

In June 2021, the Fund invested in Ryde, which is an operator of rentable electric scooters in 14 cities across Norway, Sweden and Finland. As described in Equip's EU Taxonomy pilot on page 12, Ryde meets all criteria for taxonomy-alignment as their operations substantially contributes to climate change mitigation as the propulsion of Ryde's e-scooters come from a zero-emission motor and the devices are allowed to be operated on the same public infrastructure as bikes and pedestrians. Ryde meets the Do No Significant Harm criteria for climate adaptation and circular economy as the risk of material impact from physical climate change is limited and also due to Ryde's measures to manage

waste in accordance with the waste hierarchy formalised through being ISO 14001 (environmental management) certified, both in the use phase and the end-of life of the e-scooters. In addition, Ryde comply with minimum social safeguards by ensuring that human and labour rights are respected throughout their activities.

The management team in Ryde is currently formalising and documenting their approach to ESG, as well as finalising their ESG goals. The hypothesis is that the Company is aligned with UN SDG #11 Sustainable cities and communities and UN SDG # 13 Climate action.



Investment date	Sector	SDG alignment	Revenues 2021
01 June 2021	Consumer	SDG 11 & 13	NOK 132.7 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway and Sweden	190%	100	68

ESG goals	KPI	2021
Minimize emissions to air	% of electric vehicles (used in operation of rentable e-scooters)	10%
Transition to a more environmentally sustainable operation	% kwh from certified renewable contracts	26%

Portfolio ESG Goals	KPI	2021
Wellbeing of employees	Sick-leave, short-term	1.1%
Gender balance management	% female in management positions	0%
Transition to a more environmentally sustainable operation	Share of renewable energy	26%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	5,429
Reduce carbon emissions	Scope 1	137
Reduce carbon emissions	Scope 2	172
Reduce carbon emissions	Scope 3	5,120
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.041



Økonomibistand

Equip seeks to invest in innovative services and technologies that benefits the planet and considers IT as an important enabler in the transition to a low carbon economy and climate change mitigation.

Økonomibistand provides leading ERP software and services to more than 2,000 clients. Through appropriate automation and optimization of the client's ERP system, Økonomibistand improves and simplifies complex processes leading to increased efficiency and reduced costs. Økonomibistand has a great focus on R&D and innovation to always provide the best infrastructure and technological solutions to ensure the highest standard of

security and empower their clients to focus on value-creating activities. Økonomibistand is committed to UN SDG #8 Decent work and economic growth and UN SDG # 9 Industry, innovation and infrastructure.

The investment in Økonomibistand was closed in July 2021, and the company has previously spent limited resources on ESG. An ESG Policy including the commitment to a selected UN SDG was implemented in Q1 2022 after conducting an ESG materiality assessment and defining goals and ambitions with regards to social and environmental objectives as part of their strategy process.



Investment date	Sector	SDG alignment	Revenues 2021
06 July 2021	Business Services	SDG 8 & 9	NOK 158.4 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway and Sweden	6%	103	3

ESG goals	KPI	2021
Customer satisfaction	NPS	To be reported from 2022
Customer satisfaction	Churn	
Employee satisfaction	eNPS	
Employee satisfaction	Employee turnover	
Cloud migration	Revenue share from cloud based services	
Cloud migration	Number of migrated customers to cloud	

Portfolio ESG Goals	KPI	2021	2020
Wellbeing of employees	Sick-leave, short-term	0.6%	
Gender balance management	% female in management positions	15%	
Transition to a more environmentally sustainable operation	Share of renewable energy	10%	14%
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	225	244
Reduce carbon emissions	Scope 1	11	31
Reduce carbon emissions	Scope 2	31	14
Reduce carbon emissions	Scope 3	182	228
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	0.001	0.002



Cure Media

The investment in Cure Media was closed 30 November 2021. The company places large emphasis on workplace culture and sees this as one of its key competitive advantages with its relatively young employees. Around its three core values “I’m brave”, “I’m passionate”, and “I’m result-focused”, Cure has built a strong company culture, consistently achieving strong eNPS scores by investing in its employees’ wellbeing and creating an inspirational workplace. For example, the company regularly hosts sports activities for its employees and arranges annual company outings in order to bring the employees closer together. Cure also invest in their employees’ mental health through a partnership with Mindler, the leading actor in the Nordics within online psychologists. All employees are offered 10 sessions per annum with a certified psychologist to improve mental wellbeing. Cure

measures wellbeing amongst its employees through weekly pulse surveys to swiftly respond to potential issues.

