



CERTIOR CAPITAL
ESG REPORT
2023-2024

Certior ESG Report 2023 - 2024

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1. Foreword from the Management

We proudly present Certior Capital's first annual ESG report, covering the years 2023 and 2024. This inaugural report represents the tangible culmination of our dedicated efforts over the past two years to significantly enhance our sustainable investment practices. A primary objective of this project was to establish the necessary capacity for comprehensive ESG data collection. While technical challenges caused some delays in completing our data surveys, we are now pleased to provide the first ESG data tables for three funds managed or advised by Certior Capital: Certior Credit Opportunities Fund II, Certior Credit Opportunities Fund III, and Certior Private Equity Fund II.

This enhancement project has yielded several key results, including a fully updated Certior ESG Policy. This revised policy outlines our guidelines for integrating environmental, social, governance, and broader sustainability outcomes into our investment decisions. Furthermore, we have developed a refined exclusion list to screen out adverse investment prospects during the initial analysis phase.

A critical goal of this initiative was to align Certior's capabilities with SFDR Article 8 requirements. We are proud to announce that our first SFDR Article 8 aligned fund, Certior Credit Opportunities Fund IV, is scheduled to launch in 2026.

To ensure our team remains at the forefront of these developments, we have initiated biannual internal education sessions focusing on sustainability regulations and broader ESG issues.

Our commitment to advancing sustainability has already shown positive results, as evidenced by our steadily rising PRI (Principles for Responsible Investment) survey scores. In the 2024 results (based on 2023 data), we achieved a score of 3/5 in one category and 4/5 in the remaining four assessed categories.

Additionally, as part of our focus on sustainability and corporate governance, Certior Capital conducted its first carbon emissions calculations for our own business operations for 2023 and 2024. Operational carbon emissions were estimated at just under 47 tCO2e in 2023 and 44 tCO2e in 2024. As is typical for small asset managers, these operational emissions are relatively low and not material to our overall impact. The largest emissions, as expected, came from business-related travel and the use of IT-based accounting and reporting services (outsourced reporting), and our office space related issues. We have compensated our own footprint by planting trees to enhance carbon sinks. The offsetting was carried out with a slight overcompensation through an external service provider, Ilmastoapu Oy, by planting new forests in Finland on decommissioned peatlands.

Finally, we have solidified our long-term commitment by setting a target to achieve Net-zero portfolios by 2035.

2. Sustainability at Certior Capital

Certior Capital operates as an alternative investment fund manager and advisory company, focusing on private equity and private credit investments. We predominantly utilize a fund-of-funds approach, incorporating primary and secondary fund investments alongside co-investments. We take our responsibilities seriously, actively addressing global challenges such as climate change, pollution, and fair working conditions.

We view managing sustainability issues not merely as a risk control mechanism, but also as an opportunity to enhance companies' potential. We recognize that social and governance issues are essential for an investee's effectiveness, foresight and ability to guarantee its license to operate. Fully recognizing that climate change presents adverse effects and various risks to the global economy, companies, and investors, we concurrently believe that finding solutions to mitigate these risks will generate opportunities for innovative companies.

We generally invest in asset-light companies within sectors broadly categorized as lower risk concerning ESG issues. After excluding the most negatively impacting industries, we prioritize investments in entities that capitalize on sustainable market opportunities and/or offer solutions against the adverse impacts inherent in their industry.

Certior has been a signatory to the PRI (Principles for Responsible Investment) since 2018. We also became the first Finnish member of Initiative Climat International (iCI) in 2021. In joining iCI, Certior benefits from being part of a formally endorsed, global and collaborative initiative to assess and limit private equity's exposure to climate change risk. We will join forces to contribute to the objective of The Paris Agreement to limit global warming to well-below two degrees Celsius. We have set a target to achieve Net-zero portfolios by 2035.

To fulfill our fiduciary duty and achieve our sustainability goals, we commit to the following means: Integrating ESG issues into our investment management processes; Systematically monitoring the progress of investees regarding sustainability issues; and Engaging investees on ESG issues when necessary. We recognize that private market investors are uniquely positioned to influence businesses and support investees in achieving the Sustainable Development Goals (SDGs). We typically focus on funds and co-investments that contribute to key SDG themes: gender equality (Goal 5), affordable and clean energy (Goal 7), decent work and economic growth (Goal 8), responsible consumption and production (Goal 12), and climate action (Goal 13).

