

KLAR
PARTNERS

DRIVEN BY VALUES

ESG Report 2022



Contents

We are KLAR

KLAR in Numbers	3
About KLAR	4
Driven by Values	5
A Year in Review	6
KLAR <i>Four Key Questions</i> Framework	7

Implementing ESG at KLAR

A Fully Integrated Approach to ESG	9
ESG at KLAR	10

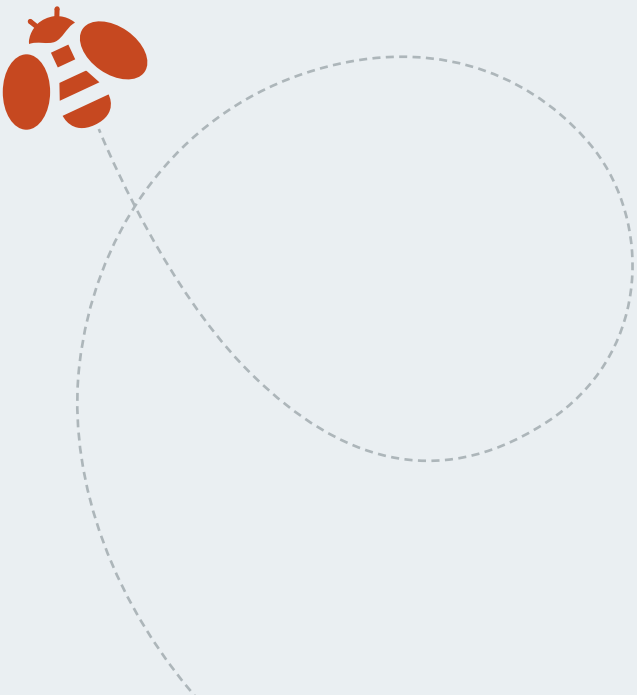
External ESG Frameworks

UN Principles for Responsible Investment	13
UN Sustainable Development Goals	14
Data Convergence Initiative	15

The KLAR Portfolio

KLAR Portfolio Overview	17
NWT Group	19
ITS Kanal Services	25
Swoosh	31
Oleter Group	35
Nimlas Group	39
Enerim	45

We are KLAR



KLAR in Numbers

1

FUND

€630m

FUND SIZE

6

PORTFOLIO COMPANIES

22

KLAR EMPLOYEES

27%

FEMALE EMPLOYEES

9

NATIONALITIES

5,045

EMPLOYEES IN PORTFOLIO

28%

EBITA GROWTH

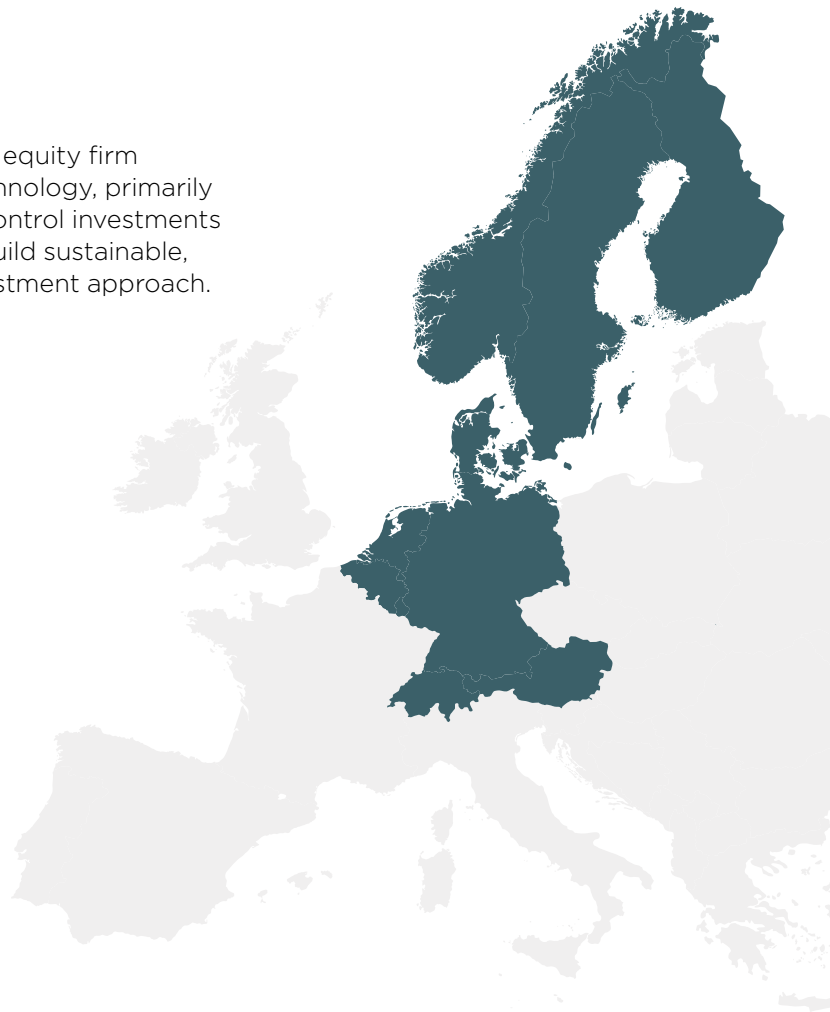
40

ADD-ON INVESTMENTS

About KLAR

KLAR Partners is an independent, mid-market private equity firm investing in mission-critical services and industrial technology, primarily in the Nordic, Benelux and DACH regions. We make control investments in companies, partnering with their management to build sustainable, market-leading businesses through a responsible investment approach.

We are driven by our values of Clarity, Community, Courage, and Curiosity. Deploying our proven transformational investing framework to realise the full potential of our companies through growth, operational improvements, and buy-and-build strategies.



KLAR'S OWNER PHILOSOPHY

We form close partnerships with management and seek to realise the full potential of our businesses by applying our simple owner philosophy.

We strongly believe in – and will ensure – managerial freedom complemented by proper corporate governance and a clear chain of command.



BIG AND BOLD GOALS
Set the ambitions



**WORLD-CLASS LEADERSHIP
AT ALL LEVELS**
Put ideas into action



**LOW NUMBER OF HIGH-IMPACT
INITIATIVES**
Build the road to success



ACCELERATE
Capitalise on strong momentum

Driven by Values

At KLAR, we believe that our culture is the most important element in building long-term success. It needs to be well-defined, sufficiently easy to communicate, and to be lived every day.

Our four values of Clarity, Community, Courage, and Curiosity create a culture which underpins KLAR's future success and it's this culture that defines and drives our team's spirit and approach. It's also what we bring to our portfolio companies. By clearly defining our values, we aim to inspire a culture that drives behaviours that will deliver the desired results.

Our 'Community' value stipulates that we should be mindful of the impact our investing activities have on society. We strive to make this as positive as possible by recognising our responsibility as an owner whose decisions can affect local communities, society at large, and the environment.



CLEAR COURSE

We keep it simple, direct and transparent



RESPONSIBLE INVESTING

Team and society aligned to succeed



BIG AND BOLD GOALS

We embrace courage to transform



ALWAYS LEARNING

We learn from both successes and mistakes



A Year in Review

2022 was another active year for KLAR. We executed four important transactions which included investing as a growth partner in NWT Group, a provider of integrated solar systems and a key contributor to Germany's energy transition, and in GMC Instruments, a company whose testing and measurement equipment supports the global trend towards electrification. We also made two transformational add-ons; Konstel, an add-on for Nimlas, further strengthens our offering of technical installation services helping to drive energy efficiency improvements in buildings. The second transformational add-on was Swoosh, which expands our activities in Underground Infrastructure Maintenance (UIM) from Switzerland and Germany into Scandinavia. Since inception, our companies have completed more than 40 add-on investments extending their geographic reach and adding attractive new products and service offerings.

WE LEAN ON OUR *FOUR KEY QUESTIONS*-BASED INVESTMENT SELECTION PROCESS



Tailwinds

Does the company benefit from strong macro and subsector *tailwinds* and support the key challenges addressed by the UN Sustainable Development Goals?



Strong Core

How can the company leverage its strong market position, sustainable offering, or stable business model to maximise its potential?



Strategic Asset to Buyers

Once the work is done, will the business be a must-have for a buyer?



Clear Path to 5x

Which 3-5 high impact strategic initiatives will accelerate the company to achieve its potential?

Using our *four key questions*-based investment selection process KLAR has built a portfolio of strong companies benefitting from multiple *tailwinds* with a clear path to a 5x transformational journey. As a result, the combined EBITA of our companies grew by 28% in 2022.

INTEGRATED AS A VALUE LEVER INTO OUR *FOUR KEY QUESTIONS*-BASED INVESTMENT SELECTION PROCESS, OUR ESG FRAMEWORK COMPRISES THREE CLEARLY DEFINED ELEMENTS:



Investment Selection

How do we choose the companies best positioned to benefit from *tailwinds*?



Market-Based Initiatives

How do we best accelerate sustainable growth behind the *tailwinds*?



Company-Specific Initiatives

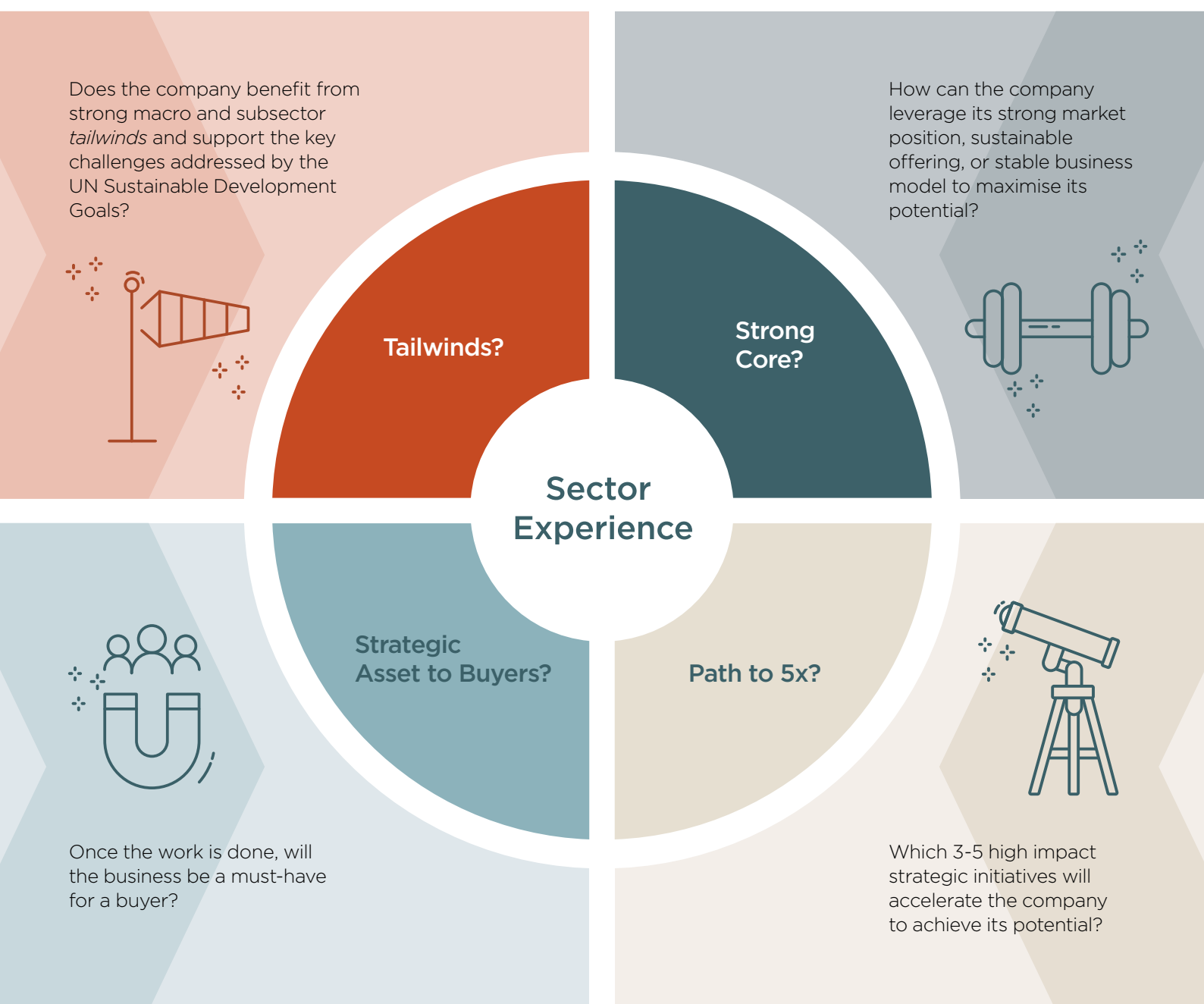
How do we improve our ESG ratings?