The company has previously spent limited resources on ESG. A core focus during the first months of Equip’s ownership in the company has been improving governance, most importantly through initiating a GDPR compliance project and improving reporting routines. Cure Media has recruited a CFO, who joined the company in May 2022, and will now initiate a strategy process including a materiality assessment and establishment of company specific ESG goals, which will be included in the 2022 ESG Report. The hypothesis is that Cure Media is aligned with UN SDG #9 Industry, innovation and infrastructure.



Investment date	Sector	SDG alignment	Revenues 2021
30 November 2021	Business Services	SDG 9	SEK 103.4 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Sweden, UK and Germany	65%	30	7

ESG goals	KPI	2021
Customer satisfaction	NPS	36
Employee satisfaction	eNPS	80
Employee satisfaction	Employee turnover	16%

Portfolio ESG Goals	KPI	2021
Wellbeing of employees	Sick-leave, short-term	0.7%
Gender balance management	% female in management positions	33%
Transition to a more environmentally sustainable operation	Share of renewable energy	To be included from 2022 report
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	
Reduce carbon emissions	Scope 1	
Reduce carbon emissions	Scope 2	
Reduce carbon emissions	Scope 3	
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	



Cautus Geo

Equip invested in Cautus Geo in December 2021. Cautus Geo delivers development, installation and maintenance of automated geotechnical and environmental monitoring solutions and survey system. The solutions have a wide application within unstable land areas and ground condition monitoring like e.g. improved safety through monitoring and warning of natural hazards like avalanches, landslides or rockslides, environmental services like e.g. water, air, noise, vibrations and dust monitoring at and/or around construction and infrastructure projects as well as automated monitoring of critical infrastructure such as bridges, tunnels and railways.

Cautus Geo measures drinking water quality in EU and delivers several projects that aim to reduce greenhouse gas emissions by reducing the use of concrete in construction projects. Cautus Geo holds ISO9001 (quality management) and ISO14001 (environmental management) certifications covering ESG procedures.

Cautus Geo has recruited a CFO, who joined the company in June 2022, and will now initiate a strategy process including a materiality assessment and establishment of company specific ESG goals, which will be included in the 2022 ESG Report. The hypothesis is that Cautus Geo is aligned with to UN SDG #6 Clean Water and Sanitation and UN SDG #11 Sustainable cities and communities.



Investment date	Sector	SDG alignment	Revenues 2021
21 December 2021	Business Services	SDG 6 & 11	SEK 47.5 million

Country of operation	Reported revenue growth vs LY	FTEs 2021	Net FTE increase 2021
Norway	-1%	16	-

Portfolio ESG Goals	KPI	2021
Wellbeing of employees	Sick-leave, short-term	1.3%
Gender balance management	% female in management positions	14%
Transition to a more environmentally sustainable operation	Share of renewable energy	To be included from 2022 report
Reduce carbon emissions	Total GHG emissions YTD, in tCO2e	
Reduce carbon emissions	Scope 1	
Reduce carbon emissions	Scope 2	
Reduce carbon emissions	Scope 3	
Reduce carbon emissions	YTD carbon intensity, kgCO2e per unit revenue	



ESG as part of Equip’s investment policy

To act on our mission to build better companies and create value for all stakeholders, it is key to identify any potential risks that could have a negative impact on the value of the portfolio of the Fund. Equip is committed to incorporating ESG issues into our investment analysis and decision-making process and throughout our ownership period.

