SUSTAINABILITY REPORT 2024

Vespa Capital

Contents

Introduction

Vespa Capital is proud to present its Sustainability Report for 2024

Vespa Capital is a private equity investor in the UK lower mid-market with over £300 million of assets under management. Investments are made in differentiated businesses with tech-enabled services in software, communication, life sciences, healthcare, sustainability and education. Sustainability has been an integral part of Vespa Capital's investment ethos since inception and we acknowledge the importance of incorporating sustainability values and principles into our investee companies.

This report outlines the progress we have made on our ESG roadmap, showcases our latest sustainability data and details our efforts around decarbonisation and other sustainability initiatives in 2024.

We are also excited to introduce two new additions to our portfolio, Right Legal Group and Rocksteady Music School, both exceptional businesses that not only demonstrate strong commercial performance but also deliver significant social impact.

Vespa Capital Portfolio Overview

Vespa Capital invests across a range of industries and types of businesses. Below is an overview of our current portfolio companies and realised investments achieved since inception.

Tech-Enabled Services
- Imagesound*
- Com Laude*
- Catalis
- DTAG
- SelectScience
- Right Legal Group

Life Science and Healthcare
- Random 42*
- Chase
- BioPhorum*
- Bluecrest
- Cognite

Software
- Lumi
- Feefo
- Origo
- Eserv

Sustainability and Impact
- Flag
- Rocksteady Music School

Other
- James Villa Holidays*
- WSP Textiles*

* Realised investments

Letter from the Managing Partner

As we reflect on another year of growth and progress at Vespa Capital, I am struck by the evolving opportunities and challenges in the private equity landscape. Today, there is a clear expectation for firms to deliver not only strong financial returns but also measurable positive impacts on the environment and society. For us, this is not new; the notion of investing in commercially successful businesses that contribute positively to the world around them has always been central to our philosophy.

This year, I am particularly excited about the two additions to our portfolio: Right Legal Group ('RLG') and Rocksteady Music School ('Rocksteady'). These exceptional businesses embody our belief that commercial success and social impact go hand in hand. RLG is transforming the will and probate industry with innovation and accessibility, whilst Rocksteady empowers children through inclusive music education.

Both businesses partnered with us because of our combined objective of investing in ventures which have great potential for furthering positive societal impact as well as commercial growth. Founders demand this alignment and it is key to building strong, lasting relationships. I am proud that both RLG and Rocksteady recognised the strength of our investment philosophy and chose to partner with us.

At Vespa Capital, we are committed to understanding the environmental and social contributions of our portfolio companies through robust reporting and monitoring processes. We also recognise the importance of benchmarking our performance and take part in external reporting initiatives, such as the ESG Data Convergence Initiative (EDCI) and the UN Principles for Responsible Investment (PRI), to evaluate our standing relative to industry peers. This approach not only aligns with growing investor and societal expectations but also ensures that we are creating long-term value for all our stakeholders.

As we look ahead, I remain optimistic about the role private equity can play in building a sustainable future. At Vespa Capital, we will continue to champion businesses that deliver commercial success and make a meaningful difference to the world around them.

NIGEL HAMMOND

Managing Partner
Vespa Capital

Case Study: Right Legal Group

The Innovative Law Firm

Right Legal Group won the Best Law Firm – Paralegal Development Award at the National Paralegal Awards 2024

18,701

hours of training provided to employees

7,796

new wills written

1,576

new wills completed pro-bono

Annual figures for 2024

Right Legal Group ('RLG') is redefining the probate and will writing process in the UK by challenging the traditional legal norms. Since becoming part of the Vespa Capital portfolio in 2024, CEO Carrie Caladine credits the partnership as key to the company's development. "In Vespa Capital, we've found a partner who believes in our mission and keeps us focused on our goals," says Carrie.

From the start, RLG has aimed to diversify legal services and move away from the traditional, homogenous model. By emphasising empathy and personalisation, RLG supports clients through sensitive life moments. "When someone passes away, they don't just leave behind a bank account. There's a legacy to preserve," Carrie explains. A priority is to change how you think about making a will, to capture people's personal wishes and to offer personal context and insights into clients' lives.

With over half of the UK population lacking a will, RLG is also working to make wills and probate services more accessible. Once seen as a service only for the wealthy, wills are reframed as a universal need. "We're committed to serving this broad demand," says Danielle Wilkes, RLG's HR Manager and ESG Champion.

RLG is also an advocate for workplace diversity, employing young graduates and those who may not have considered legal careers. By offering comprehensive training to become accredited paralegals, RLG removes traditional barriers to career progression. "We challenge the idea that career growth depends on years of service—training and support are what matter," says Carrie.