3. Enhancing Our Sustainability – A Process Started in 2023

In the second half of 2023, we initiated a comprehensive process to significantly enhance our ESG efforts. The core objectives were threefold: to seamlessly integrate ESG issues into our investment process; to establish the capability for transparently reporting our ESG performance; and to successfully launch SFDR Article 8 compliant funds.

As an early step, we conducted Certior's inaugural materiality analysis among our most important stakeholders—our customers and staff—to identify the key sustainability issues. The most critical themes were: corporate citizenship, fiduciary duty and customer satisfaction, sustainable governance (in both Certior's operations and investments), social sustainability, and environmental issues within our investment portfolios.

This materiality analysis heavily informed the ESG Policy update, which commenced in early 2024. The updated policy, accepted by the company board in May 2024, provides more detailed guidance on how environmental, social, governance issues, and sustainability outcomes are integrated into our investment decision-making process.

The enhancement process also included developing new proprietary tools to support investment analysis:

1. An Updated Exclusion List/Screening Tool: This tool immediately excludes the most adverse and risky activities from our investment scope. The new list imposes greater restrictions on the fossil fuel sector and high CO2-emitting industries, specifying that investment in high-emitting industries is permissible only when the activity aligns with the EU Taxonomy (i.e., classified as sustainable).
2. Proprietary Sustainability Due Diligence Questionnaires (DDQs): Separate DDQs were created for funds and co-investments. They were launched and taken into use in the second half of 2023 and are designed to aid decision-making during the analysis phase based on PRI, SFDR, EU Taxonomy, and industry-specific standards.
3. ESG Scoring: A new scoring tool was built to assess potential investees during the initial analysis phase.

The second major goal—producing transparent and value-adding Certior ESG reports—required a rigorous selection process, during which we thoroughly mapped seven European ESG reporting service providers. In choosing a service provider, we emphasized good user experience, the flexibility of the platform to enable effective data

collection (considering our fund-of-funds structure with significant co-investments), and cost-effectiveness in aggregating data into a usable format.

These efforts paved the way for the third core goal: achieving compliance to create Article 8 funds. We are pleased to announce that our inaugural Article 8 fund is scheduled for launch in Q1/2026.

While the enhancement process has achieved its initial objectives, our work remains in a phase of continuous development. Our near-term focus involves improving the quality and quantity of data collected from our investees (in collaboration with them), staying vigilant regarding sustainable investing regulation changes, and enhancing the awareness and knowledge of Certior staff.

4. Certior Capital Sustainability in 2023 - 2024

4.1 Certior Own Operations ESG Data

Certior Capital conducted its first calculations of operational carbon emissions for its own business activities for 2023 and 2024.

- 2023 Emissions: Estimated at 46.8 tCO2e. The main sources were outsourced portfolio reporting & financial accounting, business travel, leased office space, and IT procurement.
- 2024 Emissions: Estimated at 43.9 tCO2e, representing a decrease of 6.1% compared to 2023.

The largest emission sources in 2024 were business travel (27.3%), administration costs (21.1%), and IT & IT services (19.9%). The decrease in administrative emissions (down 40%) was primarily due to major service providers disclosing direct emission figures, which were lower than the spend-based estimates used previously. Conversely, IT emissions rose as we implemented new CRM and ESG data tools.

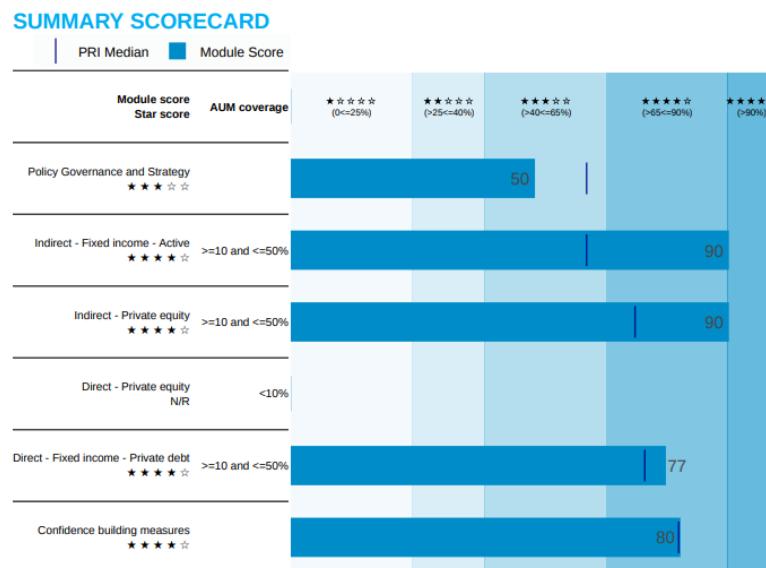
As is common for asset managers, Certior's operational carbon emissions are relatively low and not material. We compensated our 2023 and 2024 emissions by planting new forests in Finland on decommissioned peatlands via the external service provider Ilmastoapu Oy, ensuring a slight overcompensation of our footprint.