ESG is a core part of Equip's investment policy consistently applied across all our investment and ownership activities. We have developed proprietary tools to analyse ESG aspects when evaluating new investment opportunities. These tools help us to apply both a positive screening to ensure that the target perform well on ESG or has the potential to do so through our active ownership approach and are aligned with at least one of the UN SDGs. The tools also function as a negative screening to ensure that the Fund does not make investments that conflict with the exclusions in Equip's Investment Policy which outlines several activities that could have negative ESG characteristics like for instance (but not limited to) coal, weapons, firearms and ammunition, nuclear power, companies targeting criminal activities such as money laundering, financing of terrorism, or tax crime, tobacco, drugs, genetic engineering, corruption, animal testing, casinos, internet gambling, pornography, and illegal data access and use.

Equip has established a comprehensive risk framework which seeks to identify and assess all risks for a given investment opportunity. Through the risk framework, both the impact and the probability are assessed for all significant risks and KPIs are established to monitor the risks throughout the ownership period of each portfolio company. Environmental, social and governance factors related to (but not limited to) for instance climate change, emissions, working conditions, HSE, anti-corruption and anti-bribery forms some of the core risks to be assessed. In addition, external risks related to for instance market, politics and macroeconomic factors and internal risks related to for instance financials aspects of the company, HR, operational risk in the business model and legal compliance are also subject to due diligence and the results are reviewed and assessed by both the Investment Committee and the Compliance Committee before any investment proposal is made to the General Partner of the Fund, who is responsible for all investment decisions.

ESG is a core part of the Equip Risk Framework, covered through the application of the Equip ESG Assessment Tool.