We are pleased with the progress of our current portfolio. We hope this report will provide more detail on how we continue to focus on profitable growth whilst delivering on a purposeful ESG agenda.

KLAR *Four Key Questions* Framework

OUR INVESTMENT APPROACH IS GUIDED BY *FOUR KEY QUESTIONS*:

As part of our screening and selection process, we assess potential investments based on a proprietary framework consisting of *four key questions*.



Implementing ESG at KLAR



A Fully Integrated Approach to ESG

EMBEDDING ESG WITHIN KLAR'S FOUR KEY QUESTIONS

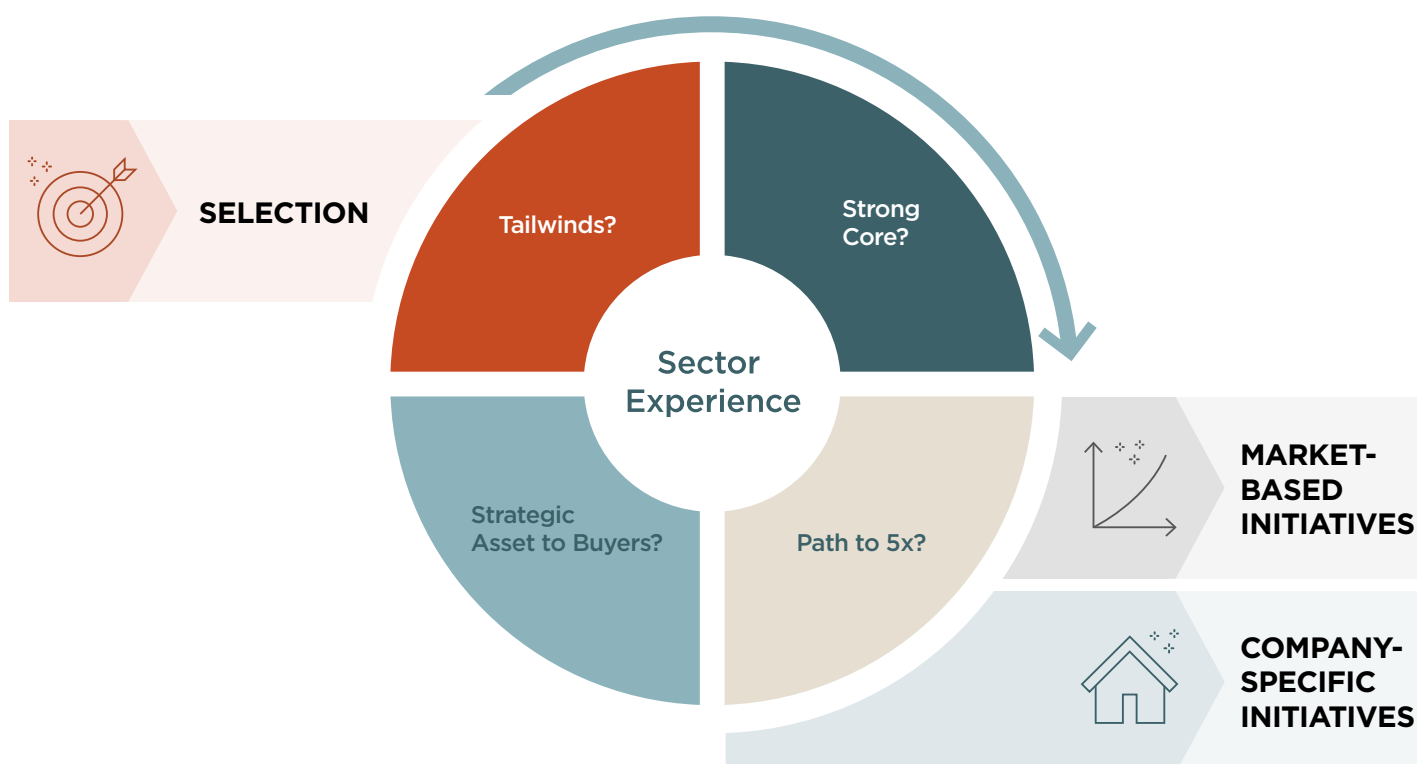
Our ESG framework is an integrated part of the *four key questions* investment selection process and comprises three clearly defined elements:



As our first key question indicates, we invest in industries and companies aligned with positive *tailwinds* that follow secular growth trends and contribute towards the UN Sustainable Development Goals. As a sector-focused firm investing in mission-critical services and industrial technology, we are well positioned to identify the companies in these sectors best placed to benefit from those *tailwinds*. This ensures that we allocate capital investment to businesses participating in end markets driven by long-term sustainable growth.

Our third key question, the Path to 5x, identifies the three to five concrete initiatives that will drive value creation. KLAR collaborates closely with the board and management teams to develop initiatives that benefit from the identified *tailwinds*, are market facing, integrated within our products and services, and value accretive to the business. We set clear KPI targets and track these regularly at board level.

We also seek to improve each portfolio company's ESG rating by identifying initiatives specific to their business operations which enable, and contribute to, developing the company's sustainable leadership position. Being a sector specialist increases the precision with which we can assess which initiatives will have the largest positive impact, so we can prioritise them accordingly. Again, we set clear KPI targets and track the initiatives regularly at board level.



ESG at KLAR

KLAR Partners invests in mission-critical services and industrial technology primarily in the Nordic, Benelux and DACH regions. Our businesses create value by offering products and services that are mission-critical to our customers. KLAR's ESG risks, both geographic and sector, are limited. However, the potential of our strategy to contribute to UN SDGs is meaningful. We believe that integrating our ESG framework in our investment selection process is a critical driver in creating long-term sustainable growth.

OUR ESG CONSIDERATIONS INCLUDE THE FOLLOWING THEMES:



Our ESG Policy includes clear processes and principles for due diligence, exclusions, reporting and monitoring.

DUE DILIGENCE

We always conduct ESG due diligence when evaluating potential investments. We focus on identifying risks and value creation potential. The scope of due diligence follows the *four key questions* framework and forms the foundation for the company specific ESG Initiatives that we implement.

EXCLUSIONS

Our sector focus means we do not invest in high ESG risk sectors such as the mining, oil & gas, tobacco and distilled alcoholic beverages, weapons and ammunition, casinos, or equivalent enterprises. We also have limited exposure to high-risk countries which fall outside our geographic focus. Our investment committee is ultimately responsible for approving or excluding potential investments. The committee members are briefed on the ESG profile of prospects and take this into account in their decision making.

MONITORING AND REPORTING

We believe in proper corporate governance and a clear chain of command. Our ESG policy dictates that the boards of our companies are responsible for ensuring the implementation of ESG initiatives. Our companies track and report to the board on their company specific initiatives as well as the six KPIs prescribed by the Data Convergence Initiative. Our investment committee follows up on the results regularly as part of our portfolio monitoring process. We report to our investors on the ESG performance annually.

DATA CONSISTENCY

To ensure we can track the effects of our initiatives and make comparisons across our portfolio, we strive to constantly improve the quality and consistency of the data reported by our companies. KLAR is a signatory of the Data Convergence Initiative.



External ESG Frameworks



UN Principles for Responsible Investment

Principles for Responsible Investment (PRI) is a network of investors supported by the UN who are dedicated to promoting ESG in the financial industry. KLAR has been a signatory since its inception. In 2022, we took steps to align ourselves more closely with its six core principles.

Signatory of:



THE SIX PRINCIPLES

PRINCIPAL	KLAR'S APPROACH
01 We will incorporate ESG issues into investment analysis and decision-making processes.	<ul style="list-style-type: none"> ESG is integrated into our investment selection process: We assess ESG criteria during all phases of the investment cycle, including screening, due diligence, and ownership. We actively engage in ESG training for our organisation.
02 We will be active owners and incorporate ESG issues into our ownership policies and practices.	<ul style="list-style-type: none"> Our ownership policy, issued by our Investment Committee, is regularly followed up on by the respective company boards. We conduct regular ESG reviews during which we assess the performance of our companies on material ESG themes and define concrete actions for improvement. KLAR has developed a best-in-class governance framework for our organisation.
03 We will seek appropriate disclosure on ESG issues by the entities in which we invest.	<ul style="list-style-type: none"> We participate in the Data Convergence Initiative. We engage regularly with our portfolio companies and in the development of our annual ESG report.
04 We will promote acceptance and implementation of the Principles within the investment industry.	<ul style="list-style-type: none"> We expect our partners to be equally invested in driving UN PRI and do not collaborate with parties if we are aware that they disregard this agenda. We take a vocal stance on ESG and actively promote it to our partners.
05 We will work together to enhance our effectiveness in implementing the Principles.	<ul style="list-style-type: none"> We cooperate with industry leading experts on ESG and facilitate the exchange of knowledge and best practices within and outside our portfolio.
06 We will each report on our activities and progress towards implementing the Principles	<ul style="list-style-type: none"> We actively report on our key initiatives and how we perform against these in our annual ESG report.









UN Sustainable Development Goals

The UN Sustainable Development Goals (SDGs) are designed to drive the 2030 Agenda for Sustainable Development adopted by all UN Member States. They focus on common strategies for the public and private sectors that can be adopted globally by both developed and developing countries. The framework allows participants to understand and align their strategies to drivers with a sustainably positive impact on the collectively agreed goals.

Many of the 17 SDGs drive long-term sustainable growth in the sectors in which we invest. KLAR has made the UN SDGs an integral part of our *four key questions*-based investment selection process.

As an owner, it is our ambition to increase the contribution of each of our portfolio companies to the SDG targets.

SDG MATERIALITY ASSESSMENT OF THE KLAR PORTFOLIO

	3 GOOD HEALTH AND WELL-BEING 	6 CLEAN WATER AND SANITATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 
NWT GROUP	●	●	●	●	●	●	●	●
ITS <small>Kanal Services</small>	●	●	●	●	●	●	●	●
swóosh	●	●	●	●	●	●	●	●
Oleter Group	●	●	●	●	●	●	●	●
Nimlas	●	●	●	●	●	●	●	●
enerim	●	●	●	●	●	●	●	●

Data Convergence Initiative



KLAR is a signatory of the Data Convergence Initiative (DCI), an industry standard for ESG data collection across the world. DCI aims to create a meaningful and comparable set of ESG-related performance data in the private equity industry.

The scope of the key metrics under the DCI will increase over time. KLAR supports our companies to constantly improve the quality and consistency of the data they report.

The DCI metrics are tracked and followed up at board level. We are

committed to the DCI as a common industry standard which allows comparison across KLAR's portfolio as well as with those of other private equity firms.

