

Solving Complexity Unlocking Potential

# 2023 Annual ESG Report



epiris

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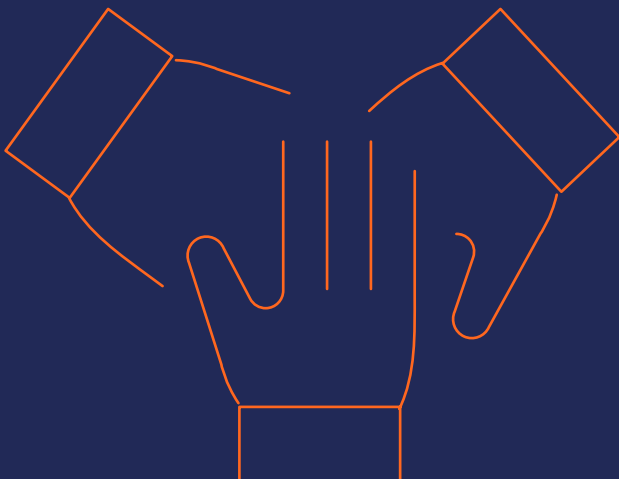
# 4 Our Four Pillars

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# 1

## About Epiris

We are an independent private equity firm that invests in opportunities to transform businesses in partnership with exceptional management teams.





Our primary goal is to build great companies to deliver outstanding returns for our investors. We do this by identifying and resolving the complexities which hold high-quality businesses back, providing fresh capital and thinking to reposition businesses strategically and in terms of scale and growth: by solving these complexities we unlock the transformation potential in the businesses we buy.

Our approach to transformation itself is to focus on a manageable number of key priorities to which we bring clarity, ambition and pace alongside the deep domain expertise of our pool of functional and sector experts.

We partner with exceptional management teams who share our ambition and who bring the leadership and execution skills to deliver it. Together, we set a clear strategy and align our interests through both shared goals and economic incentives.

We believe that businesses can be successful over the long term only if they integrate the management of environmental, social and governance factors into their business strategy. We therefore work closely with the companies we invest in to build sustainability as a value-creating component of their transformation plan.

We believe this is a highly effective model. On average, businesses we invest in more than double earnings under our ownership. This has delivered a top-decile investment performance record.

Since 2011, we have invested £2.3 billion across 33 companies. This includes the first four investments made by Epiris Fund III, an institutional private equity fund we raised in 2023 and closed in early 2024 with total commitments of £1.044 billion; the fund's target was £850 million and it was meaningfully oversubscribed at its hard cap.

We have created an organisational culture that reflects our belief that businesses gain strength from harnessing the different experiences and perspectives of diverse teams. Whilst members of our team come from all walks of life, we all share the four Epiris Values which govern the way we work towards our common goals. We are proud to say that Epiris is a firm where anyone with the aptitude and attitude can succeed.

**Solving complexity,  
unlocking potential**

Epiris is a firm  
where anyone  
with the aptitude  
and attitude can  
succeed.

# Our values



## A strong moral compass

We are guided by a strong moral compass within both our own business and the companies in which we invest.

We work by the highest standards of integrity and professionalism. More than that, we want to be proud of our businesses, of what they do and of how they treat their people, their customers and suppliers and the world around them.



## Energetic, enquiring and creative

We thrive on complex situations and on our mission to transform businesses.

This calls for us to challenge constantly, to think innovatively and to push relentlessly.



## Straightforward, open and collaborative

We work together as a group, with everyone encouraged to contribute.

We share problems and issues early. We are straightforward. We take collective responsibility for our successes and failures and seek to learn from them.



## Ambitious, rewarding and fun

We aim to build diverse and high-performance teams to deliver our long-term goals.

To do so, we offer opportunities to learn, advance and earn financial rewards. We create an environment which, whilst demanding, is also fun, so that we can grow talent and leadership for the future.

# Our Portfolio

appello



**Appello**  
Technology enabled care

Bonhams



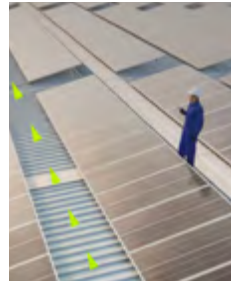
**Bonhams**  
International auction house

THE CLUB COMPANY



**Club Company**  
Country club operator

Delinian



**Delinian**  
Information services

Diamorph



**Diamorph**  
Advanced materials designer and manufacturer

GSF  
CAR PARTS



**GSF**  
Automotive parts distribution

INCHCAPE  
SHIPPING SERVICES



**Inchcape Shipping Services**  
Maritime services

LoneStar  
Fasteners



**LoneStar**  
Mission-critical fasteners

nucleus



**Nucleus**  
Wealthtech platform

PORTALS



**Portals**  
Security paper

Pure Cremation



**Pure Cremation**  
Funeral services

sepura



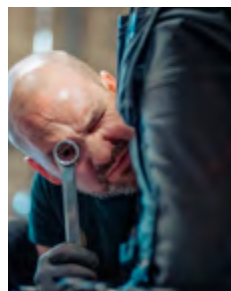
**Sepura**  
Communications systems

sharps



**Sharps**  
Fitted furniture

STUART TURNER



**Stuart Turner**  
Water-boosting products

The Big Table



**The Big Table**  
Restaurants



Invested since 2011

**£2.3bn**

Companies invested  
in since 2011

**33**

IRR: a top decile  
fund manager

**35%+**

Employees across  
the portfolio

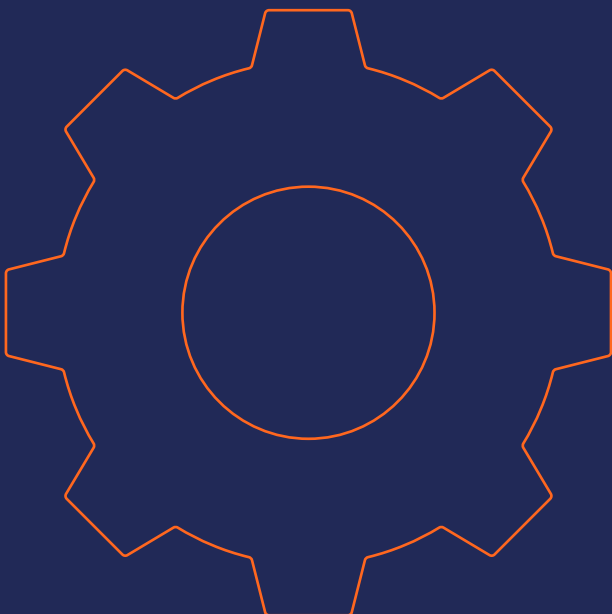
**19,355**



# 2

## Introduction

Welcome to our fourth annual ESG report, summarising our progress in the implementation of our ESG strategy throughout 2023.