Employee well-being lies at the heart of RLG's sustainability initiatives. Recognising the emotionally challenging nature of discussing end-of-life arrangements, RLG has taken proactive steps to support its workforce. "Our young workforce is passionate, but the work can be mentally taxing," says Danielle. RLG encourages openness around mental health, with leadership sharing personal experiences to reduce stigma. Wellness efforts include guest speakers, fitness activities and regular one-on-one check-ins with employees. These efforts ensure that employee well-being is a key focus, allowing RLG to maintain excellence in its client-facing services.

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT GOALS:

8
Decent Work and Economic Growth

10
Reduce Inequality

Case Study: Rocksteady Music School

Transforming Lives Through Music

In May 2024, Vespa Capital added Rocksteady Music School ('Rocksteady') to its portfolio. As the UK's leading provider of in-school rock and pop band lessons for primary children, Rocksteady uses a child-led approach to teach students instrument, performance and band skills in a band context, leading to end of term concerts often within weeks of starting lessons.

Its inclusive approach empowers children, builds confidence and self-belief, while nurturing creativity and teamwork. The business' in-house Foundation enables access to music education to some of the most disadvantaged children in society and those facing challenging circumstances, helping the business stay true to its belief that no child should be left behind.

"Inclusion is a key part of our philosophy," says CEO Scott Monks. "We aim to provide accessible music education for all children, including those with special learning needs or from families who can't afford traditional lessons."

Research highlights the wide-ranging benefits of music education, especially early in life, from improved memory to better academic performance and mental well-being. Rocksteady's programs embody these outcomes. Many students who struggle in traditional academic settings flourish in Rocksteady sessions.

Students can also earn Ofqual regulated qualifications through Trinity College London without sitting traditional exams. "This levels the playing field," says Monks. "Such an inclusive approach to measurement enables all children to be recognised for their potential, not just their starting point in life."

Parents consistently report the positive effects of Rocksteady lessons, particularly in boosting collaboration and confidence. Rocksteady ensures teachers are highly trained to meet diverse student needs, creating an inclusive and supportive environment. As UK's largest private employer of musicians on a full-time permanent basis, the School also provides steady career paths for musicians, offering stability in a typically uncertain profession.

CONTRIBUTING TO SUSTAINABLE DEVELOPMENT GOALS:

4 QUALITY EDUCATION — 4 Quality Education

8 DECENT WORK AND ECONOMIC GROWTH — 8 Decent Work and Economic Growth

10 REDUCED INEQUALITIES — 10 Reduce Inequality

68%

of parents whose child "sometimes" or "often" struggles with school attendance report that Rocksteady makes a positive difference to their child's attendance and enthusiasm for going to school

94%

of parents say Rocksteady lessons have increased their child's confidence

50%

of parents say Rocksteady lessons have improved their child's concentration

Data according to Rocksteady's Parent Pulse Survey October 2024 and Rocksteady Parents Survey 2024.

Vespa Capital's Sustainability Roadmap

In 2024 we made meaningful progress on our sustainability agenda. At manager level, we actively engaged with stakeholders to align on sustainability priorities and evolving reporting requirements. Ongoing dialogue with investors and stakeholders has reaffirmed that reducing carbon emissions remains a top ESG priority. We also strengthened our sustainability due diligence process, with a particular focus on sustainable supply chains and responsible sourcing practices.

At fund level, we collaborated with our portfolio companies to expand the scope of social and environmental KPIs. Building on our decarbonisation work, we enhanced the ESG oversight by implementing a dedicated platform to collect sustainability data and support carbon accounting across our investments. The tool faciliates the collection of data required for external reporting, such as compliance with the Sustainable Financial Disclosure Regulation (SFDR) and the ESG Data Convergence Initiative (EDCI).

The platform also empowers portfolio companies to manage and track their internal sustainability targets, fostering greater transparency and enabling progress to be shared across their organisations. Furthermore, we delivered targeted training to our ESG Champions—the sustainability leads within our portfolio companies—on carbon accounting methodologies, setting net zero targets and developing effective decarbonisation plans.

Our Annual Data Review presents insights from our ESG data and more details can be found in the Appendix. On the following pages we present the progress made on our decarbonisation work and other highlights from the year.