METRIC

ESG METRICS 2022 / 2023

	Greenhouse Gas Emissions	Scope I emissions (tCO ₂ e) Scope II emissions (tCO ₂ e) Scope III emissions (tCO ₂ e)
	Renewable Energy Consumption	Total energy consumption (kWh) Renewable energy consumption (% total energy consumption)
	Diversity of Board Members	Number of women board members (%) Number of board members from under-represented groups (%) Number of LGBTQ board members (optional)
	Work-Related Injuries	Number of work-related injuries Number of work-related fatalities Total number of days lost due to injuries
	Net New Hires	Total number of new employees (FTE) Organic net new hires Total net new hires Annual % attrition
	Employee Engagement	Do you conduct an employee survey (Y/N)
	Policy Requirements	Anti-Bribery & Corruption Policy Code of Conduct ESG Policy GDPR/Protection and Privacy Policy Supplier Code of Conduct Whistleblowing Policy Diversity & Equal Opportunities Policy Gifts & Entertainment Policy Health & Safety Policy

The KLAR Portfolio

NWT Group

ITS Kanal Services

Swoosh

Oleter Group

Nimlas Group

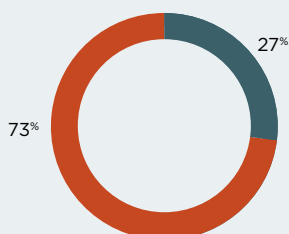
Enerim





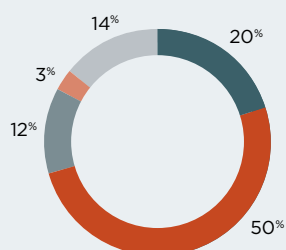
KLAR Portfolio Overview

GEOGRAPHY BREAKDOWN¹



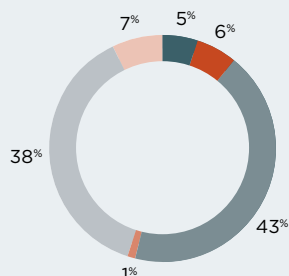
■ DACH
■ Nordics

SUBSECTOR BREAKDOWN¹



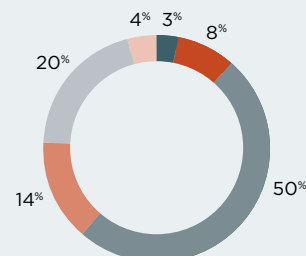
■ Property Damage Restoration Services
■ Technical Installation Services
■ UIM Services
■ SaaS Utilities
■ Solar Services

EMPLOYEE BREAKDOWN



■ Enerim
■ ITS Kanal Services
■ Nimlas Group
■ NWT Group
■ Oleter Group
■ Swoosh

SALES BREAKDOWN¹



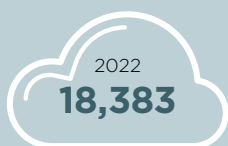
■ Enerim
■ ITS Kanal Services
■ Nimlas Group
■ NWT Group
■ Oleter Group
■ Swoosh

€1bn TOTAL REVENUE

5,045 FTES

ENVIRONMENTAL

tCO₂e EMISSIONS²



CARBON INTENSITY (SCOPE I & II)³

18
2022

SOCIAL

FEMALE EMPLOYEE RATIO



FEMALE EXECUTIVE MANAGEMENT RATIO

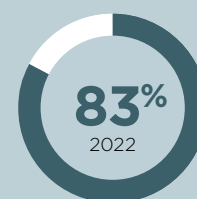


EMPLOYEE ENGAGEMENT⁴



GOVERNANCE

ESG POLICIES IN PLACE⁵



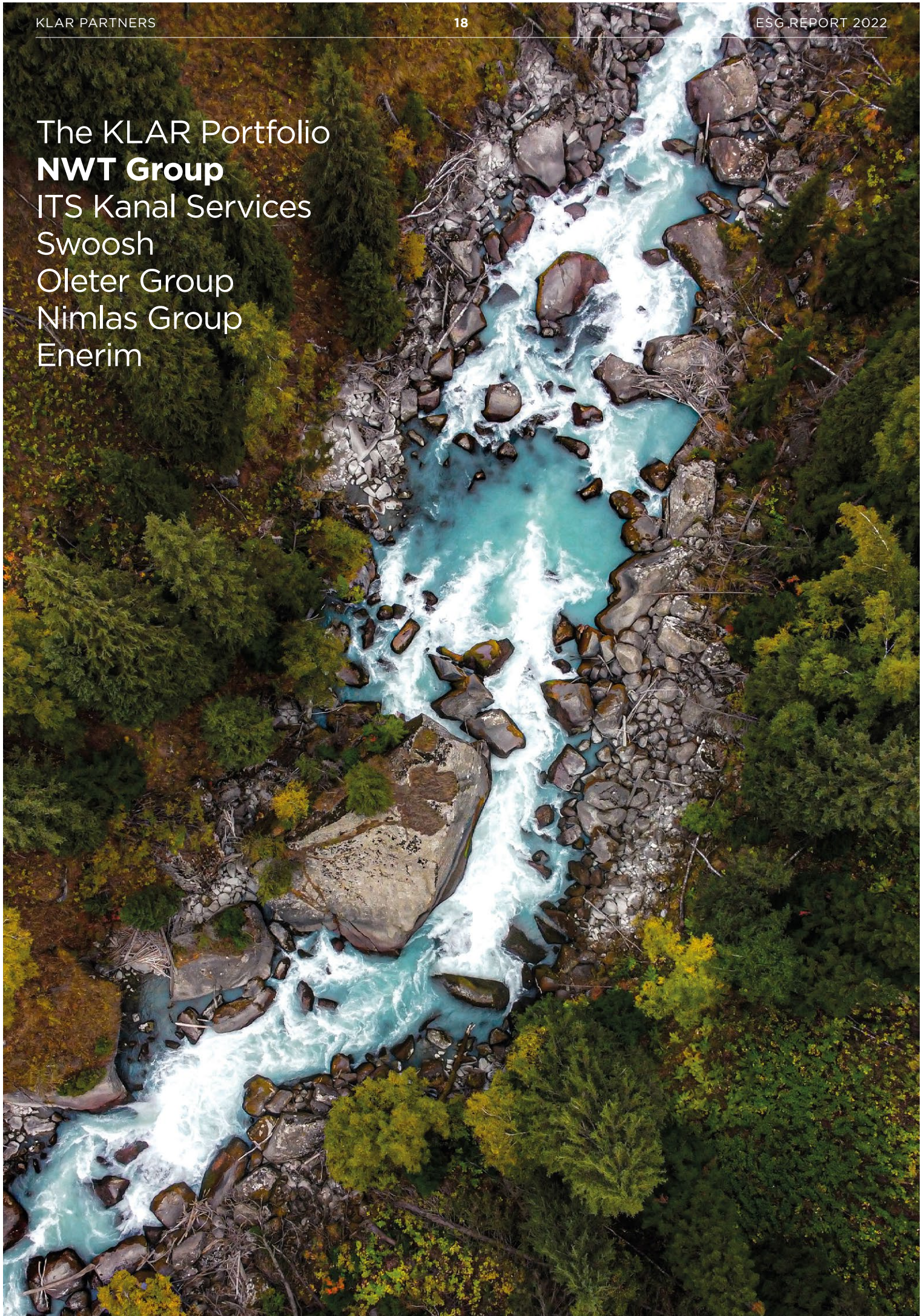
SDG ALIGNMENT



¹ Breakdown by 2022 Net Revenue. ² Reported as Scope I + Scope II emissions. ³ Carbon Intensity calculated as tCO₂ -eq/mEUR Revenue.

⁴ Average % of Employee Engagement Surveys undertaken across the Portfolio. ⁵ Ratio of Portfolio Policies in place (%).

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim





NWT Group: Overview

Building the leading solar solutions provider

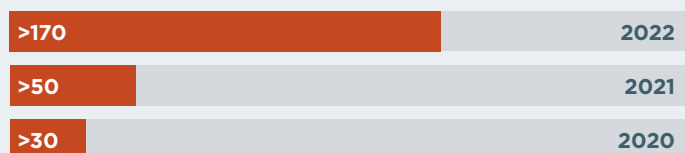
KEY STATS

Investment date:	June 2022
Sector:	Solar Design and Procurement
Transaction type:	Primary Partnership
Geography:	Germany
Headquarters:	Germany

ABOUT

NWT Group was established to help accelerate Germany's transition towards renewable energy. The company provides best-in-class design and procurement services for a broad installer network in the rooftop solar market. NWT Group has revenues of more than €170m with approximately 65 employees, and is headquartered in Germany.

NET REVENUE (EUR M)¹

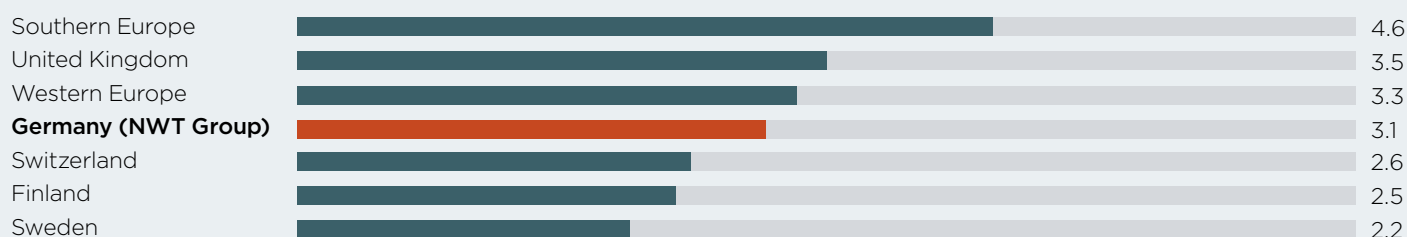


FTE



GEOGRAPHY RISK

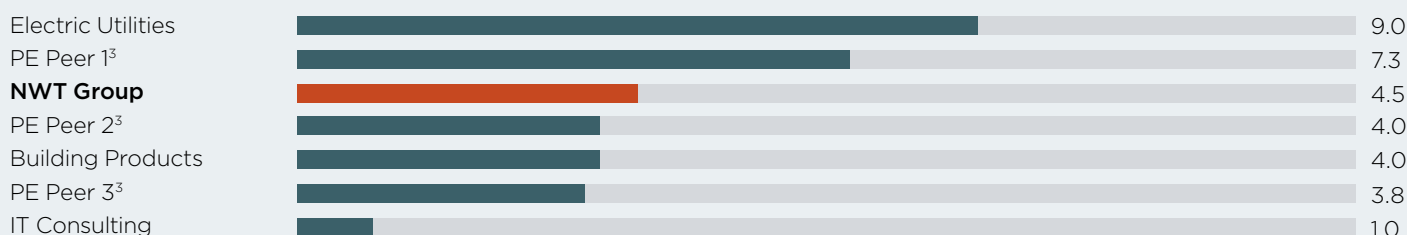
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES²



INDUSTRY RISK

The NWT Group ESG-risk score is low to moderate, mostly driven by involvement in the Environmental & Facilities and Diversified Support Services industries.