Our primary goal is to build great businesses that deliver outstanding returns for our investors. We believe that careful management of ESG matters is an essential part of delivering this goal.

We have therefore integrated ESG into our strategy, and we work closely with the companies we invest in to do the same. We do this by being focused on topics that are relevant to every business, no matter what it does or where it does it: climate change, sustainability, people and ethics. We call these topics our “Four Pillars”. We work closely with the companies we invest in to ensure our Four Pillars are embedded in their strategy and operations.

We have been a signatory of the UN Principles for Responsible Investment (“PRI”) since 2021, reflecting our commitment to ensuring that ESG is an integral part of the way we not only invest but also run our own business. We completed our first PRI reporting cycle during 2023 and you can see a summary of our results on page 16.

In all aspects of our business, we aspire to continuous improvement. Often this is by learning from our own and others’ experience. In terms of building our team, we aim to hire the best people, to invest in their learning and development, and to offer them opportunities to contribute and succeed.

In 2023, we made four new hires in this vein: Kathryn Pothier, who joined as Investor Relations Partner from Trive Capital, a private equity fund based in Dallas, Texas, at the end of January; Tara Oakley, who joined us as an Investment Analyst in September 2023 having graduated from Durham University with a degree in Economics last summer; and Ella Meager and Demi Ogunlela, both of whom started as Investment Associates in early 2024, and both with a consultancy background at, respectively, OC&C and Oliver Wyman.

We also promoted Aaron Atwal from Investment Manager to Investment Director in 2023. Aaron joined us in 2017 from Bain & Company and has made a significant contribution to several investments, most recently Sepura.

On the portfolio side, we made three new investments and six add-on acquisitions during the year.

In March, we completed the acquisition, previously announced in December 2022, of LoneStar, a leading manufacturer and supplier of high-performance fasteners and seals for the world’s industrial and energy markets. This is a global market leader with scale and clear competitive differentiation, operating in attractive markets that benefit from growing energy demand in both traditional and renewables, and that we can transform by

bringing our trademark focus on strategy, operational excellence and M&A.

In October, we acquired GSF Car Parts, a leading UK supplier of automotive parts to the independent aftermarket. GSF has a leading position in a large and resilient market with an offering built on customer service, product range and availability. We see the opportunity to grow the business significantly with an acceleration of existing plans, and have partnered with the industry's most successful management team – Chairman Sukhpal Singh Ahluwalia and CEO Steve Horne – to do so.

In November, we acquired Pure Cremation, the leading provider of both prepaid funeral plans and direct cremations in the UK. The opportunity for us is to take Pure to the next level in terms of scale and growth by bringing new experience and expertise into the business; and we are excited to have partnered with Dean Lamble, formerly CEO of SunLife Insurance, who has become CEO of the business.

Of the add-on acquisitions, the largest was that of Curtis Banks by our portfolio company Nucleus, a WealthTech platform. This was the second add-on acquisition by Nucleus, and one that has helped the business grow more than seven-fold in the four years since we acquired it. We also supported add-on acquisitions by Appello, The Big Table, Inchcape Shipping Services, Sharps and Delinian.

Finally, shortly after the end of the year we announced the final close of Epiris Fund III with total commitments of £1.044 billion. The fund had a target of £850 million and was meaningfully oversubscribed at its hard cap. The fund's investor base comprises commitments from a large number of the world's leading private equity investors, including public and private sector pension funds, endowments and foundations, asset managers and private investors.

Shortly before this report went to press, we were profoundly saddened to receive the news of the death of our friend, colleague and Managing Partner Alex Fortescue.

Alex was an exceptional individual whose vision and ambition brought out the best in those around him. His leadership has been instrumental in building the team and firm of which we are all immensely proud. We will sorely miss his energy, his presence and his friendship.

Alex is survived by his wife and three children to whom we send our deepest and most sincere condolences.

Bill Priestley, who joined Epiris in 2014 and has been Chief Investment Partner since 2016, has been appointed Managing Partner.

Please do read our tribute to Alex at the end of this report.



Alex Cooper-Evans  
*Chief Operating  
Partner, Chairman  
of ESG Committee*

# 3

## ESG at Epiris

Our primary goal is to build great companies in order to deliver outstanding returns for our investors. Strong ESG management is an essential part of delivering this goal.





We deliver strong ESG management using a series of building blocks: our ESG Policy, our implementation systems and processes, and our Four Pillars framework.

Our ESG Policy sets out the principles and commitments that drive our ESG approach. We are committed to:

- integrating ESG into the core of our and our portfolio companies' activities;
- complying with not only law and regulations but also best practice in relation to ESG management; and
- operating with integrity and to the highest ethical standards.

Our ESG implementation systems and processes are illustrated on the following pages. Through these processes, we ensure that ESG is systematically addressed at every stage of an investment's lifecycle, from pre-deal due diligence through the ownership period to exit. Moreover, they ensure that ESG

is given its due prominence in the strategic and operational programmes we implement in partnership with the management teams of each portfolio company.

Our Four Pillars framework covers four areas which in our view are important to every company in which we invest, as well as to our own business. For each of these areas, we have set a long-term objective, specified the best practices that will help deliver that objective, and detailed Key Performance Indicators to monitor progress and to enable portfolio level reporting. This is a focused approach that drives portfolio companies along their ESG journey whilst building a legacy of ESG related improvements.

ESG is led by our ESG Committee, made up of Partners and other staff from across the firm who meet regularly to review our own and our portfolio companies' ESG performance as well as our overall ESG approach.

This year we have introduced a scoring methodology to assess the ESG management maturity of each of our portfolio companies.

| Average score | Best practice | Market-leading |
|---------------|---------------|----------------|
| 50%           | 75%           | 85%            |

So far, we have scored two thirds of the companies in our portfolio. The average score of our portfolio companies is 50%, with a best practice target of 75%. Our aim is to improve this score through our ownership period, propelling our portfolio companies along a path towards best practice and ESG excellence.



# ESG investment lifecycle

## 1

### Pre-acquisition

Before we make a new investment, we carry out a series of screening exercises to identify any ESG issues.

- ▲ **Key ESG topic and excluded investment screen** – we screen companies to identify key ESG considerations, in particular those in relation to our Pillars, as well as whether or not the target company is involved in gambling, and/or in the production and/or sale of alcohol, armaments, pornography and/or tobacco. We will not invest in such companies without ensuring that these activities are undertaken lawfully and any issues of concern can be satisfactorily mitigated on ownership.
- ▲ **ESG due diligence** – following the initial screening, we carry out a more detailed analysis, including of the issues in relation to our Pillars and the areas which we expect to focus on during our ownership. The findings of this due diligence are included in our investment committee papers and discussed by the Epiris Investment Committee. Identifying and understanding relevant ESG issues and opportunities before acquisition means we ensure that these topics are incorporated into our investment analysis and decision-making processes.