SUSTAINABILITY ROADMAP 2024 - 2025

- Completed
- In progress
- Upcoming

	2024		2025
Vespa Capital	Assessment and engagement with the new UK Sustainable Disclosure Requirements (SDR) regulation (Completed) Continue VC's decarbonisation journey with the aim of aligning to net zero and set science-based targets (Completed)	More efficient monitoring of ESG KPIs (Completed) Continue to develop our ESG integration, including our ESG DD questionnaire (Completed) Actively engage with stakeholders around reporting expectations and requirements (Completed)	Stay abreast of ongoing regulatory development (Upcoming) Continue to assess reporting, transparency and KPIs (Upcoming) Provide training to employees and ESG Champions on relevant sustainability developments (including AI tools) (Upcoming)
Portfolio Companies	Continue work on decarbonisation and setting net zero alignment targets for portfolio companies (In progress) Leverage ESG forum to build knowledge and exchange learning experiences (Completed)	Support companies to conduct climate risk assessments (In progress) Set standards around implementation of ESG policies (Completed) Continue work on Diversity, Equity and Inclusion KPIs (Completed)	Complete climate risk assessments for all portfolio companies (Upcoming) Continue work on the decarbonisation plans and setting net zero targets where relevant (Upcoming) Evolve KPI analytics and insights with the help of service provider (Upcoming) Continue developing portfolio company specific measurements to quantifying the social and environmental impact of their work (Upcoming)

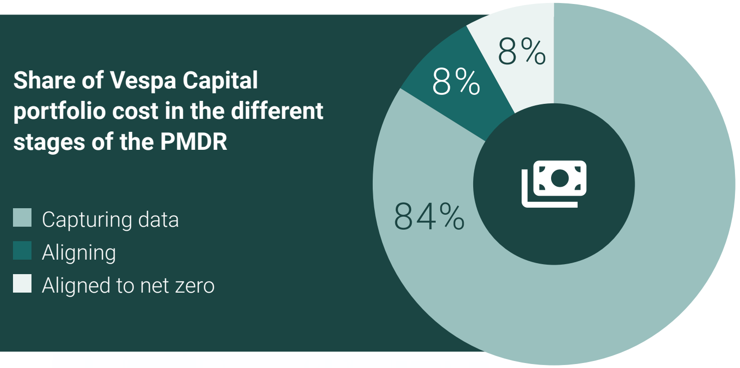
Progress on the Private Markets Decarbonisation Roadmap

A highlight from the past year is the work we have done around decarbonisation planning in our portfolio. Vespa Capital began implementing the Private Markets Decarbonisation Roadmap (PMDR) framework in 2023—an initiative designed to accelerate the transition to a low-carbon economy.

In 2024 Vespa Capital partnered with a carbon accounting expert to deliver a workshop focused on setting decarbonisation targets and creating actionable plans. This workshop has engaged portfolio company boards in meaningful discussions about emissions reduction targets, ensuring that sustainability goals are aligned with commercial strategies.

Each portfolio company board has been tasked with developing their data collection processes and designing a decarbonisation plan, using the 2024 data collected through our new platform as the baseline year. A draft of each portfolio company's decarbonisation plan is to be ready in the first half of 2025 and adopted by the respective company board before the end of the year.