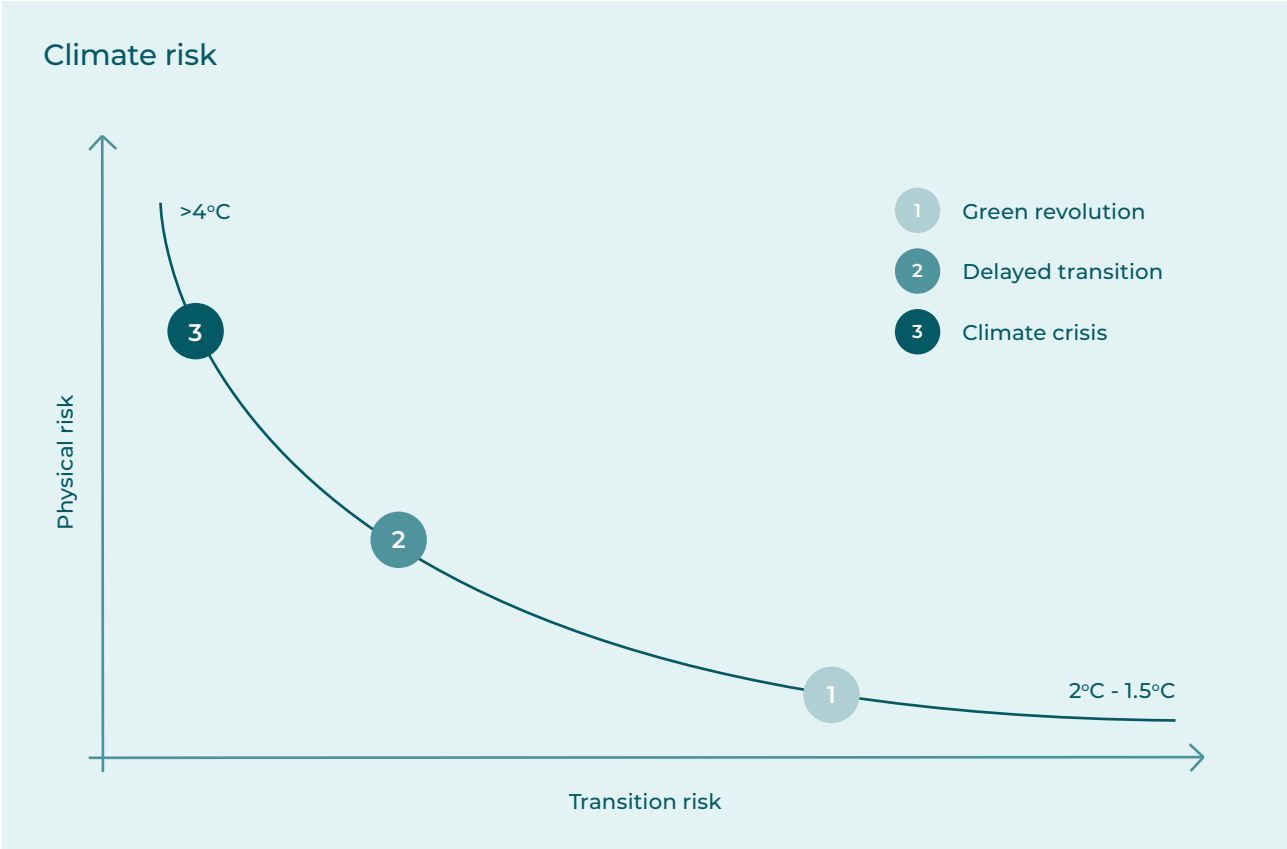


Climate change – risks and opportunities

As described on page 58-59 and 62-63, identifying and analysing risk and capturing opportunities related to climate change is an integral part of both the due diligence conducted during the acquisition phase and the ongoing risk monitoring and strategy discussions at board level by all portfolio companies.

Climate risk is the function of physical risk and transition risk. Both physical and transition risks, and opportunities should thus be analysed in at least two different scenarios, both on a short-term (1-5 years) and long-term basis. Climate impacts are assessed based on the location

of operation and the value chain in a scenario with a continues increase of emissions leading to a +3-4°C rise in average global temperature and transition risks and opportunities based on the sector and the business model in a +1.5-2 °C global warming scenario.



Equip seeks to invest in companies that support the transition to a low-carbon economy and also invest in companies that are resilient to a changing climate. We engage with the portfolio companies to develop plans on how to manage, monitor and report on physical climate risks, build climate resilience, and identify any opportunities to provide adaptation solutions.

Each portfolio company must report on their climate change risks and opportunities and the potential financial impacts and relevant mitigating actions. The investments in Ryde, No Dig Alliance and Cautus Geo all serves as examples on how we seek investment opportunities related to climate change mitigation and climate change adaptation.

On an overall level, the physical climate risk of the Fund I portfolio is considered to be low based on the geographical spread of its operations.

Fund I physical climate risk:

Low Medium High

With regards to the financial effect of a potential carbon tax on the current portfolio, Equip estimates that a tax of NOK 590 (c. USD 70¹⁰) / tonnes CO₂e on total scope 1 and 2 emissions would have a 0.4% effect on the portfolio 2021 EBITDA and 5.6% effect in case of a carbon tax on total scope 1, 2 and 3 emissions.

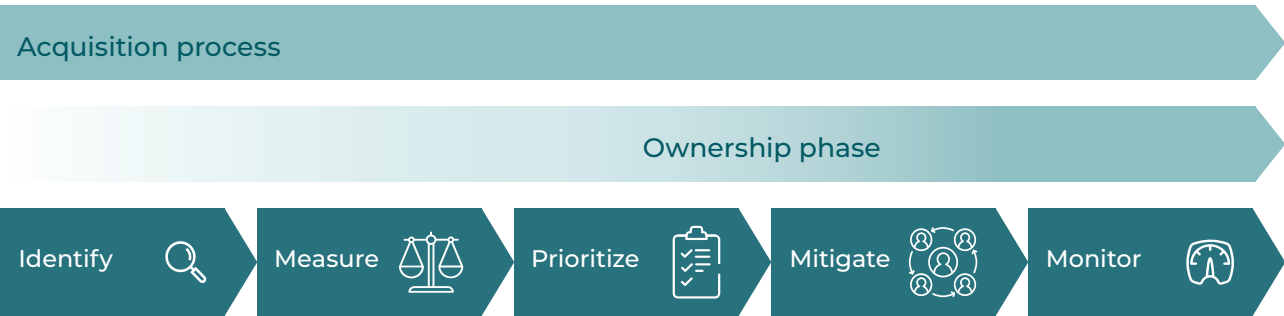
¹⁰Based on 2021 average USD/NOK FX rate

ESG as part of our investment analysis and decision-making process

Already at the deal sourcing stage, Equip seeks to identify sustainability risk and opportunities in its initial screening phase by applying the proprietary Early Deal Assessment Tool and ESG Assessment Tool.