## 2

### Ownership

Once we have made an investment, we build on our pre-acquisition due diligence and analysis to develop an ESG Plan for each portfolio company.

- ▲ **ESG risk and opportunity review** – using a standard Epiris process, we assess the company's performance against our Four Pillars best practice as well as any other material ESG risks and opportunities.
- ▲ **ESG Plan** – we identify the steps that are required to close the gaps between current and best practice, and a clear timetable for doing so, as well as setting targets and metrics to mitigate risks or maximise opportunities.
- ▲ **Ownership** – responsibility for delivering the ESG Plan rests with its board and members of the management and Epiris teams are nominated to lead execution. Regular progress updates are reported to each portfolio company board and to Epiris.
- ▲ **Annual review** – we review each company's performance every year and update the ESG Plan accordingly.
- ▲ **Communications** – we provide our investors and other stakeholders with a clear picture of ESG performance on an annual basis or as needed.

## 3

### Exit

Through this approach, we are able to demonstrate the impact of ESG management on the portfolio company's performance when we come to sell an investment.

- ▲ **Disclosure** – At exit, we include details of a portfolio company's ESG performance in the information to be disclosed to potential buyers, to demonstrate the improvements made during the ownership period and the value enhancement achieved.

# UNPRI

We have been a signatory of the UN Principles for Responsible Investment (“PRI”) since 2021, reflecting our commitment to ensuring that ESG is an integral part of the way we not only invest but also run our own business.

UN PRINCIPLES FOR RESPONSIBLE INVESTMENT:

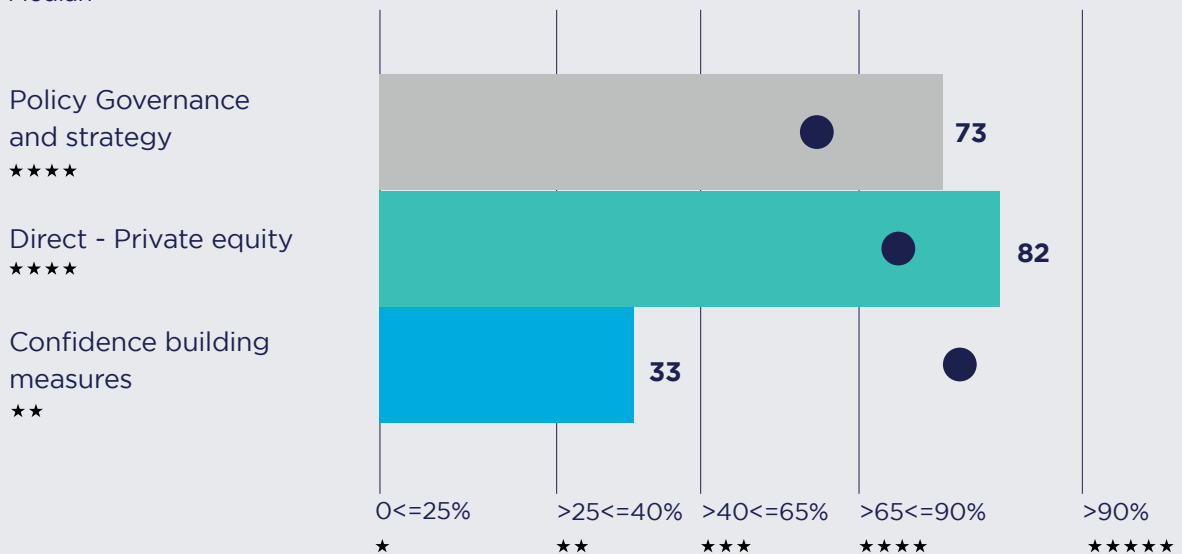
- 1 We will incorporate ESG issues into investment analysis and decision-making processes.**
- 2 We will be active owners and incorporate ESG issues into our ownership policies and practices.**
- 3 We will seek appropriate disclosures on ESG issues by the entities in which we invest.**
- 4 We will promote acceptance and implementation of the Principles within the investment industry.**
- 5 We will work together to enhance our effectiveness in implementing the Principles.**
- 6 We will each report on our activities and progress towards implanting the Principles.**

We completed our first PRI reporting cycle during 2023. In keeping with our cultural transparency, we have made our Private Assessment Report available to our investors and show the summary scorecard below.

One of the aims of the PRI reporting framework is to provide signatories with a better understanding of where their organisation sits in relation to peers and competitors, and to provide feedback to help signatories identify areas for improvement. Consistent with this aim, we have performed a gap analysis to understand where our activities and processes do not match best practice and over the next twelve months will take steps to address these.

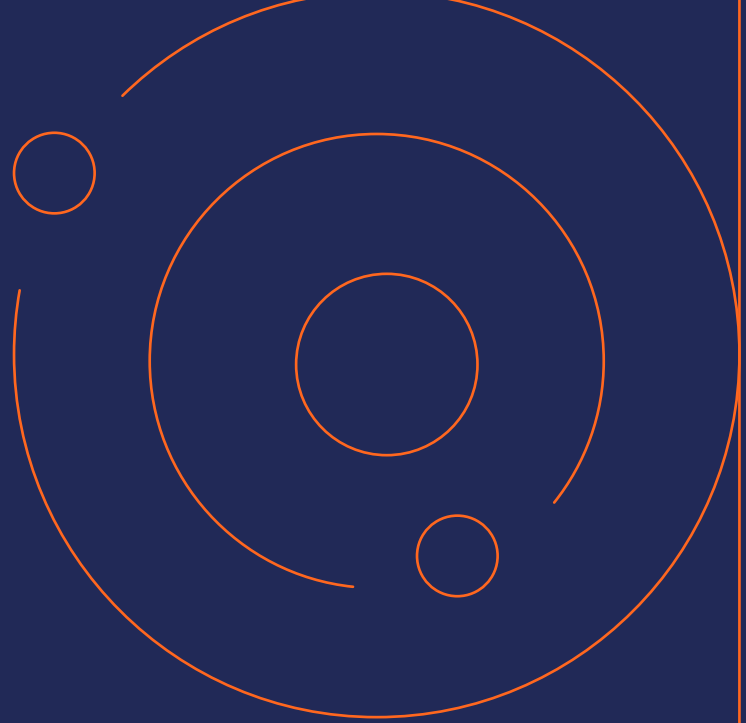
## Summary Scorecard

● PRI Median





# 4



## Our Four Pillars

Our ESG approach brings focus and impact by concentrating on four key areas, which we refer to as our Four Pillars, that are important to every business irrespective of its business model or scope.