Share of Vespa Capital portfolio cost in the different stages of the PMDR

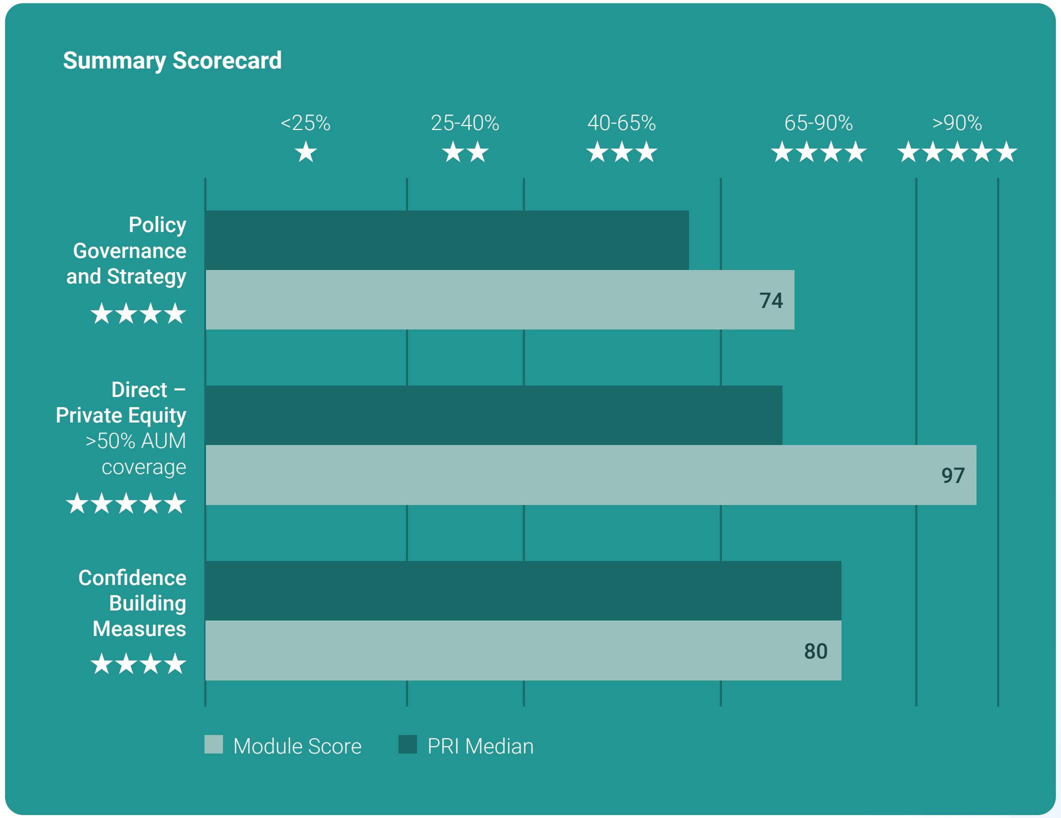


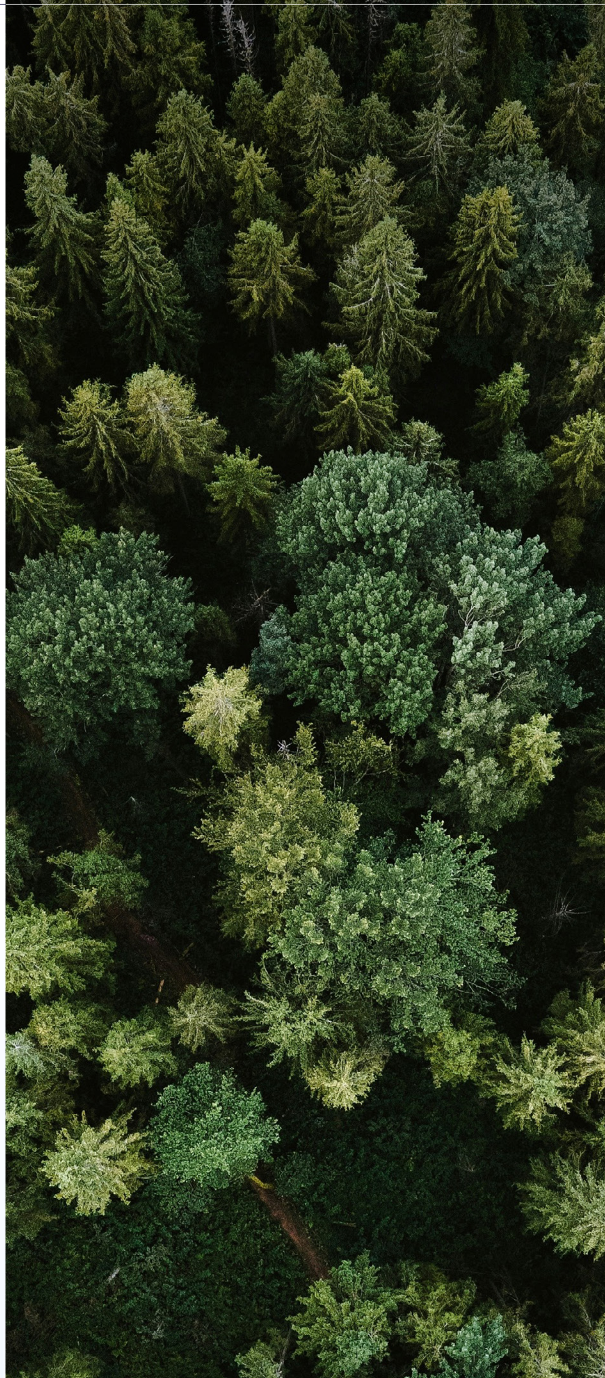
PMDR Pathway	Not started	Capturing data	Preparing to decarbonise	Aligning	Aligned to net zero
Criteria	No emissions data captured and no decarbonisation plan in place.	Measuring scope 1 and 2 emissions from operations, material scope 3 and making data available to fund.	Decarbonisation plan in place but level of ambition not aligned to net zero pathway.	Committed to near term science-based targets aligned to a long-term net zero pathway.	Demonstrated year on year emissions profile in line with pathway.
Current status	All our portfolio companies are currently capturing data on their emissions.	Portfolio companies are collecting scope 1 and 2 emissions data. Most are now also capturing scope 3 emissions related to purchased goods and services, waste from operations, commuting and business travel. We are proactively working with the portfolio companies to analyse emissions and helping them develop decarbonisation plans. Many are looking to use the 2024 data captured as their baseline year in their decarbonisation plans.		Our portfolio company **Cognite** committed to SBTi following the streamlined SME route. cognite	Our portfolio company **Signal**, part of DTAG, set targets in 2022 to be net zero by 2035. Signal
Number of companies	0	11	0	1	1

Our Commitment to Responsible Investing

Another highlight from the past year is our improved UN Principles for Responsible Investment (PRI) score in 2024. Although exempt, Vespa Capital chose to voluntarily update its report. We believe the progress made during 2023 warranted a refreshed assessment.