NWT GROUP ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)²



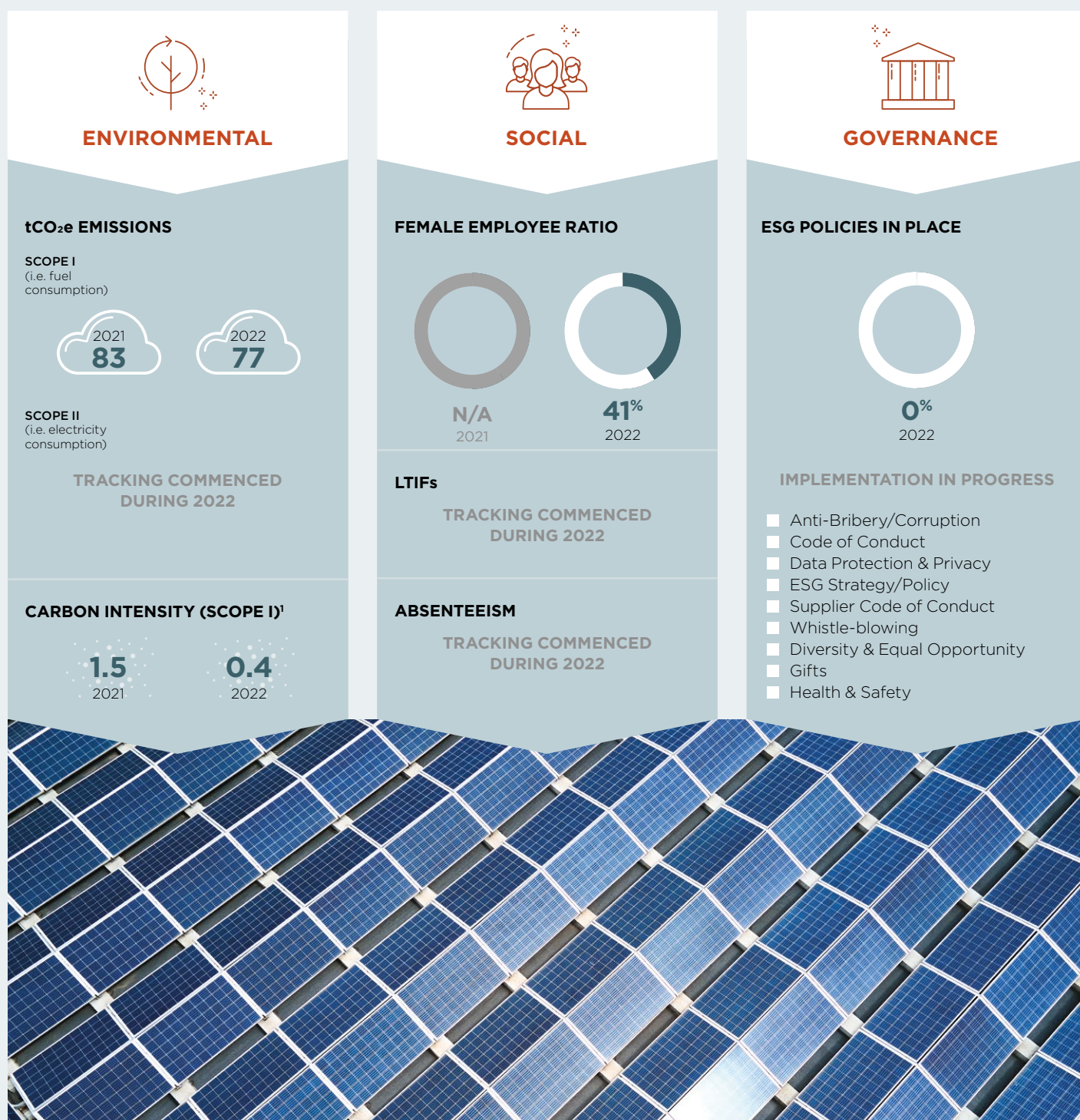
¹ Preliminary unaudited reported revenue. ² MSCI ESG Geography & Industry Risk Scores (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS). ³ Other private equity firm clients of advisor MJ Hudson - most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.



NWT Group: Key Metrics

NWT Group operates in Germany which is considered a low-to-medium risk market compared to other global markets. According to MSCI, high economic development and enhanced market accessibility mean that industries in Western countries have low material exposure to ESG risks. Although direct exposure to ESG risks is limited, companies need to manage upstream supply chain risks, which can be minimised through due diligence or by establishing codes of conduct. Climate impact to buildings or supply chain disruption from flood or fire are currently low but may become increasingly relevant in future decades. As part of the NWT growth journey, formalising our ESG approach is a top priority, and we continue to enhance our reporting capabilities.

NWT GROUP KEY PORTFOLIO METRICS



¹ NWT's Carbon Intensity is calculated using Scope I emissions. The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue).

NWT Group: ESG Strategy and Goals



SELECTION CRITERIA

Energy transition

The global shift towards renewable energy generation has significant public and political support and is growing quickly in Europe. Regulation is changing rapidly to allow for more sustainable electricity generation.



Independent energy generation

Businesses and consumers are looking for ways to reduce their dependence on the grid and generate electricity closer to home, which in turn lowers the risk of disruption and reduces their CO₂ footprint.



Economic sustainability of rooftop PV without subsidies

Electricity from rooftop PV is generally less expensive than consumer electricity across most of Europe. Consumers and businesses can save money by installing rooftop PV.



MARKET-BASED INITIATIVES

INITIATIVE	AMBITION	GOAL 2023
Enable more households and businesses to install PV	Introduce products and services that bring the advantages of decentralised energy generation to a wider audience.	Introduce new products and services.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Formalise H&S and quality standards	Work towards attaining Health & Safety and Quality Control certifications.
Systematically track customer feedback	Establish systems to track customer satisfaction systematically.
Document supply chain	Formalise supply chain documentation and implement regular communication and reviews.
Complete implementation of governance policies	Formally implement governance policies e.g. anti-bribery and corruption policies.

INTERVIEW WITH CEO & FOUNDER

Hermann Schmees

NWT
GROUP

Operating in the fast-growing solar solutions space, NWT Group is a key driver of Germany's energy transition. Hermann Schmees, Founder and CEO, speaks to us about his experience of delivering sustainable solar solutions over the last two decades, and his plans for the future of clean and independent energy generation.

Q. NWT GROUP'S OPERATIONS CLEARLY MAKE A POSITIVE CONTRIBUTION TO THE ENERGY TRANSITION IN GERMANY. WHAT KIND OF ROLE DOES ESG PLAY?

A. Every solar solution we provide is a tangible reminder of how we contribute. It's hugely motivating for all of us at NWT Group. We are driven by helping customers achieve energy independence and it's been an exciting journey. We expanded our team last year to unlock the long-term growth potential that we see in the clean energy sector and, in 2022, we tripled our sales organically

from approximately €50m to more than €170m. As a result, we received the FT award for Europe's fastest growing companies. That's a lot of businesses and households that can now cover most of their energy needs with clean energy from the sun!

To stay focused on our ESG ambitions, we have made ESG a recurring board agenda item. We're scaling very rapidly, and as one of the largest independent, tech-enabled solar services businesses, we're also ensuring that we remain focused on the social and governance aspects.



To stay focused on our ESG ambitions, we have made ESG a recurring board agenda item

Q. TO WHAT EXTENT DO YOUR CUSTOMERS, SUPPLIERS, AND OTHER STAKEHOLDERS SHARE YOUR PASSION TO MAKE A DIFFERENCE AND YOUR ESG COMMITMENT?

A. Purchasing our products, with their implications for energy independence, makes financial and emotional sense for our customers. We're proud of the quality of our solar products and solutions and, with warranties of up to 30 years on our key components, customers are buying for the long term. At the same time as purchasing a solar system, many of our customers also transition to an electric vehicle or electric heating system such as a heat pump. The unit economics provide tangible savings whilst also contributing to a more sustainable planet. On the supplier side, we're working very closely with our partners to ensure we source responsibly.

Q: BESIDES MEETING THE DEMAND FOR CLEAN ENERGY GENERATION IN GERMANY, WHAT ESG MILESTONES ARE YOU PARTICULARLY PROUD OF?

A. Our HQ has been solar powered for many years, we were one of the first companies in Germany to use batteries for a better match of generation and consumption, and our fleet is almost fully electric. We have also installed a large EV charging park at our HQ, including ultra-fast chargers, to allow every employee and visitor to drive electric. Comparatively, however, cutting our footprint is a small contribution. Our real power is in enabling change by helping our customers to make the transition to renewable energy.

Q: WHAT IS THE COMPANY'S ESG STRATEGY FOR THE NEXT 12-48 MONTHS?

A. As we grow, we need to make sure that we are proactive on governance standards. We also put a lot of effort into developing tech-driven solutions for customers. In the last 12 months, we've built a dedicated clean tech team within our organisation. There are also some exciting digital projects in the pipeline, which we hope will make the energy transition even more attractive for customers. And we're developing our own Virtual Power Plant and "Solar-as-a-Service" concepts.

Q. FINALLY, WE'VE SPOKEN A LOT ABOUT THE BUSINESS AND THE TEAM. WHAT DOES ESG MEAN FOR YOU PERSONALLY?

A. A lot. When we founded NWT Group many years ago, I was excited by what the technology could bring to the overdue energy transition. From installing my first solar system on the roof of my parent's house (still running 20 years later) to founding NWT, and now bringing tech-enabled solar solutions to thousands of customers every year.

I'm proud of what the team has built. But we dream much bigger. Hopefully, some years from now, future generations will be proud of NWT Group and its contribution to a carbon-neutral planet. ●

“

But we dream much bigger. Hopefully, some years from now, future generations will be proud of NWT Group and its contribution to a carbon-neutral planet



Hermann Schmees
Founder & CEO, NWT Group

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim



ITS Kanal Services: Overview



Building a European UIM Champion

KEY STATS

Investment date:	May 2021
Sector:	Underground Infrastructure Maintenance
Transaction type:	Carve-out
Geography:	DACH
Headquarters:	Switzerland

ABOUT

ITS Kanal Services offers UIM services for sewage as well as brown and freshwater systems, in a resilient market across Switzerland and Germany. Its services include the cleaning, flushing and inspecting of underground pipes and systems, as well as other maintenance and repair operations. ITS serves a large and well-diversified customer base consisting of local municipalities and industrial customers, as well as private and institutional property owners. With more than 300 employees, ITS Kanal Services is the largest UIM service provider in Switzerland. Including acquisitions signed in December 2022, ITS Kanal Services achieved pro-forma revenues in 2022 of approximately €100m.

NET REVENUE (EUR M)¹

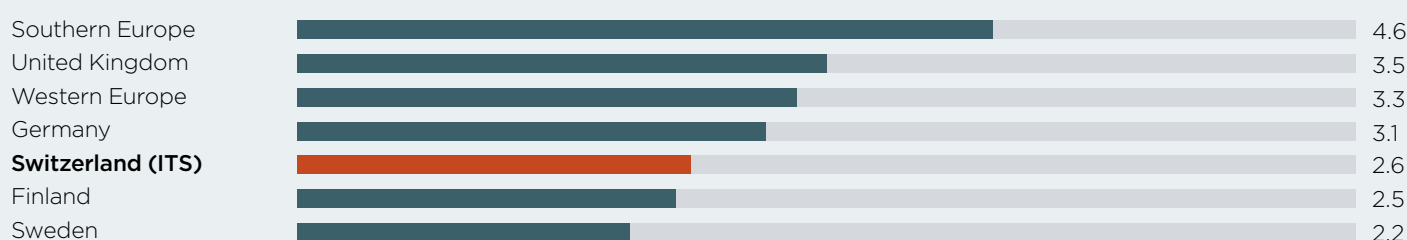


FTE



GEOGRAPHY RISK

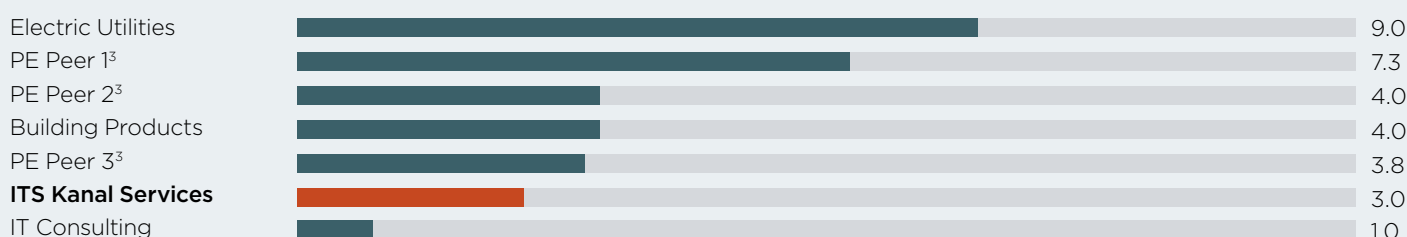
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES²



INDUSTRY RISK

The industry risk score for ITS is low to moderate, mostly driven by involvement in the Water Utilities and Diversified Support Services industries.