Our view is that we can be more impactful by being focused, whilst also ensuring that we address any material ESG risks and opportunities that fall outside the Four Pillars.

For each Pillar, we have set an aspiration and a set of best practices, demonstrating our ambitions and guiding our long-term decision making. The best practices combine several influences: our experience of working with companies; evolving investor expectations; and new regulatory requirements. We expect every company we invest in to implement these best practices.

During 2023, we launched our first portfolio-wide data collection exercise. We designed this to meet broad investor data requirements, as well as to start to generate consistent and comprehensive data to both provide insight and evidence the successes of our Four Pillars approach. This important addition to our programme, completed in the early part of 2024, and some preliminary findings are included in this report.

This year we have successfully added a new data component to our Four Pillars approach.

## PILLAR 1

**Climate change**

Navigating the energy transition

## PILLAR 2

**Sustainability**

Improving supply chain sustainability

## PILLAR 3

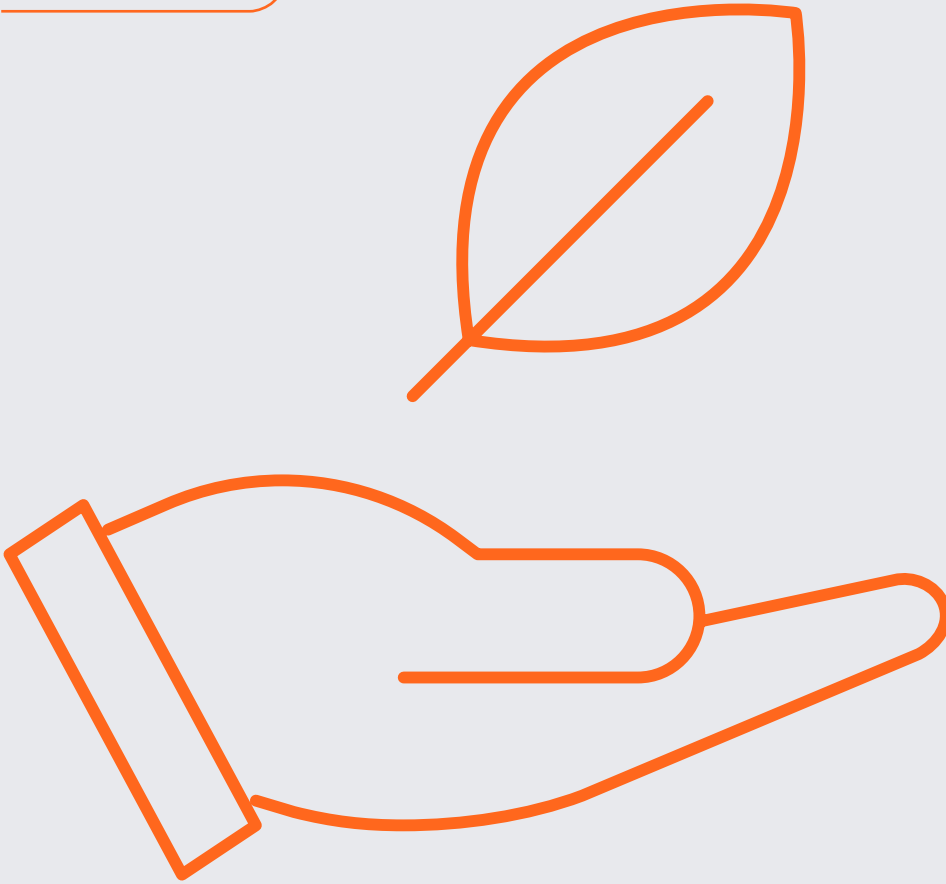
**People**

A healthy, diverse and engaged workforce

## PILLAR 4

**Ethics**

A strong moral compass



# Climate change

## Navigating the energy transition

### **Aspiration:** Carbon Neutral

Epiris and its portfolio companies will each have a plan to be carbon neutral by 2030, or as soon as technically and economically practicable thereafter.

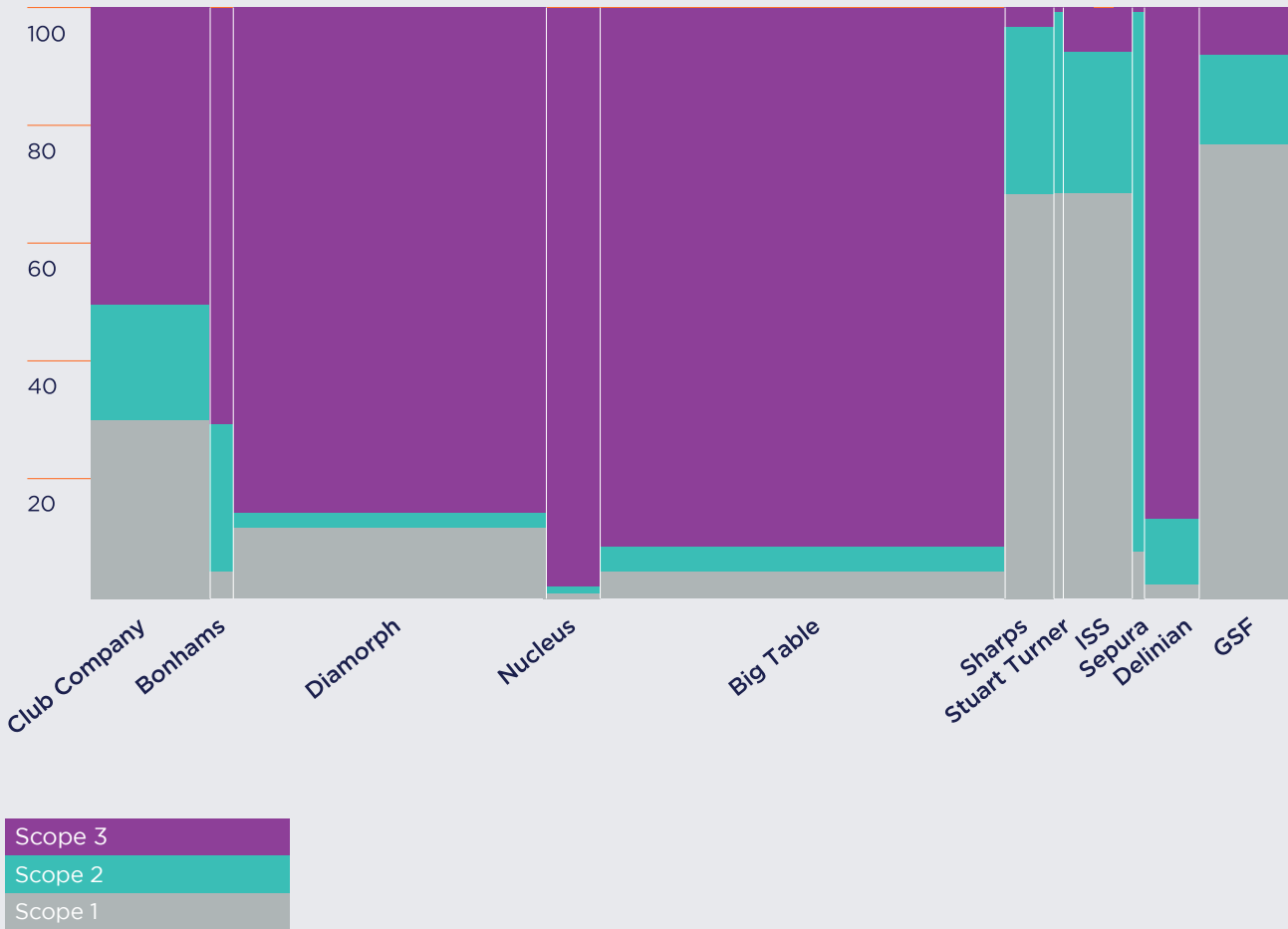
Public policy and stakeholder pressure, including that of consumers and customers, has continued to be a key driver of the transition to a low-carbon economy as well as the pressing need to respond to the climate crisis.