The PRI, the world's largest responsible investment reporting framework, benchmarks performance relative to other signatories. Vespa Capital is proud to have performed well above the median for the second consecutive year across all three assessment modules as seen in the Summary Scorecard[1]. Notably, we improved our Private Equity-specific module score from 94 to 97, a testament to our strengthened engagement with portfolio companies and enhanced sustainability practices. For a full review, please refer to the Transparency Report available on our website.





[1] Our Summary Scorecard reported in 2024 is based on 2023 annual sustainability data.

Charitable Initiatives

Supporting the Haller Foundation

Vespa Capital is proud to highlight the recent achievements of the Haller Foundation, a long-standing partner promoting sustainable farming in rural communities.

Founded by Louise Piper two decades ago, the foundation builds on the legacy of Dr. René Haller, who in 1956 began transforming barren limestone quarries in Mombasa, Kenya, into thriving ecosystems. Over the years, these once desolate landscapes have evolved into a thriving biodiversity hub, known as the Haller Park.

Today, the foundation empowers Kenyan coastal communities through sustainable smallholder farming. Rather than offering direct financial aid, it focuses on critical infrastructure and knowledge-sharing—covering water access, sanitation, healthcare and agricultural training.

"Support from partners like Vespa Capital is key to our continued impact," says Louise. "It allows us to scale globally, working with partners and replicating our model through social franchising."

A major driver of this growth is the Haller Farmers App, which delivers 70+ years of agricultural expertise to smallholder farmers via mobile phones.

"Technology is a great equaliser," says Foundation Director Chloe Ford-Welman. "With the app, we're bringing practical farming knowledge directly to farmers, helping them grow sustainably and improve resilience."

The app recently earned the Environmental Impact Award at the 9th Digital Leaders Innovation Awards, recognising its role in advancing tech-driven sustainable agriculture. To learn more, visit the Haller Foundation's website for their latest impact report.

60,000+

smallholder farmers positively impacted

2.5 Million

trees planted by Haller

56

communities completed the 'Haller Journey' and achieved self sufficiency

100,000+

patients recieving healthcare treatments

125,000+

children supported through Haller's education centre and delivery partners

Annual Data Review

In this annual data review we share insights from our latest sustainability data. Aggregated ESG data for Vespa Capital II LP (Fund II) and Vespa Capital III LP (Fund III) can be found in the Appendix. We have not presented a comparison of the 2024 data to previous years as the implementation of a new method for gathering data makes a like-for-like comparison inconsistent.

Carbon Footprint from Fund II and Fund III

This year we have expanded the collection of scope 3 emissions to better reflect the carbon footprint from the portfolio companies' operations. Portfolio companies have included a selection of estimated emissions for purchased goods and services, fuel and energy related activities, waste generated in operations, business travel and employee commuting. Fund III also saw the addition of two portfolio companies increasing total reported emissions.

Carbon intensity is used to measure emissions in relation to a performance metric, such as revenue. Companies with low carbon intensity emit less greenhouse gas per unit of revenue than those with high carbon intensity.

Total: 14M kg CO_2
Scope 1: **5%** Scope 2: **7%** Scope 3: **88%**

Total: 5M kg CO_2
Scope 1: **1%** Scope 2: **4%** Scope 3: **95%**

Carbon intensity[1] (kg CO_2/£ Thousand Revenue)

	Fund II	Fund III
Scope 1 & 2	9.5	1.6
Scope 1, 2 & 3	78.5	34.1

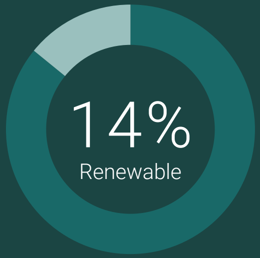
[1] Across both funds carbon emissions are driven by higher scope 3 emissions, foremost coming from business travel.

Renewable Energy Consumption

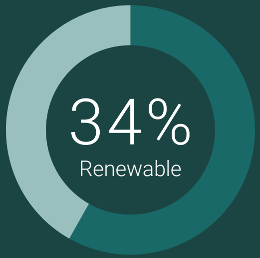
In 2024 seven of our 13 portfolio companies sourced at least 25% of their energy from renewable sources. Four portfolio companies sourced 74% percent or more of their energy consumption from renewable sources.