The Equip ESG Assessment Tool is an integral part of the due diligence of a potential investment and based on the output of the tool, Equip considers where deep dive(s) are necessary and whether external resources are required for further investigation. The standardized but comprehensive questionnaire is based on the guidelines from Invest Europe and aims to gauge how advanced a company is with its ESG policies and reporting. The questionnaire will also assist with the identification of potential issues that might require a more detailed technical assessment, as well as opportunities to enhance

value and mitigate risks. The tool includes c. 90 questions in total asked on business level, covering the company's overall approach to and maturity on ESG and sustainability, as well as detailed questions regarding the environmental, social and governance aspects of the business. The questionnaire is typically completed with large involvement from the target company's management team, which allows for alignment and specific discussions on ESG related matters throughout the acquisition process.



"It is extremely motivating to see how the board of directors and management teams actively use sustainability indicators to measure and discuss the attainment of the ESG goals set by all the portfolio companies across our two ESG funds."

Charlotte Ekanger
CFO Equip Capital

The Investment Committee will have a first review and assessment of the investment opportunity at the deal sourcing stage, and if approved by the General Partner of the Fund, a more thorough due diligence process is completed to identify material risks associated with the potential investment, including any sustainability risks. During this phase, Equip will also screen any key people and shareholder in a potential portfolio investment against EU, UN and OFAC sanctions lists before entering business relationships.

The output from these tools, the due diligence reports and the results from the screening are used to identify any exclusion criteria, risks, and opportunities. This work typically results in one set of issues to be addressed immediately after acquisition, and one set of improvement areas to be addressed over time. The first set of issues are typically included in the post-acquisition/100-day plan and handled through the implementation of Equip onboarding pack, further detailed on page 29. The latter, however, is typically considered when developing the value creation plan for the upcoming ownership period, including a set of targets and KPIs used to measure development over time.

This part also includes commitment to at least one of the UN SDGs. All of this work forms an integral part of the investment advice to the Investment Committee of the Investment Manager and the investment proposal to the Board of the General Partner of the Fund advised by Equip.

Very often the ESG improvement areas and opportunities coincide with the general value creation plan. At Makeup Mekka for example, the customers are extremely cautious of animal testing and any ingredients from animals. Consequently, it is a core part of the company's value creation plan to further improve its products by taking the last step from 98% to 100% vegan products, and not only be 100% cruelty-free (no animal testing). Another example is Bastard Burger and Holy Greens, where the general wellbeing and satisfaction of employees together with food quality and taste is the most important success factors for attracting guests to the restaurants.

For further details on Equip's active ownership, stewardship activities and incorporation of ESG issues into our ownership policies and practices across our portfolio companies, please see page 34-57.

Equip Capital AS

Equip Capital AS was founded in 2018 by five senior investment professionals with extensive private equity experience. The Equip team combines its experience, energy and dedication in building better companies and generating strong returns. Being a young team that wants to contribute to making the world a better place, we have also set some internal ESG goals for the Investment Manager in addition to delivering responsible investment advice and setting ambitious ESG goals together with the management teams of the portfolio companies through our board representation.

Minimise environmental impact

When building the firm, the team has put great emphasis on efficient use of our resources by using available technology and focus on digitalisation and automation where possible.

Equip Capital has implemented fully digital and cloud-based CRM, accounting, and board intelligence systems to save paper and increase the efficiency of our operation. Another example is that we only hold digital newspaper subscriptions to minimise our paper waste.

In March 2021, we moved into a new office space in Ruseløkkveien 6 in Oslo and significantly increased our scope 3 emissions following investments in office

furniture and technical equipment, but at the same time, Equip managed to cut all of our scope 2 emissions as 100% of our electricity consumption is now from renewable energy sources.

In 2021, emissions related to business travels increased from the very low levels in 2020, but was still 65% below 2019 levels. The aim is still to hold at least 30% of board meetings virtually to transition to a more environmentally sustainable operation.

