

CGE
PARTNERS

Impact Report

2023



Certified



Corporation

A note from CGE

At CGE Partners, we strive to be a force for good, as well as a force for change. Achieving B Corp certification in 2021 demonstrated our ambition to provide returns for our investors whilst having a positive impact on the communities we work with, both directly and indirectly.

It is in our firm's DNA to foster being a B Corp and all it represents. The aim of this Impact Report is to share the work we have done to improve since our accreditation two years ago. Events over the past couple of years have caused uncertainty and shifts in the way we work but what has remained constant is our commitment to embark on this evolving journey and to maximise our positive impact on both people and planet.

Being a B Corp has opened up many conversations for us. We are proactive in encouraging others in our network to complete the B Corp Impact Assessment and use it as a tool to improve their sustainability practices. As an investor in and custodian of other businesses, we are aware that our impact extends further than our own team and operations, and we will continue to bring the B Corp spirit to our portfolio companies and beyond.

CGE's journey to certification



CGE aims to be a sustainability leader in UK private equity. Since day one we have strived to do the right thing in the right way, for our investments, our team, our community and our environment. We have continued to incorporate best-practices and associations that further this stance and becoming a B Corp was the first important step. We believed the certification perfectly captured our beliefs and positive approach to business.

We began the B Impact Assessment in September 2020, and while we were pleased to clear the 80 point certification threshold, the process also made us reflect on our work to date, and taught us new ways to improve. Gaining B Corp certification in June 2021 was a major milestone in our firm's development.

We recognise our impact on our stakeholders and the environment. Being a B Corp holds us to exceptional standards of corporate governance, transparency, accountability, and social and environmental responsibility.

At CGE, we are committed to continuously improving throughout our B Corp journey. Our team are all competitive as well as caring, so we are always pushing ourselves and the firm to do the best we can for all stakeholders.

Stephen Moore, Head of Finance and Operations

Our B Impact Assessment Score

CGE's initial 2021 B Impact Assessment score of 93.8 highlights our early efforts to set ourselves up as a responsible employer and investor. As a private equity firm our BIA 'Customers' section covers how we interact with our portfolio companies, as well as our own investors, so this was naturally an early priority for CGE. While our initial score compares well to the B Corp minimum, and ordinary businesses (see below), we are keen to improve on all fronts when we recertify next year.