To thrive in and contribute to the transition to a low-carbon economy, Epiris and our portfolio companies seek to identify the impact we have as well as how we can reduce that impact. Integrating climate risks and opportunities into decision-making will also play a key role in this transition.

During 2023, we collected the most comprehensive data yet on portfolio company emissions which we expect to be able to use as a baseline for future reporting:

## Epiris portfolio company emissions (tCO2e)

This chart comprises data from eleven of our fifteen portfolio companies.



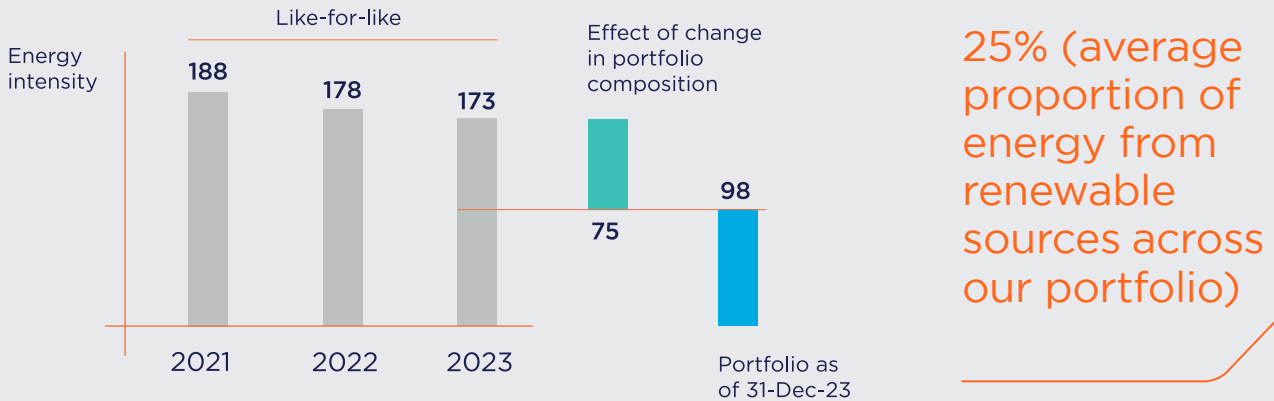
Scopes 1 and 2 emissions account for only 27% of the 153,601 tCO2e emitted by these eleven portfolio companies in 2023. The chart above shows that portfolio companies such as Club Company, Bonhams, Diamorph, Nucleus, Big Table and Delinian have already made fulsome inventories of their Scope 3 emissions, work which remains in progress at our other portfolio companies.

We are working closely with those that have not been able to produce data to build that capability ahead of the next data collection exercise; and with those that have been able to, to build plans to reduce emissions.

**Carbon intensity:**  
18.9 tCO2e Scopes 1 and 2 / £1 million of revenue across our portfolio

### Portfolio energy intensity

This chart comprises data from ten of our fifteen portfolio companies.



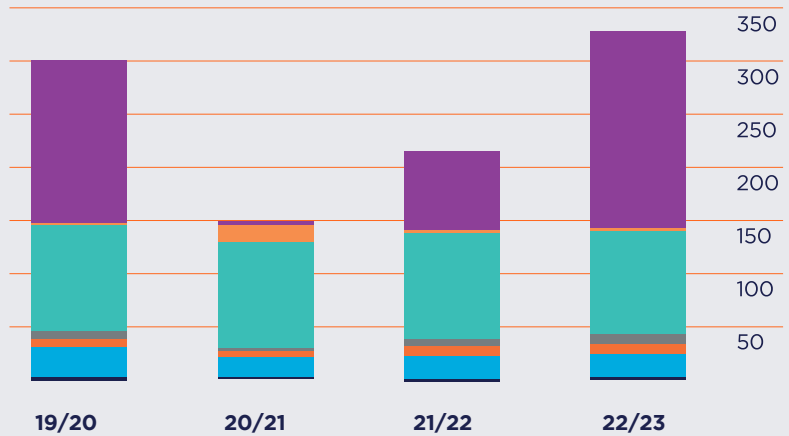
kWh of energy consumed per £1m of revenue

As part of our efforts in understanding our impact, we have measured our own carbon footprint every year since 2020. We use solely green electricity, purchased on a renewable tariff, and have provided location-based (local grid emission factors) and market-based (green electricity purchased) emissions for better

transparency. The increase in emissions in our latest financial year is due almost entirely to travel, with our team travelling to board meetings in the UK and overseas as well as a marked increase in international travel to meet investors as part of our fund raising.

### Emission source (tCO2e)

- Natural gas
- Electricity
- Other scope 3
- Commuting
- Purchased goods and services
- Working from home
- Travel



|  |     |     |     |     |
|--|-----|-----|-----|-----|
| <b>Scope 1</b><br>Natural gas  | 3   | 2   | 3   | 3   |
| <b>Scope 2</b><br>Location based electricity<br>(based on local grid emission intensity) | 28  | 28  | 21  | 20  |
| <b>Scope 2</b><br>Market based electricity<br>(based on green energy purchased)          | 0   | 0   | 0   | 0   |
| <b>Scope 3</b><br>(indirect emissions)   | 270 | 127 | 194 | 309 |
| <b>Total</b>   | 301 | 147 | 218 | 332 |



## Sharps

Sharps has continued to invest in green and energy efficient technologies, with total emissions savings of more than 360 tCO<sub>2</sub>e from installing LED lights, a hybrid car fleet and both energy-efficient extractor fans and fast-loading doors at its Bilston site. The company is now analysing opportunities to improve the efficiency of its commercial vehicle fleet and to complete the emissions analysis of its supply chain.