Equip Capital AS	Revenues	Scope 1	Scope 2	Scope 3	Total	Carbon intensity per revenue	Share of renewable energy
	Nok m	tCO2e	tCO2e	tCO2e	tCO2e	kg CO2e/NOK	Scope 2
2021	37	-	-	198	198	0.01	100%
2020	47	-	5	19	23	0.00	7%
2019 (base year)	14	-	4	40	44	0.00	7%

Our vision is to be *the best owner* for companies



Measure - Reduce - Offset

Equip Capital AS has made the decision offset our carbon footprint for all scope 1, 2 and 3 emissions as a recognition to the fact that net zero is a highly collaborative effort where Equip wants to contribute beyond our own efforts to build environmentally sustainable businesses.

Based on our accumulated carbon emissions of 265 tCO2e in the period 2019-2021, we have made carbon investments in May 2021 and May 2022 to be carbon neutral.

According to the Drawdown Review¹¹, onshore wind turbines, tropical forests restoration and improved clean cookstoves represents three of the most important solutions to limit global warming to below 1.5 degrees.

In May 2021, Equip supported the Fairtrade project “Cookstoves for coffee farmers in Ethiopia” and in June 2022, we have supported both the “Sidrap Wind Farm Project in Indonesia” and “Planting Biodiverse Forests in Panama”¹².

In Panama, the reforestation of degraded pastureland with a mix of native tree species and teak aims to combine sustainable timber production (avoiding sourcing timber from tropical rainforests) with biodiversity protection and ecosystem restoration. The resulting forests offer a natural habitat for native animals and plants, protect and enrich the soil, save and filter water and contribute to the mitigation of climate change. By also planting a mix of cacao and native species in some areas, the project also enables sustainable cacao production.

The Sidrap Wind Farm project consists of 30 wind turbines with a total installed capacity of 75 MVW. The project produces 253,000 MWh of renewable energy per year – enough to power over 70,000 local homes.

¹¹www.drawdown.org
¹²www.goldstandard.org

Impacts and benefits of Installing Wind Turbines in Indonesia

Reduces Indonesia’s dependence on fossil fuels for power generation

Provides local employments opportunities and promotes equal pay

Reduces air pollution by replacing coal and other fossil fuel fired power plants with clean, renewable power

SDG alignment:



Impacts and benefits of Planting Biodiverse Forests in Panama

More than 7.5 million trees from 20 different native species have been planted – capturing carbon and mitigating climate change

25% has been declared nature reserve protecting the forest, the animals and plants living there

15 threatened animal species from the Red List have found a habitat in the reforested area

Provides long-term employment for the local population

All employees receive a wage above the legal minimum, health insurance and a pension fund

SDG alignment:



Experienced and diversified team

Equip is committed to developing modern firms with a highly competent and diverse work force. This applies both to the Investment Manager and the portfolio companies.

The Investment Manager has actively been seeking to build a diverse team and screening of new hires has therefore been made across various professional backgrounds and tenures. Equip is committed to offer equal opportunities to all potential candidates, irrespective of gender, sexual orientation or ethnical background. In February 2019, Equip strengthened the team with a CFO, who also has the overall responsibility for Compliance, Risk Management, ESG and sustainability. In March 2021 and in October 2021, Equip further strengthened the investment team with a senior associate and an associate.

With regards to gender balance within the team, Equip Capital AS started off on the wrong foot in 2018, but through actively ensuring that recruitment firms provide a diversified pool of potential candidates for our new hires, the gender balance has improved. The Equip team has had no turnover among its permanent employees so far.

Each investment team is responsible for the follow-up and implementation in each investment given their proximity to the portfolio company through their board positions and hands-on experience with the value creation plan and due diligence of the company. Each investment team typically consists of one Lead Partner and one or two investment professionals to ensure extensive private equity and investment experience as well as a track record of raising ESG standards through active ownership in portfolio companies.

In total, the Equip team has more than 60 years of combined private equity experience across the sectors consumer and business services, in addition to 35 years of combined operational experience across the consumer, media and telecom sectors as well as management consulting across a variety of sectors and also political work across areas like finance, energy, trade, industry and climate.

No of FTEs As of June 2022	Male	Female	Gender balance % female
Equip Capital	6	2	25 %
of which Investment professionals	6	1	14 %
of which Operations	0	1	100 %
Management (C-suite and Partners)	5	1	17 %
New hires since inception	1	2	67 %

The Equip team

We have 60 years of combined private equity experience.