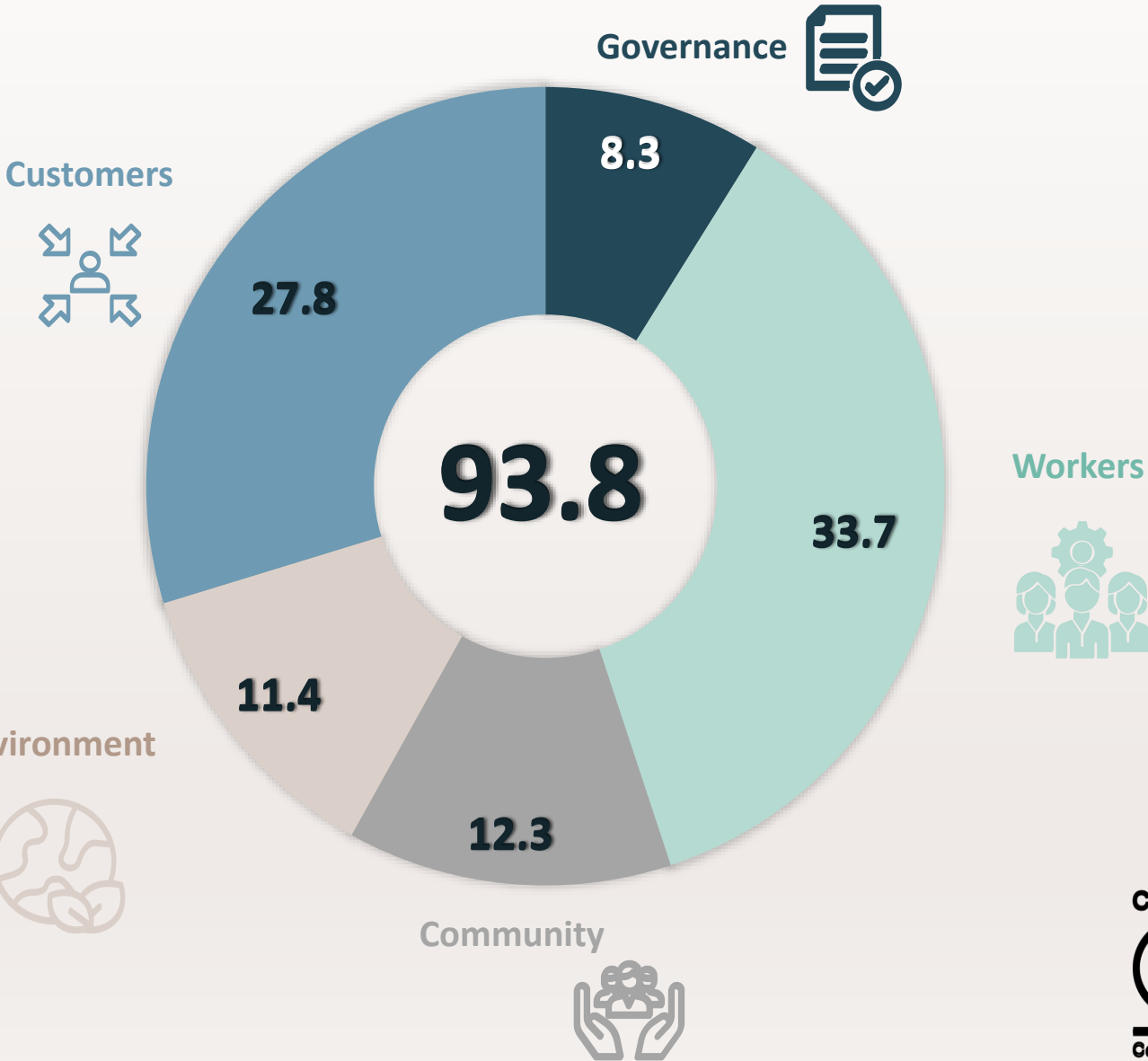


CGE | **93.8**

B Corp Threshold | **80.0**

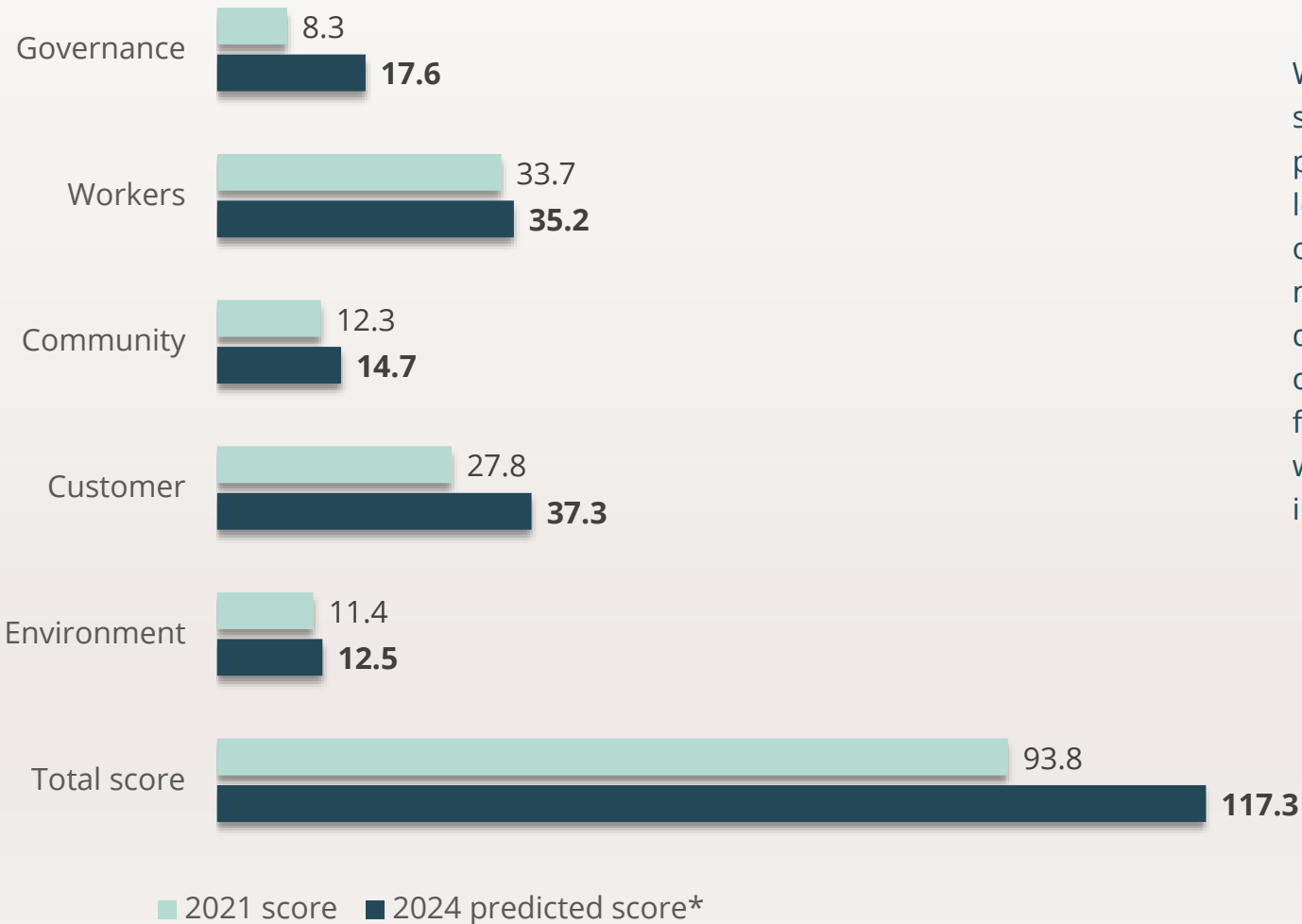
Ordinary business

Median score | **50.9**



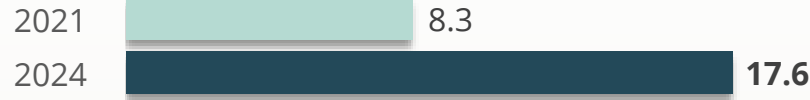
CGE's 2024 Impact Assessment Goal

2021 vs 2024 B Impact Score



We are proud that our first BIA scored comfortably above the 80 point minimum, but we are always looking to challenge and improve ourselves. As a start-up, we had many areas of the firm still to develop and improve at the time we certified, so these have been the focus of our efforts since 2021. We will explore each area in more detail in this report.

Governance

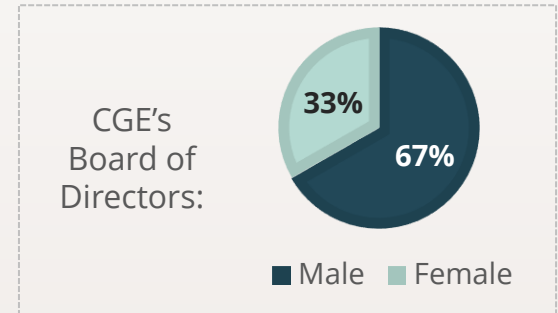


Shortly after our accreditation in 2021 we wrote the B Corp legal requirements into our firm's Partnership Agreement. By weaving the B Corp requirements into the foundations of our partnership we have fully committed to the letter as well as the spirit of our B Corp status. This 'Mission Lock' boosts our forecast B Impact Assessment score, but more importantly places our promise to do our best for people and planet at the heart of our business and how it is governed.