We are actively working with our portfolio companies on decarbonisation plans to address non-renewable energy consumption and associated emissions.

Energy Consumption Fund II



Energy Consumption Fund III



Non-renewable
Renewable

Share of Energy Consumed from Renewable Sources Across the Portfolio

Portion of renewable energy consumed
(Number of portfolio companies)

0-25%
26-50%
51-75%
76-100%

The majority of our portfolio companies get a portion of their total energy consumption from renewable sources[2].

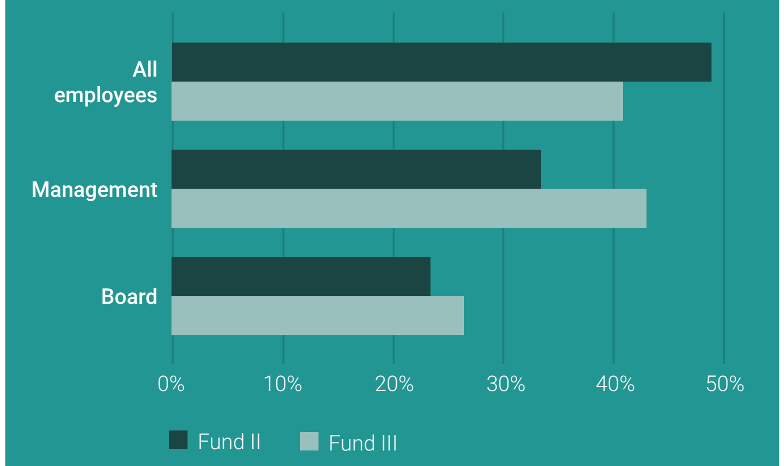
[2] Cognite does not have an office and records zero energy consumption. Emissions related to homeworking is captured in the scope 3 calculations.

Annual Data Review

Gender diversity across the portfolio

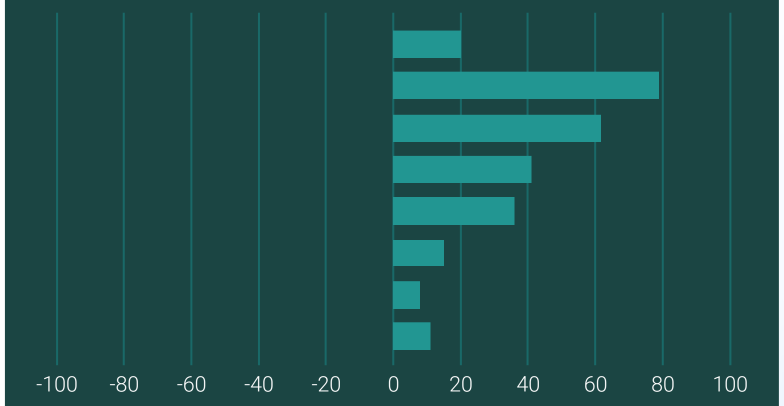
Of 13 portfolio companies across the two funds, six have at least 50% women on their workforce. Five portfolio companies have at least 50% women on their management teams and four portfolio companies have at least 40% women on their board. Four portfolio companies also have female CEOs.

Average % of Female Staff



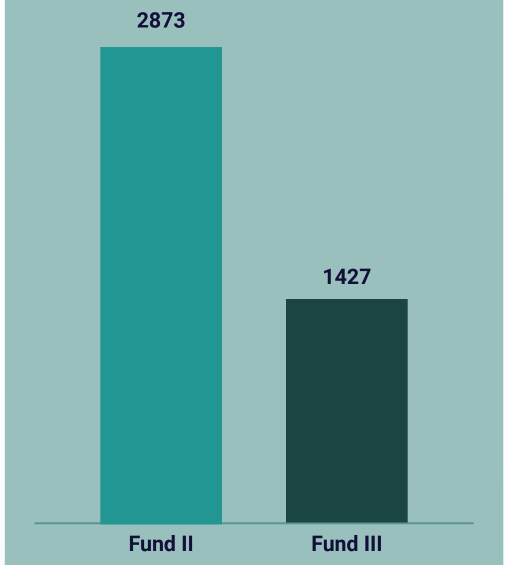
Employee Net Promotor Score (eNPS)

The below chart showcases the eNPS for eight of our portfolio companies which track this data. eNPS is a metric that measures employee loyalty and their willingness to recommend their organisation as a good place to work on a scale from -100 to +100, with any score greater than zero representing a positive sentiment.



Head count 2024

In 2024 the net creation of jobs in Fund II was 18 and in Fund III 161.



Looking Ahead

As we look ahead, Vespa Capital remains committed to advancing sustainability across the portfolio. We will focus on strengthening our ESG analytics capabilities, improving the quality and breadth of the data collected from our portfolio companies and expanding transparency around principal adverse impacts.