## GSF Car Parts

GSF has already taken several steps to reduce emissions: rolling out EV chargers at strategic sites, switching to green utility contracts for gas and electricity, installing vehicle tracking software to measure and reduce fuel consumption across its commercial fleet.

## The Big Table

Nestled in the mountains of Rio de Janeiro State are Las Iguanas' (part of The Big Table Group) sugar cane fields, the source of the all-important fresh sugar cane juice that is distilled into the Magnifica Cachaça spirit, the basis of the classic Caipirinha cocktail.

The sustainable process of producing the Magnifica Cachaça spirit is focused on minimising impact on nature. The main energy source is steam, generated from burning dry leftovers of the sugarcane pressing. The CO<sub>2</sub> released from this process is recaptured through further growth of the plantation, and the liquid waste from distillation is fed back into the growing process as an organic fertiliser, leaving a virtually neutral carbon footprint.

# Climate risk

As a responsible business and signatory to the PRI, we recognise the importance of assessing and reporting on the climate risks associated with our business and portfolio. To reflect this we report against the recommendations made by the Taskforce on Climate-related Disclosures (TCFD). We continue to work with our portfolio companies to monitor and respond to climate-related risks.

## Governance

Responsibility for overseeing climate-related risks and opportunities across Epiris and its portfolio companies rests with the Epiris Executive Committee, which comprises the firm's seven equity Partners and is also attended by its three non-equity Partners. Our approach to climate matters is set out in our ESG Policy which is determined by the Epiris Executive Committee; responsibility for implementing this policy is delegated to the Epiris ESG Committee which comprises Partners and other staff from across the firm who meet regularly to review the firm's and its portfolio companies' approach to and performance in respect to climate change and other ESG aspects.

As a part of developing the ESG Plan for each portfolio company, members of the Epiris ESG Committee and investment management team assess the company's performance against the best practice set out in the Epiris Climate Change Pillar and identify any other material climate-related risks and opportunities. The steps required to close the gaps between current and best practice and to mitigate risks and maximise opportunities, together with relevant targets and metrics, are included within the ESG Plan which is reviewed and approved by both the portfolio company's board, which comprises members of the portfolio company management team as well as the relevant members of the Epiris investment team, and the Epiris ESG Committee.

Responsibility for delivering a portfolio company's ESG Plan, including the climate-related component, rests with its board. ESG is included as a standing item on each portfolio company's board agenda and updates are presented to the board at least quarterly. Any such updates are also provided to the Epiris ESG Committee. Each portfolio company's ESG Plan is then reviewed and iterated annually in discussions between the portfolio company, the Epiris ESG Committee, and the relevant members of the Epiris investment team.

Portfolio company boards and Epiris both take advice from external experts to assist in their identification and management of climate-related risks and opportunities as well as in the design and execution of the climate-related component of ESG Plans. For example, Epiris works with Anthesis Group, one of the world's leading sustainability consultancies, as our ESG programme partner as well as on bespoke projects such as the portfolio-wide climate materiality assessment conducted in 2021 and the update currently underway.

## Strategy

To identify how climate-related issues may affect our and our portfolio companies' businesses, strategy and financial planning over the short, medium and long term, we conduct a climate risk assessment as a part of our due diligence prior to making an investment; we have also conducted a portfolio-wide climate materiality assessment using a climate screening questionnaire and are currently repeating this assessment to capture changes in our portfolio. Our interest is not only in issues that may manifest themselves during our ownership, which is typically expected to be between three to five years, but also those that may take longer to manifest themselves. Whilst these risks may have no direct bearing during our ownership, they may be pertinent when we market a portfolio company for sale.

From this assessment, we conclude that the most significant risks and opportunities for us and our portfolio are those in respect of:



**Physical risks:**

- Extreme precipitation
- Wind and storm damage
- Extreme temperatures
- Water shortages

**Transition risks:**

- Fossil fuel and energy cost increases
- Carbon taxes
- Consumer demand for net-zero products
- Impact on brand value

**Physical opportunities:**

- Extreme temperatures
- Extreme precipitation
- Transition opportunities:
- Consumer demand for net-zero products
- Impact on brand value

Where these risks or opportunities are imminent, we and our portfolio companies can design solutions, for example hedging energy purchases or introducing work-from-home policies. Where they are longer-term in nature, we and our portfolio companies can take them into account in strategic and financial planning. Although they are not considered to be climate-related, recent events such as Brexit, the COVID-19 pandemic and the war in Ukraine have stress-tested our and our portfolio companies' businesses and shown the adaptability of business models and supply chains alike.

**Metrics and Targets**

Our target for Epiris and our portfolio companies is to be carbon neutral by 2030, or as soon as technically and economically practicable thereafter.

Please see page 21 and 22 for climate metrics



# Sustainability

## Improving supply chain sustainability

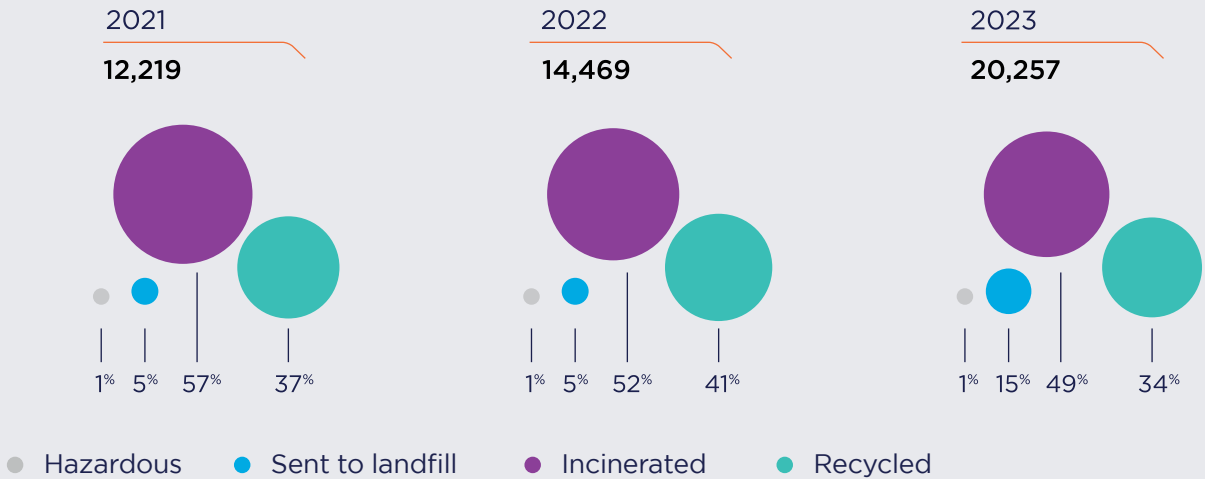
### **Aspiration:** Reduce, reuse, recycle

Epiris and its portfolio companies should:

- Source raw materials from certified sustainable sources
- Reduce raw material consumption
- Reuse or recycle materials and products at the end of use
- Reduce emissions and / or discharges of hazardous pollutants or chemicals
- Send zero waste to landfill or incineration if there is an alternative
- Ensure that their and their suppliers' activities do not involve land degradation, deforestation or harm to IUCN Red List species

To be sustainable, business must use resources carefully and efficiently. At Epiris and across the portfolio we are taking steps to source responsibly, to use resources wisely and to manage waste well.