As a regulated financial services business the strength of our governance and internal controls has always been paramount, so we performed best in this section. We believe that maintaining high standards is every bit as important as achieving them in the first place, so will stay tightly focused in this area.

Since we launched in 2019 CGE's Board of Directors has had three members, including one female, and one independent.



CGE's defined ESG strategy structures our approach to investing responsibly and with purpose. In 2021 we became a signatory of the UN Principles for Responsible Investment (UNPRI) and in 2022 CGE joined the Initiative Climat International (iCI). Along with the British Private Equity & Venture Capital Association (BVCA), we engage with and report to these industry bodies, to increase our understanding of and to support climate and other positive industry agendas. CGE is deeply committed to being part of change in the industry and we have aligned our firm's KPIs with requirements of the Sustainable Finance Disclosure Regulation, Institutional Limited Partners Association (ILPA), and other global standards.

What's next?

CGE will join the ESG Data Convergence Initiative to contribute to a critical mass of meaningful, performance-based ESG data from private companies to boost transparency and progress in the industry.

Signatory of:



Workers



The CGE Team:

% Senior Management* Female
33%



% Senior Management Male
67%



Total % female
42%

Total % male
58%



Promotions & Career Development at CGE

As a small team, every employee at CGE has a huge impact. We believe in nurturing and supporting everyone to reach their full potential, both in work and personal pursuits.

Our team has grown from six when we launched to 17 today, with 11 promotions along the way. Beyond compulsory training, the team partake in industry and skills development training as well as attending conferences to stay ahead of the curve.

CGE Culture and Employee Wellbeing

We work in a high-paced industry, so understand the importance of looking after our team, and enjoying some downtime together.

CGE has teamed up with Juno, an all-in-one wellbeing benefits platform. We offer employees a flexible monthly allowance to contribute towards wellbeing products and experiences, that matter to them, to create a healthier and happier culture.

Beyond the office, we encourage the team to take part in internal and industry wide events. So far, the team has enjoyed everything from breath workshops to triathlons, tennis, netball and football tournaments.

What's next?

We are introducing a quarterly employee NPS (net promoter score) survey from Q3 2023 to better understand employee satisfaction and identify improvements.



* Senior Management defined as the Partners. Figures correct as of March 2023.

Community



Since accreditation, CGE has partnered with Matchable, a fellow B Corp. Matchable connects employees to innovative volunteering projects based on the causes they care about and their skillsets.

Matchable has enabled CGE to work on lots of fantastic projects, both individually and as a team. Our people have helped organisations like Support Ukraine and the Chelsea Methodist Church, as well as providing their individual skillsets to charities and not-for-profits to support with business strategy, admin support, financial advice, marketing guidance and app testing. To date, the CGE team have committed over 150 hours of employee time to Matchable projects.

We have continued to develop our supply chain screening and review processes since accreditation, and we now bank with a fellow B Corp, so can be sure that our finances are in responsible hands.

What's next?

In 2023 we aim to beat our 10 hour per person annual volunteering target and increase donations to staff charitable activities.

The CGE team sorting and packing supplies at Support Ukraine



MATCHABLE



Lunch service at Chelsea Methodist Church



Customers



CGE invest in high growth businesses providing mission-critical solutions to global challenges and facilitating the transition to a more digital, renewable, secure and compliant future. We create supportive and trusted partnerships with our companies to help them reach their full potential and maximise their positive impact on society. Ethical considerations and ESG improvements are integral to CGE's investment process, from when we first identify an opportunity, throughout the acquisition process and our partnership together, right up to when we come to sell.

Since accreditation CGE have introduced and improved a number of processes across the investment life cycle. We have formed a dedicated team to drive our ESG strategy both internally and across the portfolio. In December 2021, we published our Responsible Investment Policy which highlights our commitments and approach to sustainable business. In line with this, we have developed a due diligence process to ensure all potential investments meet our standards.