Decarbonisation will remain a core priority, with all portfolio companies tasked with developing plans to reduce emissions and set net-zero targets. While participation in the Science Based Targets Initiative (SBTi) will remain optional, we anticipate interest from many of our businesses.

In 2025, we will enhance our focus on impact metrics to better capture the environmental and social impact of each portfolio company. By identifying and tracking metrics tailored to the unique characteristics of each industry, we can provide more precise and meaningful assessments of progress. This targeted approach ensures that our portfolio companies not only address their sustainability challenges effectively but also demonstrate measurable contributions to their communities and the broader environment.

Additionally, we are committed to implementing double materiality assessments across our portfolio. This approach ensures that sustainability risks and opportunities are actively addressed from two perspectives: the impact on financial performance and the effect on the environment and society. These assessments will provide boards with critical oversight and will be reviewed annually to promote continuous improvement. Vespa Capital's ongoing commitment to these initiatives underscores our dedication to creating lasting value for our portfolio companies, investors and stakeholders while driving meaningful progress in sustainability.

LINDA HOGLUND

Sustainability Manager
Vespa Capital

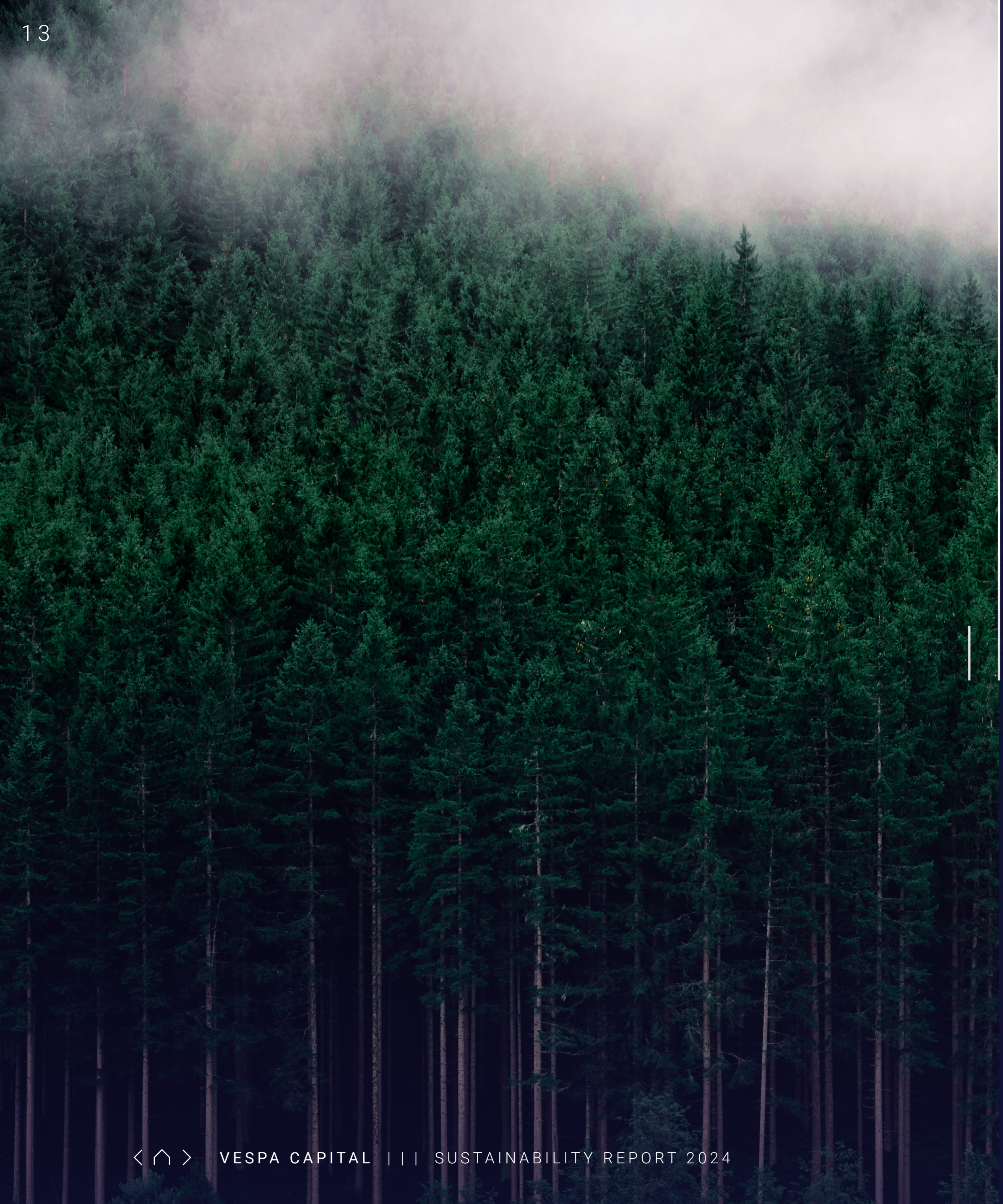
Vespa Capital's targeted sustainability developments for 2025