**Total waste (tonnes)**



The increase in waste volumes, and the changes in how the waste is processed, since 2021 is principally due to changes in portfolio composition as well as broadening measurement parameters as our Sustainability Pillar has led portfolio companies to measure parts of their waste stream over which they previously had little or no visibility. We are actively working with all our portfolio companies to divert waste from landfill and to maximise the proportion that is recycled.

being used as a natural fertiliser, avoiding the negative environmental effects that traditional fertiliser may cause. Golf tees are now made from bamboo, a more sustainable alternative to plastic tees. The Club Company have also set a target to reduce energy consumption by 40% by 2030, in addition to reaching 99% of waste not going to landfill.



**Club Company**

To reduce environmental impacts in and around their clubs, The Club Company has introduced a range of new initiatives. Insect nest boxes have been placed around the estate to provide shelter and nesting sites for native and migratory insects. Used coffee grounds are



**Stuart Turner**

Stuart Turner’s products already play an important part in water management and minimisation of leaks by enabling low water pressure in mains. However they are also committed to minimising their own water usage, having made a 17% reduction over the past year. In addition, instructions for their Showermate products are now accessed through a QR code, creating a saving of 3.5 tonnes of paper each year.



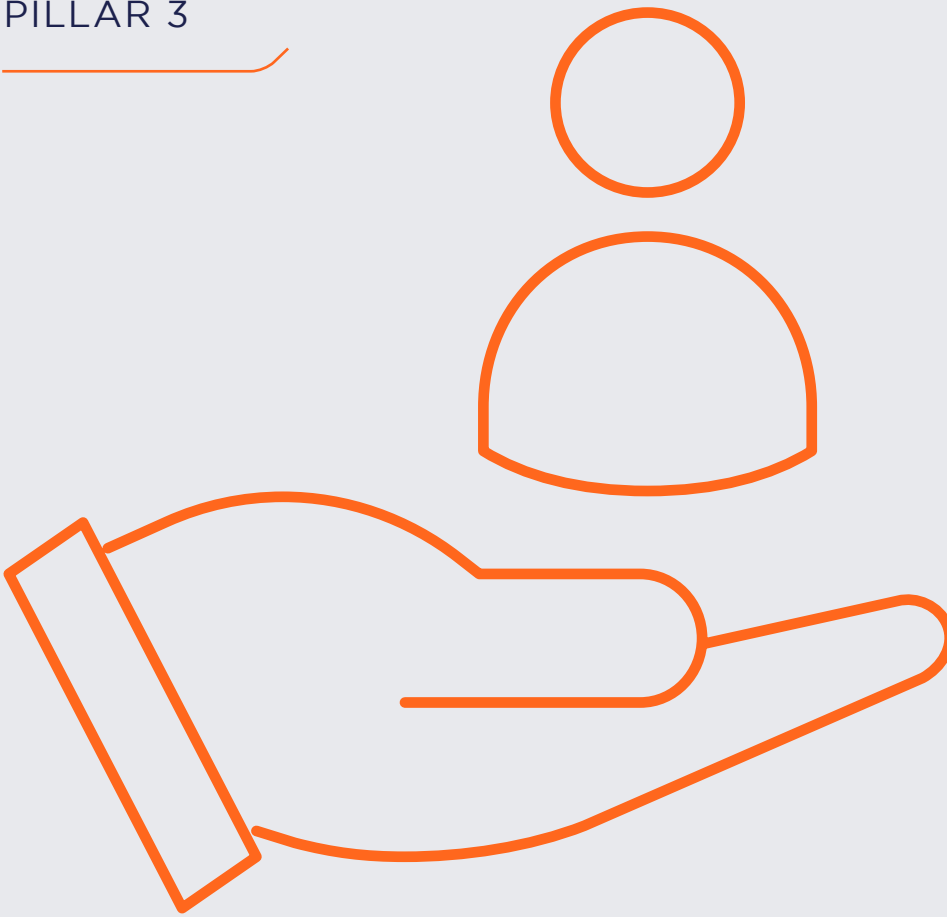
## Portals

Portals has been extremely ambitious in attaining a range of certifications that showcase its commitment to managing waste well. The company has attained ISO 14001, an internationally recognised standard for environmental management systems, as well as the EcoVadis Silver Medal, reserved for the highest scoring 15% of companies that have undergone the EcoVadis assessment of a company's sustainability management system



## The Big Table

The Big Table has made excellent progress towards its goal of sending zero waste to landfill by 2025, and currently on track with 99% of waste being diverted from landfill and 67% being recycled. In addition to this, the company uses BioPak sustainable packaging for food delivery, resulting in the offsetting of 111 tonnes of carbon and avoiding 8 tonnes of plastic use.



# People

A healthy, diverse and engaged workforce

## **Aspiration:** World-class workforces

Epiris and its portfolio companies should:

- Be employers of choice, able to attract and retain the very best candidates for each role
- Offer an open and inclusive working environment populated by a diverse workforce and which encourages and recognises contributions from and collaboration between every member of staff
- Recognise the importance of their workforce's physical and mental health and safety

People are paramount to our success and that of our portfolio companies. We believe that organisations that encourage and recognise their staff will outperform those that fail to do so. We are therefore committed to creating and maintaining a culture, both in our own firm and in our portfolio companies, that attracts talented people, that develops and harnesses their talents, and that protects and retains them.

Average GPG: **13%**

#FTEs: **19,355**

**90%** of portfolio companies conduct employee surveys



## Sapura

Sapura has grown its apprenticeship scheme, providing a viable alternative to a traditional university education. Apprentices at Sepura are able to achieve qualifications alongside their roles within the business, gaining invaluable experience and skills in both the workplace and academia.



## Nucleus

Nucleus has become a signatory of the Women In Finance Charter, an initiative launched by the HM Treasury to support the careers of women in the financial services sector. In addition, Nucleus has recently launched their Nucleus Foundation, starting with an initial £750,000 to go towards the issues and causes most important to their employees.