We work closely with our businesses throughout our hold period to improve their practices across our four focus areas: Governance, Workers, Community, and Environment, which form our ESG Framework (see next slide). All companies are required to report quarterly on relevant KPIs which are continually monitored and improved.

What's next?

We aim to improve the analysis and comparability of our investments' ESG data by developing a bespoke scoring system and benchmarking performance against industry standards.



Customers



CGE's ESG Framework captures the most relevant ESG metrics that have the greatest impact on the industries and businesses we invest in, across our four focus areas:

Governance		Workers		Community		Environment
1 ETHICS AND INTEGRITY Promoting and exercising the highest standards of business conduct and personal behaviour	2 DATA PRIVACY AND SECURITY Managing risks related to protecting customer or user data and IP	5 EQUALITY, DIVERSITY AND INCLUSIVITY Creating a culture and hiring and promotion practices to build a diverse and inclusive workforce	6 EMPLOYEE HEALTH AND WELLBEING Ensuring employees' physical and mental health and wellbeing	8 IMPACTS ON COMMUNITIES Management of the relationship between businesses and the communities in which they operate and those which they impact	9 SUPPLY CHAIN Robust management of ESG risks within a company's supply chain	10 MEASURING AND MINIMISING ENVIRONMENTAL FOOTPRINT AND NEGATIVE IMPACTS This includes the environmental impacts associated with energy consumption, and addressing the GHG emissions that a company generates through its operations
3 RESPONSIBLE BUSINESS MODEL Adopting a business model and growth strategy to ensure products and services are developed and delivered in a responsible manner and which seeks to avoid unintended consequences	4 FAIRNESS Carrying out business in a manner which treats stakeholders and society fairly	7 STRONG LABOUR PRACTICES AND EMPLOYEE ENGAGEMENT Supporting good employment policies, practices and initiatives to foster employee engagement and enhanced talent attraction and retention				

Environment



In 2022, CGE partnered with Persefoni, the leading Climate Management & Accounting Platform (CMAP) to measure carbon emissions at both a firm and portfolio level. CGE recorded all Scope 1, 2 & 3 for 2022 and used carbon removal and offsetting to balance our impact. The portfolio companies measured Scope 1 & 2, with some extending to Scope 3.

CGE's own environmental impact is relatively small compared to our wider group of investments, but we still aim to measure and improve wherever we can. We have taken steps to reduce our office's energy intensity and achieved an 8% reduction in relative energy use (kWh per FTE) from 2021 to 2022, despite the office being closed at points during 2021 for COVID-related lockdowns. We aim to continue this progress in 2023. We also introduced a policy to reduce printing and paper usage at the end of 2021 and have managed to cut printing by 85%.

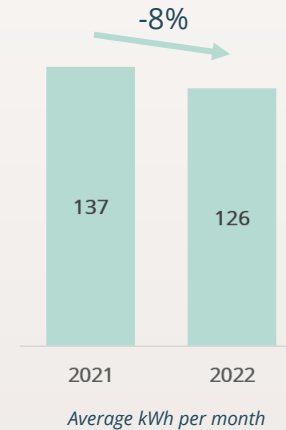
As we rent an office within a larger building, we are unfortunately unable to measure our water usage or waste and recycling metrics. We have engaged with building management on the building's communal energy usage and coolant gasses, to get a completely accurate picture of our carbon emissions (CO₂e).

What's next?

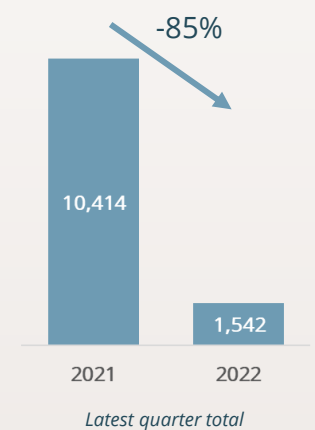
In 2023 we will expand the collection of our portfolio emissions data to include all of Scope 1, 2 and 3. We will explore implementing Science Based Targets and specific reductions targets for our investments.



Energy Use per FTE



Pages printed



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