4.2 PRI Survey Results

Our steady improvement in sustainability efforts is reflected in our 2024 Principles for Responsible Investment (PRI) survey results. The latest results show significant progress:

- The score for Policy, Governance and Strategy improved from 40 to 50.
- Indirect Fixed Income rose from 63 to 90.
- Direct Fixed Income rose from 68 to 77.
- The score for Confidence Building Measures remained strong at 80.
- Indirect Private Equity was assessed for the first time in 2024, achieving an inaugural score of 90, corresponding to the very good 4/5-star level.



4.3 Fund and Portfolio Data

The ESG data for investment portfolios in 2023 and 2024 cover three funds that Certior Capital either manages or advice: Certior Private Equity Fund II (CPEF II), Certior Credit Opportunities Fund II (CCOF II), and Certior Credit Opportunities Fund III (CCOF III). We acknowledge that this first report marks the beginning of our data journey, and while the coverage is slim and the quality lacks perfection, we are committed to enhancing both the scope and quality of ESG data in collaboration with our investees.

Below you can find collected ESG data in tables. The coverage is now quite low in many datapoints. Based on the discussions we have conducted with our investee fund managers, we are confident that both the coverage and the quality of the data reported

to us will eventually rise. We are happy to notice that especially new vintage investee funds are putting more effort on sustainable investing and reporting over time.

The data in the tables below was collected in two separate surveys. The data for 2023 was collected during late February – April 2025. The survey for 2024 was conducted during June – August 2025. The surveys were conducted as online questionnaire with the help of our service provider Apiday. Apiday also aggregated the results into the tables below.

CPEF II

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Value 2024	Coverage (%) 2024	Value 2023	Coverage (%) 2023
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
1. GHG emissions	Scope 1 GHG emissions - tCO2e	526	60 %	78	60 %
	Scope 2 GHG emissions - tCO2e	44	60 %	213	40 %
	Scope 3 GHG emissions - tCO2e	254 303	60 %	195	40 %
	Total GHG emissions - tCO2e/M€	292 168	40 %	227	60 %
2. Carbon footprint	Carbon footprint - tCO2e/M€	20	20 %	6	40 %
3. GHG intensity of investee companies	GHG intensity of investee companies - tCO2e/M€	17	40 %	5 843	20 %
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	0	80 %	0	80 %
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption - %	42	40 %	48	40 %
	Share of non-renewable energy production - %	100	20 %	100	20 %
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector	0	20 %	0	20 %
	A - Agriculture, forestry and fishing	0	20 %	0	20 %
	B - Mining and quarrying	0	20 %	0	20 %
	C - Manufacturing	0	20 %	0	20 %
	D - Electricity, gas, steam and air conditioning supply	0	20 %	0	20 %

	E - Water supply; sewerage; waste management and remediation activities	0	20 %	0	20 %
	F - Construction	0	20 %	0	20 %
	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0	20 %	0	20 %
	H - Transporting and storage	0	20 %	0	20 %
	L - Real estate activities	0	20 %	0	20 %
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0	40 %	0	20 %
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	0 %		0 %
9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0	40 %		0 %
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	60 %	0	60 %
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises			33	20 %
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	8	40 %		0 %

13. Board gender diversity	Average ratio of female to male board members in investee companies	26	60 %		0 %
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	100 %	0	80 %
ADDITIONAL INDICATORS					
	Number of days lost to injuries, accidents, fatalities or illness	106	60 %	19	40 %

CCOF II

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Value 2024	Scope Answered (%) 2024	Value 2023	Scope Answered (%) 2023
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
1. GHG emissions	Scope 1 GHG emissions - tCO2e	292	33 %	187	22 %
	Scope 2 GHG emissions - tCO2e	41	33 %	43	22 %
	Scope 3 GHG emissions - tCO2e	12 238	33 %	6 038	22 %
	Total GHG emissions - tCO2e/M€	17 982	33 %	5 868	22 %
2. Carbon footprint	Carbon footprint - tCO2e/M€	349	33 %	601	22 %
3. GHG intensity of investee companies	GHG intensity of investee companies - tCO2e/M€	435	33 %	2 801	11 %
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector - %	0	78 %	0	56 %
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption - %	75	33 %	67	22 %
	Share of non-renewable energy production - %	0	33 %	0	11 %
6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector				
	A - Agriculture, forestry and fishing	0	22 %	0	11 %
	B - Mining and quarrying	0	22 %	0	11 %
	C - Manufacturing	0	22 %	0	11 %