ITS KANAL SERVICES ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)²



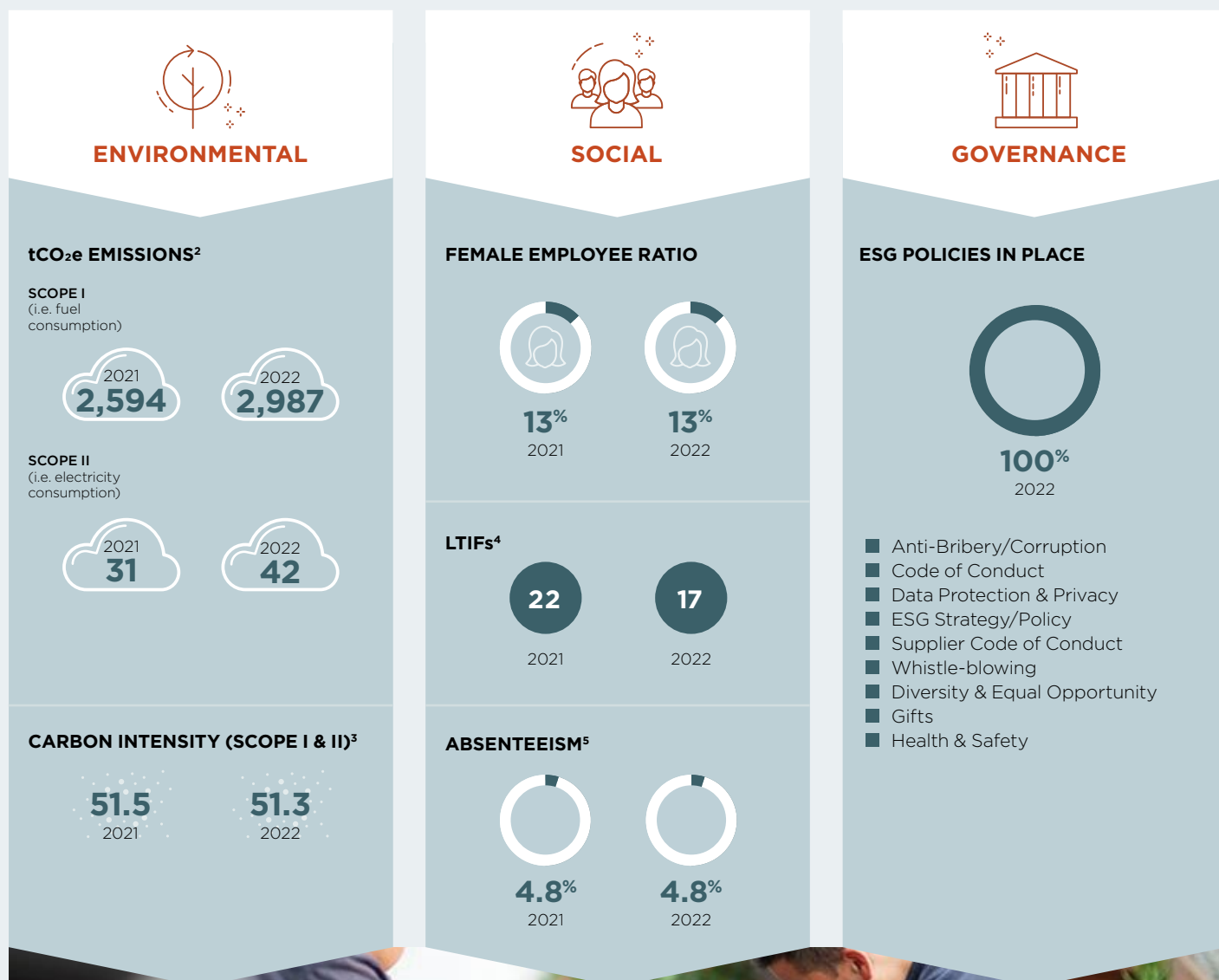
¹ Preliminary unaudited reported revenue. 2020 Revenue converted at EUR:CHF spot rate of 1.0844, 2021 Revenue converted at EUR:CHF spot rate of 1.0364, 2022 Revenue converted at EUR:CHF spot rate of 0.9859. ² MSCI ESG Industry & Geography Risk scores (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS). ³ Other private equity firm clients of advisor MJ Hudson - most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.

ITS Kanal Services: Key Metrics



The risk score for ITS is low-to-moderate. The Water Utilities & Diversified Support Services industry has a positive contribution to make to a sustainable future by increasing climate resilience. There are improvements to be made to the management of materials (in relation, for example, to recycling and the use of hazardous materials) and in reducing carbon emissions.

ITS KANAL KEY PORTFOLIO METRICS¹



¹ Excludes any acquisitions made in 2022. ² Activity data (consumption data or spend data) multiplied by the relevant emission factor. Calculated using MJH's ESG Carbon Tool (Unit: tCO₂-eq). ³ The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue). Calculated using MJH's ESG Carbon Tool. ⁴ LTIF rate is the number of lost time injuries multiplied by 1,000,000, divided by the employee total hours worked. ⁵ Absenteeism rate is the total amount of sick hours (or sick days multiplied by 8 working hours), divided by the total working hours of the year.

ITS Kanal Services: ESG Strategy and Goals



SELECTION CRITERIA

Ageing infrastructure

Most sewer infrastructure across continental Europe was built during the 20th century for the population of the time. It requires continuous maintenance to deal with the strain placed on it by increased urbanisation.



Climate change

The increasing frequency and severity of extreme weather events put additional pressure on the outdated sewer infrastructure, risking leakages into the groundwater and the flooding of communities.



Economic sustainability of sewer maintenance

Sewer maintenance, especially trenchless pipe rehabilitation, cuts cost significantly for municipalities and reduces emissions by up to 80% compared to traditional pipe excavation.



MARKET-BASED INITIATIVES

INITIATIVE	AMBITION	GOAL 2023
Enable corporate customers to mitigate water damage risks	ITS offers multi-year maintenance for property portfolio owners and managers through its proprietary portfolio solutions offering. This minimizes flooding risk, creates budget and planning certainty, and reduces the administrative burden on customers.	Grow portfolio solutions offering.
Roll out 360° sewage maintenance offering for residential customers	Expand the in-house maintenance solutions offering to all main regions.	Establish in-house offering in all main regions.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Measure Scope III emission	Set up an initiative to measure and monitor Scope III emissions including business travel and employee commutes.
Reduced fuel consumption	Set up carbon reduction projects to reduce the fuel consumption in operations, including fleet electrification.
Improve emissions reporting	Prepare to disclose and publish a TCFD report, that captures the climate risk and opportunity.
Increase resource efficiency and waste management	Set recycling and water consumption targets and define an initiative to monitor the use of hazardous materials.
Develop employee training programmes	Use an e-learning platform to develop training systems and materials.
Track customer feedback	Establish systems to track customer satisfaction systematically.
Grow sustainable solutions offering	Make further investment in upgrading and expanding the company's recycling units and electric fleet.



ITS Kanal Services is on a journey to become the European champion in UIM services servicing, repairing and flushing sewage systems in Switzerland and Germany. We caught up with CEO Urs Aschwanden on how a traditional industry like sewer maintenance can contribute towards ESG goals.

Q: YOU OPERATE IN THE UIM SERVICES SECTOR. WHAT DOES THAT HAVE TO DO WITH ESG?

A. A great deal. Our sewer systems are essential for a clean, healthy, and well-functioning urban environment but, for many years, they have failed to receive adequate public investment. Underground infrastructure systems across our target geographies are often decades old and were built for different population sizes and densities. The situation is exacerbated by the increasing frequency and severity of extreme weather events resulting from climate change. Despite its

wealth and small size compared to neighbouring countries, even Switzerland's underground infrastructure requires frequent maintenance and repair. That's where ITS Kanal Services comes in. Our high-quality sewage and pipe maintenance services actively improve the urban environment of German and Swiss cities.

Q: WHAT ARE YOU DOING TO RIDE WHAT SOUND LIKE SIGNIFICANT TAILWINDS IN YOUR SECTOR?

A. Our business targets specific *tailwinds* of importance to everyone, but our constant focus

is on innovations to our business model that will provide customers with a better and more efficient service. We work hard to keep ITS Kanal Services at the forefront of the industry. We were among the first movers in Switzerland to offer trenchless pipe rehabilitation which reduces greenhouse gas emissions by up to 80% compared to traditional excavation techniques. We also offer 3D georeferenced pipe inspection which enables municipalities to maintain their extensive sewer network while using digitalisation to keep track of the sprawling underground infrastructure and avoid potential damage during excavation and construction works.



We were among the first movers in Switzerland to offer trenchless pipe rehabilitation which reduces greenhouse gas emissions by up to 80% compared to traditional excavation techniques

Q: THAT'S PRETTY EXCITING. AND ARE THERE ANY OTHER SPECIFIC INITIATIVES THAT ITS KANAL SERVICES HAS FOCUSED ON?

A. Yes, we operate in-house recycling plants in Agno, Boswil, Kägiswil and most recently, Villeneuve. This improves our operational flexibility and efficiency as we are no longer dependent on the opening hours and capacity of other recycling plants. It also contributes significantly to a circular economy. As part of the recycling process, gravel, sand, stones and metal are separated, cleaned, and sold to third parties. The recycled and purified wastewater is re-used to operate the company's recycling plants and finally returned to the water cycle. It's a real win-win for us, and a great example of how investing in ESG initiatives can contribute to the bottom line.

Q: IT'S FASCINATING HOW YOU CAN INNOVATE IN A MORE TRADITIONAL INDUSTRY. HOW DO YOU WORK WITH KLAR ON THESE PROJECTS?