Equip Capital is a Nordic private equity firm focusing on investments in small and mid-sized companies.

The team has extensive investment experience across the consumer, industrials and business services sectors, and combines its experience, energy and dedication to ensure success in building better companies and generating strong returns.



Sverre B. Flåskjer
Managing Partner



Charlotte Ekanger
CFO



Torkild H. Haukaas
Partner



Eivind Saga
Partner



Andreas Lysdahl
Partner



Filip A. Engebretsen
Partner



Frida Lillebøe
Senior Associate



Karl Magnus Smeby
Associate

At the forefront of good corporate governance

Equip Capital is authorised to manage alternative investment funds under section 2-2 (1) of the Norwegian Alternative Investment Fund act of 20 June 2014 no. 28 (the AIFM Act) Section 1-4. Equip Capital is consequently under supervision by the Financial Supervisory Authority of Norway and is required to comply with strict regulatory provisions.

With the ambition of being a leading private equity player in the Nordics, Equip Capital AS has adopted a comprehensive set of internal routines to ensure that its operations are conducted in a manner compliant with the company's contractual obligations with its clients and with relevant legislation. In addition, the internal routines are developed to promote sound business judgement and be at the forefront of corporate governance.

All employees are required to have knowledge of the procedures relevant to their tasks and perform their duties in compliance with these in their daily operations for the company. Employees are required to inform the compliance function of any suspicion of violation or breach of the internal procedures, or if the internal procedures are inadequate or should be amended. The internal procedures are reviewed annually by the Board of Directors of Equip Capital AS and the current version was adopted in September 2021.

Limited Partners of Equip Capital Fund I LP and Equip Capital Fund II SCSp can obtain the current internal procedures by contacting the Company's CFO, Ms. Charlotte Ekanger.

The internal routines of Equip Capital AS consist of the following documents:

- | | | | |
|--|--|--|--|
| <ul style="list-style-type: none">• Procedure for internal control• Procedure for Risk Management in the Company• Ethical guidelines for the Company and its Employees• Anti-corruption policy• Whistle-blowing policy• Workplace harassment policy• Procedure for Board Member and Employee Suitability Assessment• The board of directors• Procedure for the Division of Responsibilities between Employees• Procedure for the CEO• Procedure for the Finance Function• Procedure for the Compliance Function• Procedure for the Risk Management Function• Procedure for the Compliance Committee | <ul style="list-style-type: none">• Procedure for the Advisory Board• Procedure for Internal Audit• Procedure for Delegation of functions• Procedures for the Retention of Documentation• Procedures for the Duty of Confidentiality• Procedures for measures against Money Laundering and Terrorist Financing• Procedures for Privacy Protection• Procedures for Continuity in the Activities of the Company• Procedures for the Use of Information and Communications Technology (ICT)• Procedure for Good Business Practise• Procedure for Conflicts of Interest• Procedure for Chinese Walls• Procedure for remuneration scheme• Procedure for Signature Rights | <ul style="list-style-type: none">• Procedure for the Company's management of own assets• Procedure for Administration and Financial Statements• Procedure for Employees' personal transactions• Procedure for capital adequacy• Procedure for Product governance• Procedure for the prevention of market abuse• Environmental, Social and Governance Policy• Procedure for Risk Management in AIFM Activities• Procedure for Valuation• Procedure for the calculation and monitoring of leverage• Procedure for the Exercise of Voting Rights• Procedure for Documentation of Subscription and Redemption Requests• Procedure for the registration of transactions and investment decisions | <ul style="list-style-type: none">• Procedure for marketing of Funds• Procedure for investor classification• Procedure for reporting to investors• Procedures for reporting to the Financial Supervisory Authority of Norway in relation to Funds under management• Procedure for liquidity management for Funds under management• Procedure for equal treatment of investors• Procedure for Best Execution• Procedure for compensation from or to anyone other than Funds• Procedure for depositary• Procedure for due diligence• Procedure for specific reporting obligations• Procedure for the capital of portfolio companies• Procedure for annual reports of Funds |
|--|--|--|--|