	D - Electricity, gas, steam and air conditioning supply	0	22 %	0	11 %
	E - Water supply; sewerage; waste management and remediation activities	0	22 %	0	11 %
	F - Construction	0	22 %	0	11 %
	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0	22 %	0	11 %
	H - Transporting and storage	0	22 %	0	11 %
	L - Real estate activities	0	22 %	0	11 %
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0	44 %	0	33 %
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	10	33 %	0	22 %
9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	47	44 %	0	11 %
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	33 %	0	22 %
11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0,33		25	11 %

12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	25	33 %			0 %
13. Board gender diversity	Average ratio of female to male board members in investee companies	45	44 %			0 %
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	89 %		0	56 %
ADDITIONAL INDICATORS						
	Number of days lost to injuries, accidents, fatalities or illness	303	33 %		33	22 %

CCOF III

Indicators applicable to investments in investee companies

Adverse sustainability indicator	Metric	Value 2024	Scope Answered (%) 2024	Value 2023	Scope Answered (%) 2023
CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
1. GHG emissions	Scope 1 GHG emissions	170	25 %	29	13 %
	Scope 2 GHG emissions	6	25 %	4	13 %
	Scope 3 GHG emissions	5 735	25 %	6 289	13 %
	Total GHG emissions	6 617	13 %	6 322	13 %
2. Carbon footprint	Carbon footprint	450	13 %	974	13 %
3. GHG intensity of investee companies	GHG intensity of investee companies	697	13 %		0 %
4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	0	75 %	0	63 %
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	71	38 %	52	25 %
	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	0	25 %	0	13 %

6. Energy consumption intensity per high impact climate sector	Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector				
	A - Agriculture, forestry and fishing	0	25 %		0 %
	B - Mining and quarrying	0	25 %		0 %
	C - Manufacturing	0	25 %		0 %
	D - Electricity, gas, steam and air conditioning supply	0	25 %		0 %
	E - Water supply; sewerage; waste management and remediation activities	0	25 %		0 %
	F - Construction	0	25 %		0 %
	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0	25 %		0 %
	H - Transporting and storage	0	25 %		0 %
	L - Real estate activities	0	25 %		0 %
7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0	50 %	0	38 %
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0	13 %	0	25 %
9. Hazardous waste ratio	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0	38 %	0	25 %
SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIERY MATTERS					
10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0	50 %	0	38 %

11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0,25	0	13 %
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	30	25 %	0 %
13. Board gender diversity	Average ratio of female to male board members in investee companies	50	38 %	0 %
14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0	75 %	0
ADDITIONAL INDICATORS				
	Number of days lost to injuries, accidents, fatalities or illness	3	25 %	0
				13 %

4.4 Incidents related to sustainability issues

Only one small ESG incident occurred in Certior managed or advised funds during 2023-2024. One of the Certior Special Opportunity Fund's investee fund, Permira CS III, reported a cyber-attack towards one of the portfolio company, Dunlop Aircraft Tyres. This incident was not material for CSOF. The company started immediate actions to mitigate consequences and to prevent such attacks in the future. The major damage caused was a production loss for a few days.

5. Summary

The years 2023 and 2024 marked a transformative period for Certior Capital as we broadly enhanced our sustainable investment framework. Putting more effort on sustainability corresponds with our long-term term approach in conducting our business - to build responsible and durable businesses across Europe. Even when the issue of sustainability has faced significant political pressures in recent years, we strongly believe this is only a temporary phase in what is a steady and wholly necessary transformation of the way the world lives and does business. It is a part of our fiduciary duty

to look beyond any temporary fluctuations in the popularity of sustainability as a topic and instead increase our readiness to align our portfolios to be viable in all potential future scenarios.

The completion of the sustainability enhancement project has allowed Certior Capital to achieve its primary goals: establishing robust ESG data collection capabilities, integrating sustainability matters more deeply into investment decision-making through updated policies and proprietary tools, and preparing for the launch of our first SFDR Article 8 aligned fund in Q1/2026. This first ESG Report marks a crucial milestone in our ongoing commitment to transparency and continuous development in responsible investment.