A. We work closely with KLAR through our Advisory Board to develop and execute our ESG initiatives. As a shareholder, KLAR has been very proactive in bringing an ESG focus to the board agenda. With their support we have developed a comprehensive ESG policy, implemented an ESG KPI monitoring system, invested in electric vehicles and upgraded our recycling plants. Our management team is really encouraged to put time and energy into ESG topics. In addition, KLAR has provided significant growth capital to increase our proximity to customers and to offer them a more holistic service. We have made more than 10 add-

on acquisitions to date, including a specialist provider of in-house trenchless rehabilitation services for fresh water, floor heating and gas pipes, as well as a company who innovated and patented a concept to maintain toilet flushing systems. We are now a national provider of UIM services in Switzerland and are on track to replicate that success in Germany. These services are highly synergistic and reduce emissions and waste as old pipes and flushing systems can be renovated rather than replaced. And that, of course, contributes to protecting the environment. ●

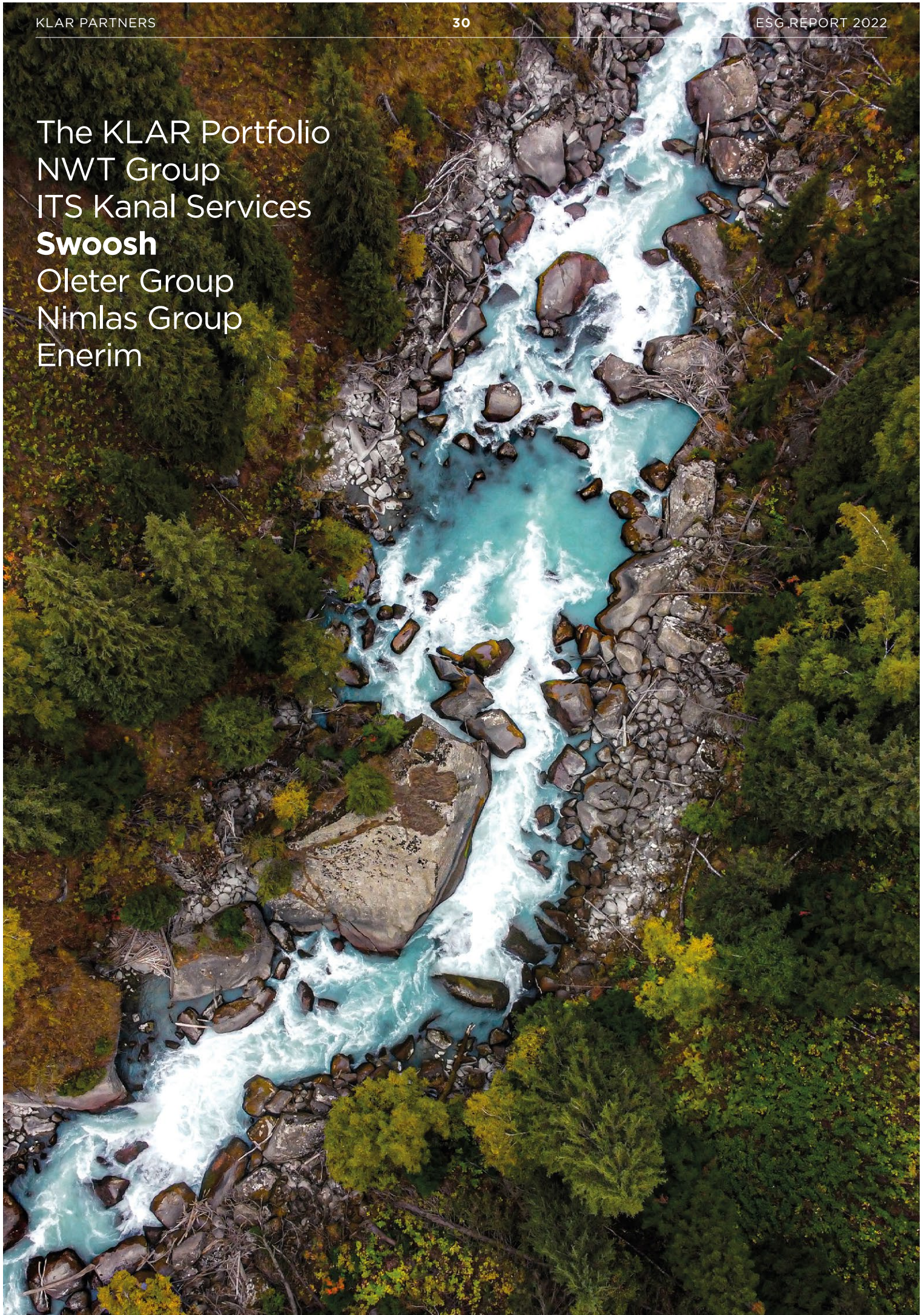


Underground Infrastructure systems across our target geographies are often several decades old and were built for different population sizes and densities



Urs Aschwanden
CEO, ITS Kanal Services

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim



Swoosh: Overview



Building a European UIM Champion

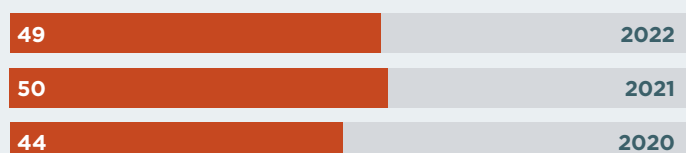
KEY STATS

Investment date:	June 2022
Sector:	Underground Infrastructure Maintenance
Transaction type:	Primary Partnership
Geography:	Sweden
Headquarters:	Sweden

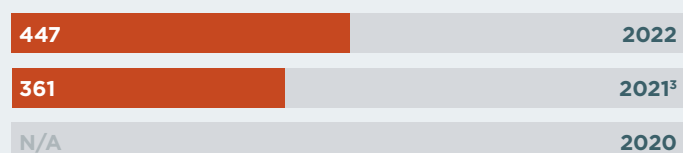
ABOUT

Swoosh offers UIM services to the resilient Swedish market. Its services include the cleaning and inspection of underground pipes and systems, as well as their maintenance and repair. A large and well-diversified customer base comprises local municipalities as well as private and institutional property owners. Swoosh has revenues of €49m with approximately 450 employees, and is headquartered in Umeå, Sweden.

NET REVENUE (EUR M)¹

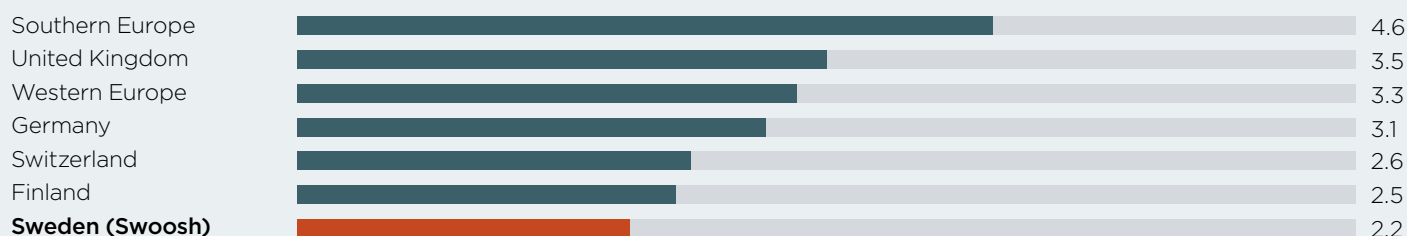


FTE²



GEOGRAPHY RISK

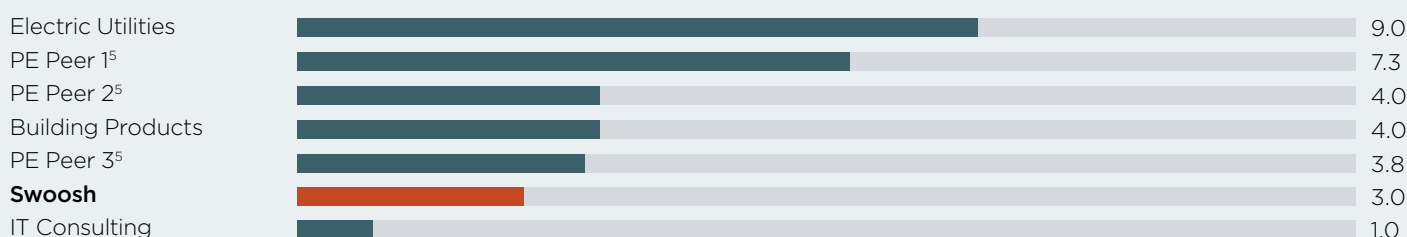
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES⁴



INDUSTRY RISK

The Swoosh ESG-risk score is low to moderate, mostly driven by involvement in the Water Utilities and Diversified Support Services industries.

SWOOSH ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)⁴



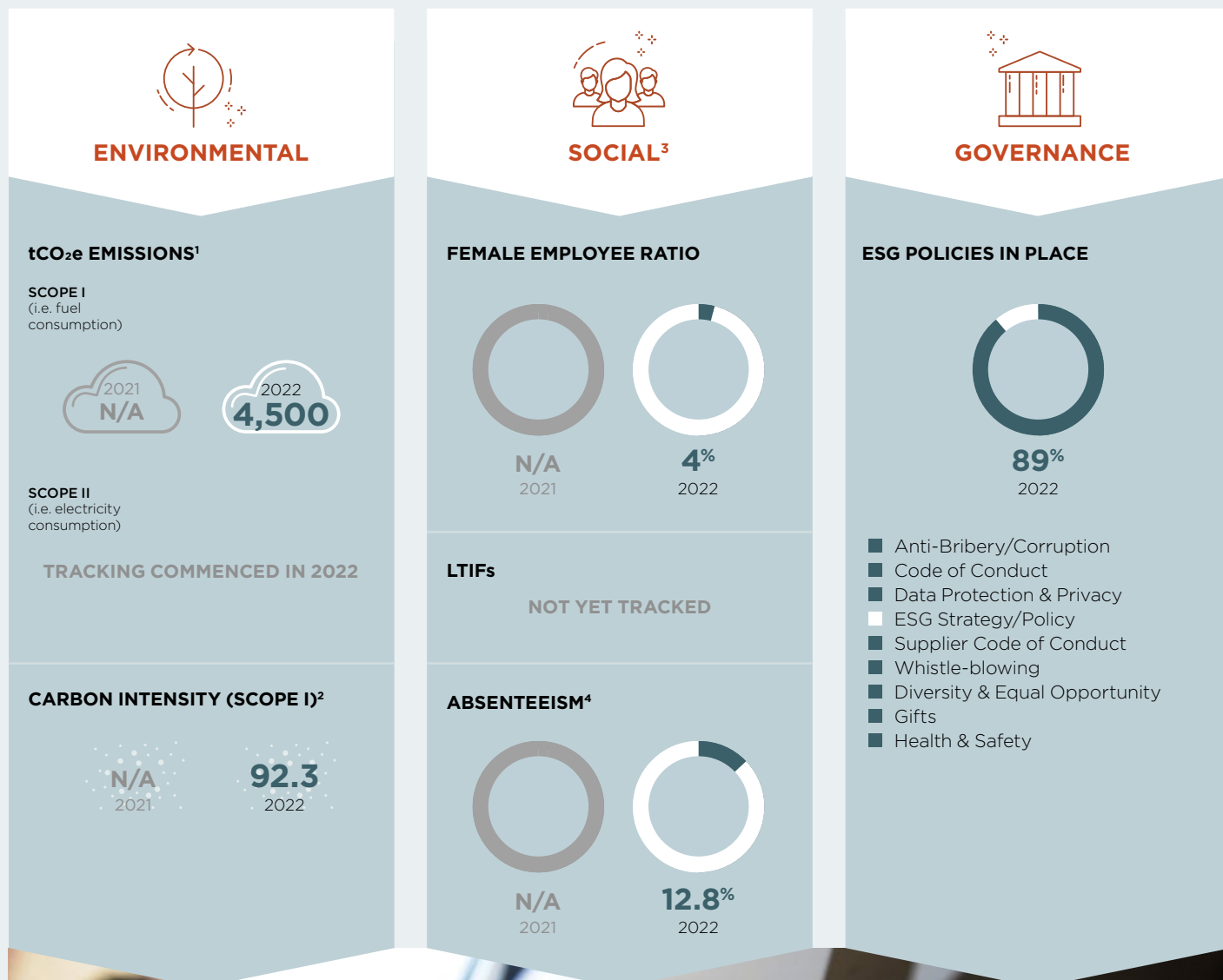
¹ Preliminary unaudited reported revenue. 2020 Revenue converted at EUR:SEK spot rate of 10.0545, 2021 Revenue converted at EUR:SEK spot rate of 10.2407, 2022 Revenue at EUR:SEK spot rate of 11.1407. ² Swoosh's FTEs are based off total employee number. ³ Represents an approximate number pre-merger. ⁴ MSCI ESG Industry & Geography Risk (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS). ⁵ Other private equity firm clients of advisor MJ Hudson - most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.

Swoosh: Key Metrics



Headquartered and operating in Sweden, Swoosh has a relatively low risk compared to other global markets. According to MSCI, high economic development and enhanced market accessibility mean that industries in Western countries have low material exposure to ESG risks. Although direct exposure to ESG risks is limited, companies need to manage upstream supply chain risks, which can be minimised through due diligence or by establishing codes of conduct. Climate impacts to buildings or supply chain disruption from flood or fire are currently low but may become increasingly relevant in future decades.