Summary Equip portfolio ESG KPIs and SDG alignment

Company	Year	Revenues local currency mill	FTEs	Sick leave*	Women in workforce	Women in management**	Scope 1	Scope 2	Scope 3	Total	Carbon intensity per revenue	Share of renewable energy
				%	%	%	tCO2e	tCO2e	tCO2e	tCO2e	in local currency	Scope 2
Makeup Mekka (NOK)	2021	110	29	3.0 %	90 %	80 %	-	-	4,635	4,635	0.04	100 %
	2020	92	25	4.6 %	92 %	75 %	-	1	5,892	5,893	0.06	91 %
	2019 (base year)	77	18	6.2 %	91 %		-	1	3,742	3,743	0.05	7 %
Rush (NOK)	2021	394	369	2.7 %	57 %	43 %	14	690	2,817	3,521	0.01	52 %
	2020	149	76	3.0 %	46 %	23 %	5	618	1,393	2,016	0.01	45 %
	2019 (base year)	119	83	4.0 %	57 %		5	621	2,042	2,668	0.02	43 %
Holy Greens (SEK)	2021	130	107	3.9 %	87 %	91 %	-	-	1,873	1,873	0.01	100 %
	2020	103	82	5.7 %	95 %	88 %	0.1	12	1,344	1,356	0.01	90 %
	2019 (base year)	112	70	3.8 %	84 %		0.3	12	1,379	1,391	0.01	89 %
Busfabriken (SEK)	2021	92	85	1.9 %	65 %	69 %	10	343	2,211	2,564	0.03	68 %
	2020	87	41	2.2 %	71 %	62 %	90	970	1,042	2,103	0.02	38 %
	2019 (base year)	145	73	0.7 %	71 %		103	1,366	1,402	2,871	0.02	35 %
Bastard Burgers (SEK)	2021	530	393	4.5 %	42 %	32 %	13	71	14,823	14,907	0.03	77 %
	2020	410	297	3.3 %	32 %	22 %	14	45	11,679	11,737	0.03	78 %
	2019 (base year)	228	215	2.8 %	38 %		3	30	3,277	3,310	0.01	64 %
Iteam (NOK)	2021	715	250	2.2 %	9 %	13 %	144	510	9,201	9,855	0.01	22 %
	2020	368	145	2.6 %	8 %	13 %	127	294	8,251	8,672	0.01	43 %
	2019 (base year)	170	70	3.9 %	4 %		72	384	9,725	10,181	0.02	36 %
Miles (NOK)	2021	300	194	1.5 %	23 %	50 %	-	43	467	510	0.00	24 %
	2020 (base year)	282	176	2.4 %	23 %	33 %	-	46	484	531	0.00	7 %
No Dig Alliance (SEK)	2021	169	59	3.7 %	3 %	8 %	938	6	1,763	2,707	0.02	13 %
	2020 (base year)	165	57				1,127	12	1,284	2,424	0.01	9 %
Ryde (NOK)	2021	133	100	1.1 %	5 %	0 %	137	172	5,120	5,429	0.04	26 %
	2020 (base year)	46	32									
Økonomibistand (NOK)	2021	158	103	0.6 %	39 %	15 %	11	31	182	225	0.00	10 %
	2020 (base year)	150	100				2	14	228	244	0.00	14 %
Cure Media (SEK)	2021	103	30	0.7 %	70 %	33 %	To be reported from 2022				To be reported from 2022	
	2020	63	23									
Cautus Geo (NOK)	2021	47	16	1.3 %	25 %	14 %	To be reported from 2022				To be reported from 2022	
	2020	48	16									
Fund I total/average (revenues in NOKm)	2021	2,885	1,735	2.2 %	40 %	40 %	1,267	1,865	43,093	46,225	0.017	62 %
	2020	1,964	1,069	3.4 %	36 %	35 %	1,366	2,011	31,597	34,974	0.017	51 %
	2019	853	529				184	2,414	21,567	24,165	0.021	42 %
SDG alignment												

* Holy Greens 2020 sick leave for Q4 2020 only
** KPI introduced in sustainability reporting from 2020



EquipCapital

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