## The Big Table

The Big Table deploys numerous tools to engage its workforce, including town hall meetings, an annual conference, newsletters (including an ESG newsletter) and using social media to showcase its restaurants. The company monitors the diversity of its people, and in the past year has taken steps to improve inclusion, for example launching an LGBTQIA+ employee resource group and partnering with WiHTL, which supports hospitality, travel and leisure businesses to create diverse and inclusive environments, to support the career development of women and ethnic minorities



## Epiris

We have continued to grow and develop our own team. We aim to hire the best people, to invest in their learning and development, and to offer them opportunities to contribute and succeed. We continue to sponsor Level 20, an organisation dedicated to improving gender diversity in the European private equity industry. In 2024, we will run paid summer internships in partnership with Girls are Investors, which aims to improve gender diversity in investment management by building a pipeline of entry-level female and non-binary candidates; and 10,000 Black Interns, which was founded to address the underrepresentation of Black talent in the investment management industry.



# Ethics

A strong moral compass

## Aspiration: We want to be proud

We want to be proud of the businesses we invest in, of what they do and of how they treat their people, their customers and suppliers, and the world around them. This attitude should be led from the top and engrained in the culture of the business.

Companies that behave with integrity and professionalism earn their license to operate. Through this integrity and professionalism, we

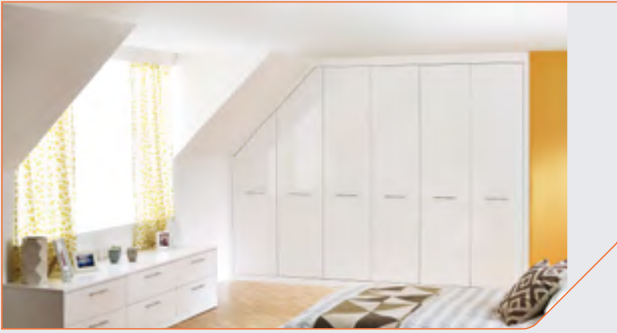
build the trust that is foundational to our relationships with investors and stakeholders who only want to work with companies that operate both ethically and transparently.

We work hard to ensure that both we and our portfolio companies have strong governance structures in place supported by training on key issues to achieve this.



## 100% of portfolio companies

- have a Code of Conduct in place
- have an Anti-Bribery and Corruption Policy in place



## Sharps

Sharps works hard to ensure sustainable and ethical practices within its supply chain and has introduced a Responsible Procurement Policy and an Ethical Trading Policy, outlining strict guidelines and expectations that their partners must meet. Sharps has also created a partnership with the British Heart Foundation, collecting old freestanding furniture from customers which is then sold with the proceeds going to fund the foundation’s vital research into heart and circulatory disease.



## Nucleus

From its central position in the pensions and savings industry, Nucleus is ideally placed to identify steps that can be taken by the whole industry to improve the financial confidence that people feel as they approach and reach retirement age. As part of this, Nucleus has released the Nucleus UK Retirement Confidence Index, a new first of its kind annual index tracking UK retirement confidence over time and acting as a basis for successful collaborative change across the industry.



## The Big Table

The Big Table has always recognised the importance of supporting meat and dairy suppliers in the responsible and humane rearing of animals, with key policy requirements in place based on animal welfare legislation, the globally recognised Five Freedoms, and independently verified farm assurance standards. To build on this commitment, in the past year The Big Table has become a signatory to the Better Chicken Commitment, a pledge to introduce higher welfare standards for all chicken sourced in its supply chain by 2026, including: slower growing breeds, more space to live, natural light, perches and pecking materials, humane pre-slaughter stunning, and a commitment to third party certification and reporting of progress.



## Inchcape Shipping Services

ISS has recently partnered with Ambrey, a global leader in maritime security risk management, to transform safety and security in the maritime sector. The partnership will combine Ambrey’s extensive and reputable expertise in safety and security services, with ISS’s global network, data intelligence, and experience in port agency, marine, and survey services to enable the maritime industry to bolster safety protocols, enhance operational efficiency and address risk.



### In Memoriam

It was with profound sorrow that we received the news of the sudden death of our friend, colleague and Managing Partner Alex Fortescue whilst cycling near his home on May 17th, 2024.

Alex was an exceptional individual: a gifted investor, an inspirational and ambitious leader deeply committed to the success of Epiris and all those he worked with, a kind-hearted man with humanity and a huge appetite for life and for work.

He started his career in 1990, graduating from Imperial College London with a first-class degree in Electronic Engineering and joining OC&C Strategy Consultants. He spent nine years at OC&C and took an MBA at INSEAD before joining Apax Partners where he spent eleven years, becoming Global Head of the Retail and Consumer Group. He joined Epiris as Chief Investment Partner in 2011 and became Managing Partner in 2016.

Alex was a talented and prolific investor who made great use of his agile intellect, insight and creativity. He had vision and ambition and was able to persuade those he worked with

that anything was possible if only they set their sights high enough. His track record includes plentiful evidence of his skill – investments such as New Look, Parkdean, Davies Group or AXIO – and at the time of his death he was busy working to build our investments in Bonhams, The Big Table, Appello and Inchcape Shipping Services into deals which could be held up as epitomes of the private equity model in which he believed so strongly.

He loved investing and he loved building businesses, including our own. He joined Epiris in 2011 to be the lynchpin of leadership succession, allowing an older generation of partners to retire and the next generation to take the business forward, a task he achieved with grace and delicacy. He led Epiris with his characteristic enthusiasm through a period in which we carved out a clear and distinct niche in highly competitive markets, culminating in the hugely successful raising of Epiris Fund III, and built and developed a team that can take the business into the future. We know that Alex was so proud of everything we achieved together.

Alex was passionate about Epiris and about life. His bottomless reserves of energy were the stuff of Epiris folklore – one of our friends who wrote with their condolences described him as “superhuman”. His natural curiosity gave him an astonishing breadth of knowledge; he relished debate and was always at the heart of any conversation around our coffee bar, at dinner or on a chairlift. He was engaging and good-humoured company with a love of food and wine that made him an excellent travelling companion. We all have many happy memories of socialising with him at home and around the world – over pulled pork in Tallahassee, sea cucumber in Beijing, or at the sumo wrestling in Osaka. Alex genuinely brought out the best in everyone around him.

Alex lived life to the full. He was a keen sailor, skier and cyclist. He was a family man and is survived by his wife and three adult children. We will all miss his energy, his optimism and his company. Most of all, we will miss his friendship.

**Epiris LLP**

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A graphic element in the bottom right corner consisting of a dark blue triangle with a gradient from black to light blue, containing the word "epiris" in white lowercase letters.

epiris