SWOOSH KEY PORTFOLIO METRICS



¹ Activity data (consumption data or spend data) multiplied by the relevant emission factor. Calculated using MJH's ESG Carbon Tool (Unit: tCO₂-eq). ² The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue). Calculated using MJH's ESG Carbon Tool. Swoosh's Carbon Intensity is calculated using Scope I Emissions

³ Swoosh uses total employee number to calculate all social metrics as FTE is not yet accurately tracked. ⁴ Absenteeism rate is the total amount of sick hours (or sick days multiplied by 8 working hours), divided by the total working hours of the year.

Swoosh: ESG Strategy and Goals



SELECTION CRITERIA

Ageing infrastructure

Sewer infrastructure across Northern Europe was largely built during the 20th century for the population at the time. It therefore requires continuous maintenance and investment to deal with increased capacity issues which are further exacerbated by urbanisation.



Climate change

The increasing frequency and severity of extreme weather events put additional pressure on the outdated sewer infrastructure, risking leakages into the groundwater and the flooding of communities.



Economic sustainability of relining

The relining of sewage pipes and, increasingly, ventilation ducts, cuts costs for property owners, and reduces emissions compared to complete replacements.



MARKET-BASED INITIATIVES

INITIATIVE	AMBITION	GOAL 2023
Introduce solutions for preventative maintenance	Introduce multi-year service offerings supported by digital tools.	Grow the number of national and regional service contracts.
Increase relining services	Drive awareness of CO ₂ savings to be made using relining as an alternative to pipe replacement.	Continue to increase usage of relining as an alternative to pipe replacement.
Introduce relining of ventilation ducts	Relining requires the same equipment as sewage/pipe relining and benefits from similar <i>tailwinds</i> such as energy efficiency. Further drive awareness of CO ₂ savings made when relining ventilation ducts.	Establish a ventilation duct relining offering.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Reduce emissions from fleet	Set up carbon reduction projects including fleet electrification and the use of HVO diesel.
Improve emissions reporting	Initiate a review and prepare a TCFD report that captures the climate risk and opportunity.
Measure the recycling rate of materials	Prepare to measure the recycling rate of Swoosh's materials, and set recycling and water consumption targets.
Monitor employee engagement	Ensure that (digital) systems cover all legal entities, conduct regular employee surveys, and set employee satisfaction targets.
Implement a method to track customer feedback for valuable insights	Set up and put in place processes to track customer satisfaction systematically.

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim



Oleter Group: Overview

KEY STATS

Investment date:	September 2021
Sector:	Property Damage Restoration services
Transaction type:	Primary Partnership
Geography:	Nordics
Headquarters:	Sweden

Northern European provider of Property Damage Restoration services

ABOUT

Oleter Group is a leading provider of Property Damage Restoration services, offering the inspection and restoration of fire and water damage to insurance and commercial customer groups. With a strong geographical presence in Sweden, Norway, and Denmark, it has around 2,100 employees in over 90 locations. In 2022, the group had sales of €232m and is headquartered in Stockholm, Sweden.

NET REVENUE (EUR M)¹

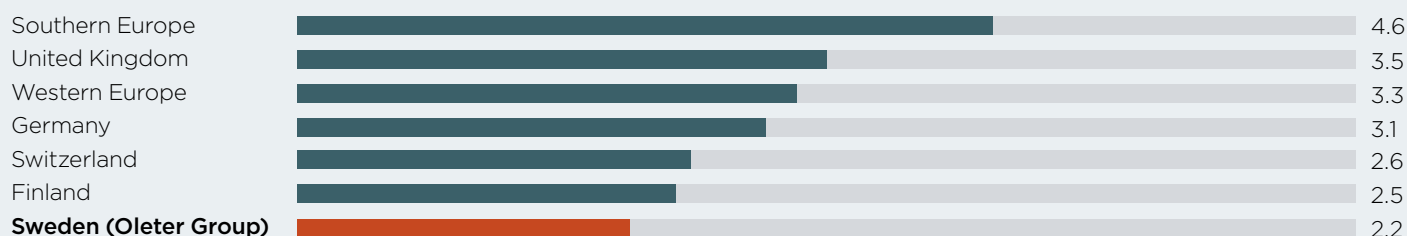


FTE



GEOGRAPHY RISK

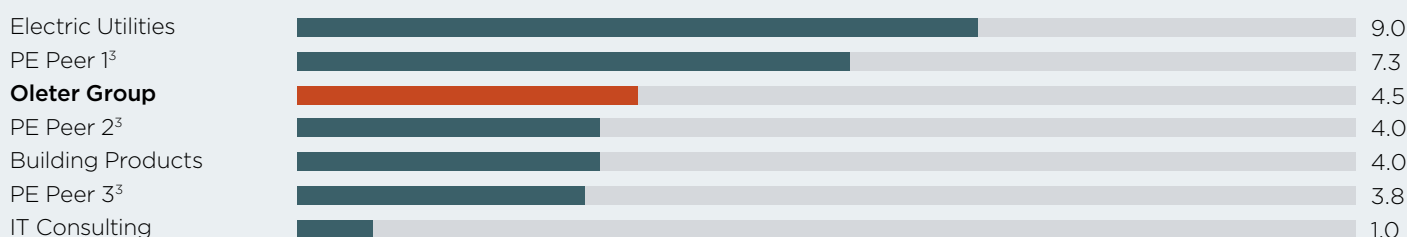
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES²



INDUSTRY RISK

The industry risk score for Oleter Group is low to moderate, mostly driven by involvement in the Environmental & Facilities and Diversified Support Services industries.

OLETER GROUP ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)²



¹ Revenue includes acquisitions signed in 2022 and closed in 2023. Preliminary unaudited reported revenue. 2020 Revenue converted at EUR:SEK spot rate of 10.0545, 2021 Revenue converted at EUR:SEK spot rate of 10.2407, 2022 Revenue at EUR:SEK spot rate of 11.1407. ² MSCI ESG Industry & Geography Risk scores (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS). ³ Other private equity firm clients of advisor MJ Hudson - most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.

Oleter Group: Key Metrics

Oleter's ESG-risk score is moderate, as its activities in the remediation of buildings extend the life expectancy of real estate and improve the quality of older buildings.

OLETER GROUP KEY PORTFOLIO METRICS



ENVIRONMENTAL

tCO₂e EMISSIONS¹

SCOPE I
(i.e. fuel consumption)

2021
7,047

2022
4,722

SCOPE II
(i.e. electricity consumption)

2021
579

2022
458

CARBON INTENSITY (SCOPE I & II)²

36
2021

22
2022



SOCIAL

FEMALE EMPLOYEE RATIO



20%
2021



20%
2022

LTIFs³

11

2021

10

2022

ABSENTEEISM⁴



8.0%
2021



8.0%
2022



GOVERNANCE

ESG POLICIES IN PLACE⁵



89%
2022

- Anti-Bribery/Corruption
- Code of Conduct
- Data Protection & Privacy
- ESG Strategy/Policy
- Supplier Code of Conduct
- Whistle-blowing
- Diversity & Equal Opportunity
- Gifts
- Health & Safety






¹ Activity data (consumption data or spend data) multiplied by the relevant emission factor. Calculated using MJH's ESG Carbon Tool (Unit: tCO₂-eq). ² The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue). Calculated using MJH's ESG Carbon Tool. ³ LTIF rate is the number of lost time injuries multiplied by 1,000,000, divided by the employee total hours worked. ⁴ 2022 Absenteeism figures are based off an estimation due to the reporting discrepancies across Oleter geographies. ⁵ Based on policies in place in Sweden.

Oleter Group: ESG Strategy and Goals



SELECTION CRITERIA

Climate change	More frequent extreme weather events such as floods and fire will increase the risk of property damage.	
Restore is better than new build	Customers are increasingly seeking to restore damaged properties rather than build new, as it is more energy efficient, extends the longevity of the property and is typically cheaper.	
Higher demands by customers	As part of their own ESG commitments, customers such as insurance and property companies are starting to impose higher requirements on property damage restoration companies to ensure solutions are implemented under safe working conditions and with assured quality.	



MARKET-BASED INITIATIVES

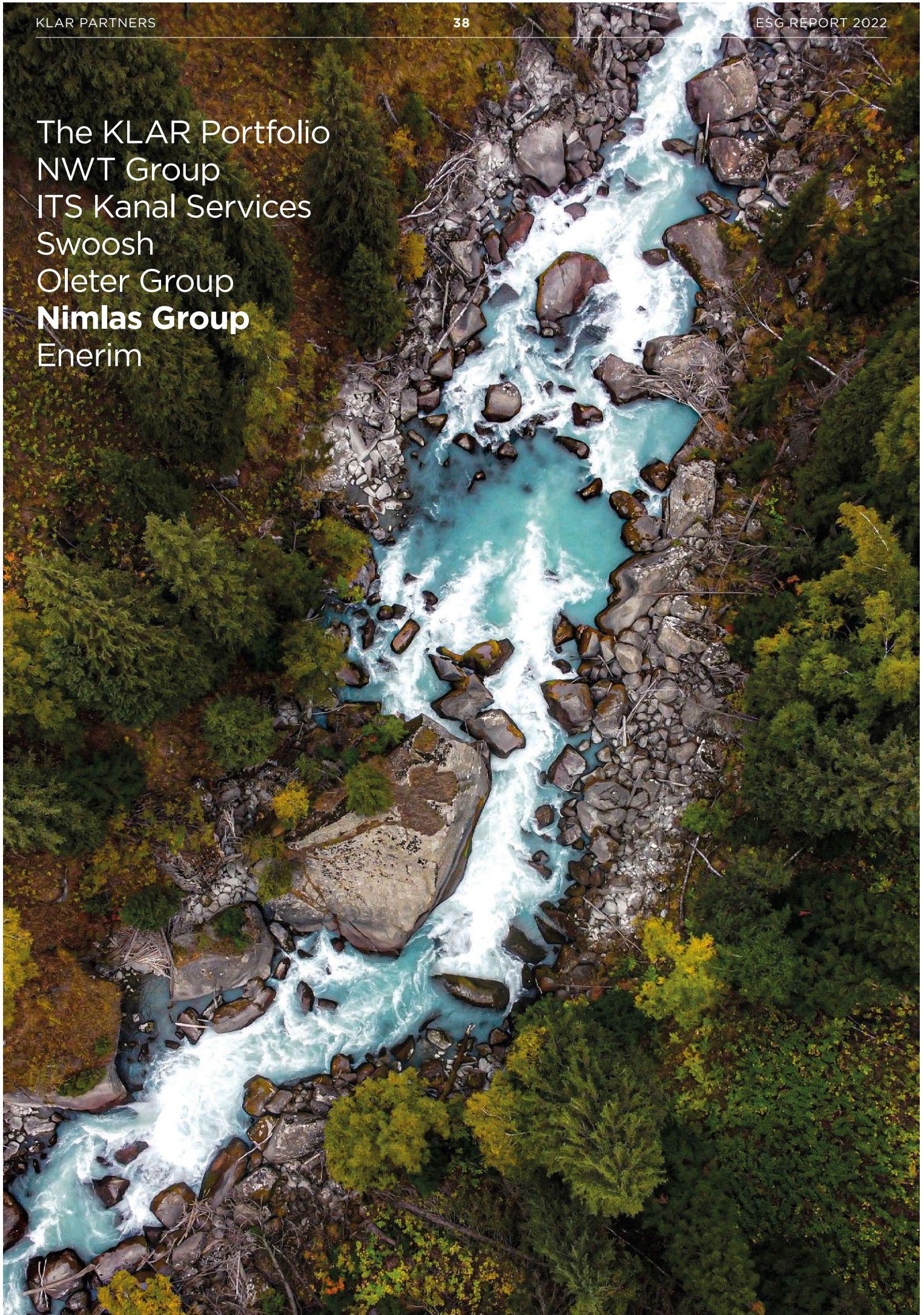
INITIATIVE	AMBITION	GOAL 2023
Presence to cover large-scale events	Severe weather events can occur anywhere and at any time. Provide a service for those suffering from these events by maintaining a pool of experts who can be mobilised rapidly to impacted areas wherever they are.	Have nation-wide presence in geographies Oleter operate in.
Increase share of restoration	Enhance customer awareness of the benefits of restoration by sharing carbon footprints for projects.	Introduce TCFD-compliant disclosures in addition to current CO ₂ impact reporting.
Deliver best-in-class and ESG compliant service	Leverage best-in-class hazardous waste removal techniques, leading to better outcomes for customers and safer working conditions.	Measure and monitor customer satisfaction scores. Create a plan to work towards ISO certifications in all countries.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Reduce fuel consumption of fleet	<p>Monitor the current fleet and replace it with EV or the best alternative (e.g. hybrid) at the end of its life.</p> <p>Implement processes and tools to support route optimisation and reduce driving.</p>
Safe place to work	Track health and safety across the division and implement governance tools. Increase awareness of safe working practices.
Reduce waste	Prepare to measure waste generated and set a waste target.
Improve digital governance	<p>Implement further digitalisation through cloud-based ESG tracking to allow simplified tracking of ESG initiatives and easier communication of their progress.</p> <p>Improve and communicate quality management processes, in order to establish accountability and increase awareness of service quality and KPI improvements.</p>