Vespa Capital

- Stay abreast of ongoing regulatory development
- Continue to assess reporting, transparency and KPIs
- Provide training to employees and ESG Champions on relevant sustainability developments (including AI tools)

Portfolio Companies

- Complete climate risk assessments for all portfolio companies
- Continue work on the decarbonisation plans and setting net zero targets where relevant
- Evolve KPI analytics and insights with the help of service provider
- Continue developing portfolio company specific measurements to quantify the social and environmental impact of their work



APPENDIX

KPI summary for Fund II and Fund III

The table shows the aggregated sustainability data for Fund II and III. Unless otherwise indicated, data has been reported by all portfolio companies across both funds[1].

Environmental KPIs

		Fund II	Fund III
Carbon Footprint	Total kg of CO_2 emitted.	13,571,121	5,119,073
Scope 1	kg of CO_2 direct greenhouse gas emissions from sources owned or controlled by the organisation. Data has been collected using an activity-based methodology.	738,088	52,487
Scope 2	kg of CO_2 indirect greenhouse emissions that a company causes indirectly and come from where the energy it purchases and uses is produced. Data has been collected using a market-based methodology.	896,939	180,472
Scope 3[2]	kg of CO_2 indirect emissions that occur in the upstream and downstream activities of an organisation. A hybrid methodology was used to calculate the emissions. Reported categories include a mix of 1, 3, 5, 6 and 7.	11,936,094	4,886,114
Carbon Intensity	Calculated as total kg CO_2/Revenue in thousand GBP.	78.5	34.1
Revenues from fossil fuel	Revenue derived from the exploration, mining, processing, storing or distribution of fossil fuels.	None	None
Energy consumption	Total energy consumption in kWh.	5,773,199	1,367,350
Renewable energy consumption	Total energy consumption in kWh from renewable sources.	816,311	461,361
Average renewable energy consumption	Average percentage of renewable energy reported by portfolio companies.	26%	47%
Biodiversity impact	Business sites and/or operations located in or near biodiversity-sensitive areas and biodiversity sensitive areas affected negatively by the business.	None	None
Emissions to water	Release of key groups of chemicals into water streams as part of the companies' activities.	None	None
Hazardous waste[3]	Hazardous waste generated from operations in tons.	7.7	0

[1] Lumi is accounted for in both Fund II and Fund III.
[2] Only Signal reporting scope 3 emissions for DTAG.
[3] Clinical waste from Bluecrest.

KPI summary for Fund II and Fund III

The table shows the aggregated sustainability data for Fund II and III. Unless otherwise indicated, data has been reported by all portfolio companies across both funds[1].

Social and Governance KPIs

Average reported value for the portfolio companies		Fund II	Fund III
Employee turnover	Number of employees who left during the year divided by the average number of employees during the year.	32%	23%
Employee Net Promotor Score[2]	Measure of employee loyalty and work employee satisfaction.	18	48
Absenteeism	Days lost due to illness or work-related injuries.	1.8%	1.7%
Women in the workforce	Share of women in the total workforce.	46%	41%
Unadjusted gender paygap	Difference in pay between men and women, without adjusting for experience, education, job role etc.	11%	14%
Board-gender diversity	Share of female board members.	23%	25%
Female executives	Share of women in executive or c-suite roles.	33%	43%
Fund total value			
Headcount	Headcount at the end of 2024.	2,873	1,427
Work-related injuries	The number of work-related injuries and fatalities, as defined by local jurisdiction. Please note none of the recorded injuries are fatalities.	18	18
Governance violations	Violations of either the UNGC or OECD guidelines.	None	None
Controversial weapons	Portfolio companies with exposure to controversial weapons and related industries.	None	None
Training hours	Number of hours spent on upskilling and training employees.	19,839	44,250
Charitable involvement[3]	Number of hours employees have dedicated to charitable involvement.	50	2,625
Sustainable Development Goals	Our businesses contribute to some of the 17 UN Sustainable Development Goals.	3, 8, 9	3, 4, 8, 9, 10, 13

[1] Lumi is accounted for in both Fund II and Fund III.
[2] Data is reported for 4/5 companies in Fund II and 5/9 companies in Fund III.
[3] Data reported for 3/5 companies in Fund II and 9/9 companies in Fund III.