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim





Nimlas Group: Overview

Building the best technical installation and building services company in the Nordics

KEY STATS

Investment date:	March 2021
Sector:	Technical Installation Services
Transaction type:	Secondary Buy-Out
Geography:	Nordics
Headquarters:	Sweden

ABOUT

Nimlas Group, formed through the combination of Sandbäckens and QMG, is a leading Nordic Technical Installation and Building services platform with revenues of ca. €460m and more than 2,300 employees. The group provides installation and maintenance services across a wide range of technical disciplines from heating and cooling to water, fire safety, ventilation, automation, electricity, refrigeration, and security in buildings. Pro forma for the acquisition of Konstel, Nimlas has revenues of more than €600m and 3,500 employees. The company is headquartered in Stockholm, Sweden, and is active in Norway, Sweden and Finland.

NET REVENUE (EUR M)¹

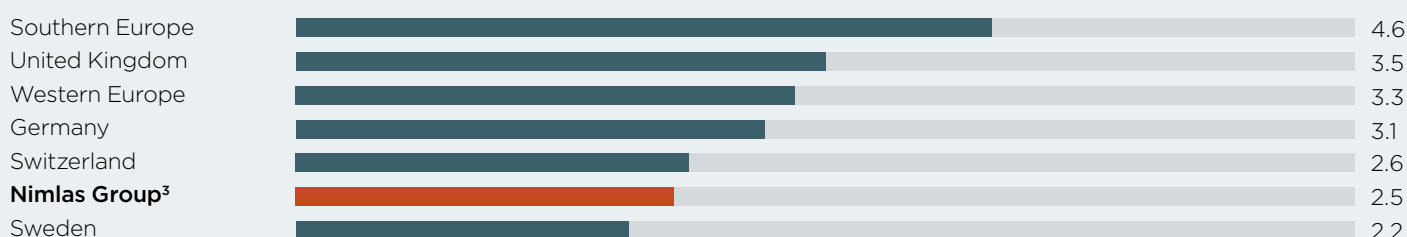


FTE



GEOGRAPHY RISK

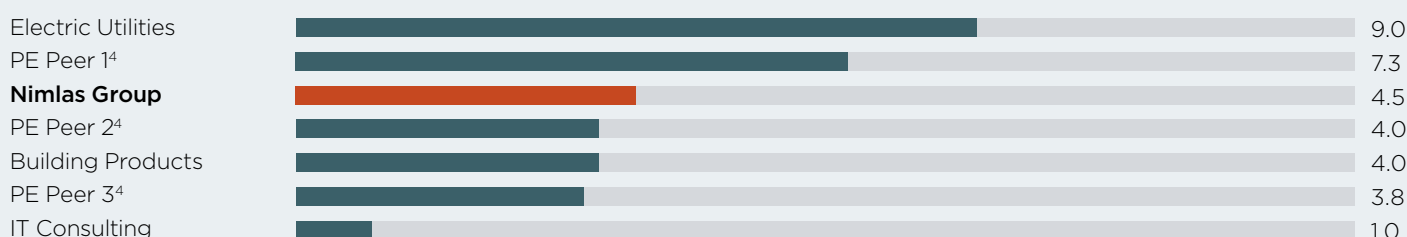
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES²



INDUSTRY RISK

The industry risk score for Nimlas Group is low to moderate, mostly driven by involvement in the Environmental & Facilities and Diversified Support Services industries.

NIMLAS GROUP ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)²



¹ Preliminary unaudited reported revenue. 2020 Revenue converted at EUR:SEK spot rate of 10.0545, 2021 Revenue converted at EUR:SEK spot rate of 10.2407, 2022 Revenue at EUR:SEK spot rate of 11.1407. ² MSCI ESG Industry Risk scores (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS).

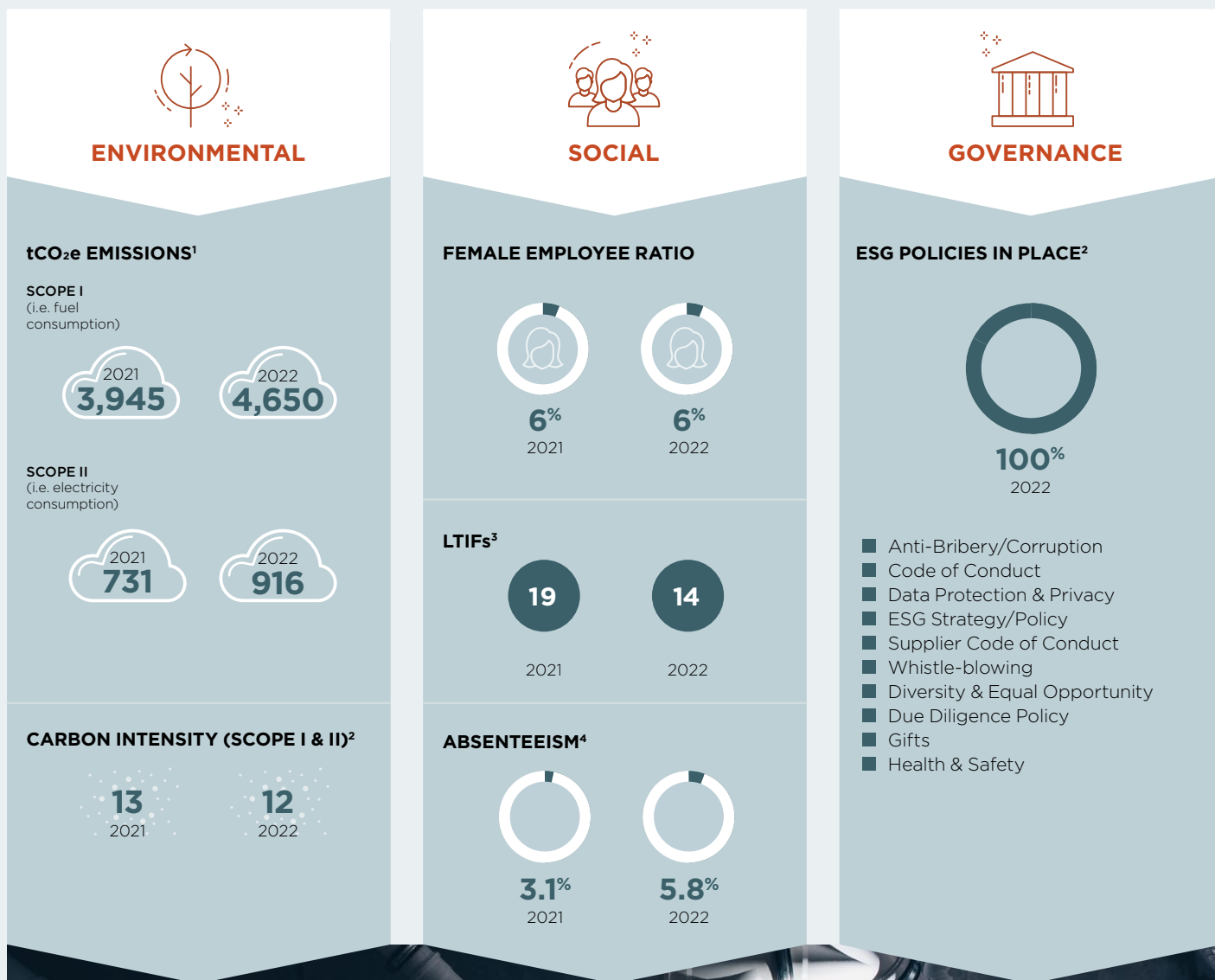
³ Sweden & Finland. ⁴ Other private equity firm clients of advisor MJ Hudson - most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.



Nimlas Group: Key Metrics

Nimlas Group's ESG risk score is low. Technical Installation services can contribute to a sustainable future by improving the efficiency of public and private buildings. One key condition for ensuring that sustainable efforts are far-reaching is making the technology available to all building owners at an affordable price.

NIMLAS GROUP KEY PORTFOLIO METRICS



¹ Activity data (consumption data or spend data) multiplied by the relevant emission factor. Calculated using MJH's ESG Carbon Tool (Unit: tCO₂-eq). ² The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue). Calculated using MJH's ESG Carbon Tool. ³ LTIF rate is the number of lost time injuries multiplied by 1,000,000, divided by the employee total hours worked. ⁴ Absenteeism rate is the total amount of sick hours (or sick days multiplied by 8 working hours), divided by the total working hours of the year.

Nimlas Group: ESG Strategy and Goals



SELECTION CRITERIA

Renovation needs of ageing building stock

A significant percentage of building stock was built during the 1940-80's and is increasingly in need of maintenance and upgrading.



Sustainability & energy efficiency requirements

European building stock accounts for approximately 40% of energy consumption, and around 75% of it will need to be renovated to meet EU CO₂ emission reduction targets.



Increasing building complexity

Increasing the technology content of buildings (multiple systems, high connectivity) is driving complexity and installation will require increased technical knowhow.



MARKET-BASED INITIATIVES

INITIATIVE	AMBITION	GOAL 2023
Stay at forefront of sustainable installations	Drive the green transition by offering a wide range of energy-efficient solutions such as solar panel installation, electric vehicle charging systems, and heat pumps.	Install more energy-efficient solutions.
Nimlas Academy to train for advanced solutions	Provide advanced training for employees to ensure that they have the competencies and knowledge required to deliver high-quality solutions.	Increase the number of workshops conducted.
Communicate ESG policy to supply chain	Clearly communicate Nimlas' sustainability policy to suppliers and other relevant stakeholders. Prioritise supplier products based on environmental, economic, and qualitative aspects.	Close cooperation with suppliers and wholesalers to reduce carbon footprint / CO ₂ emissions.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Complete supplier due diligence	Complete supplier due diligence to evaluate the impact of products.
Conduct recall rate assessment	Track, measure, and reduce the deductible cost for insurance covering leakages and damages for client installations.
Measure and target Scope III emissions	Complete the implementation of carbon footprint tracking to Scope III standard and include emissions targets.
Increase emissions reporting	Prepare to disclose and publish a TCFD report, that captures the climate risk and opportunity.
Set employee engagement participation targets	Having already achieved high eNPS scores, set percentage targets for participation.
Track customer feedback	Establish systems to track customer satisfaction systematically.



Nimlas has an ambitious, yet attainable vision of becoming the Nordic region's most profitable and sustainable building services and installation group. We sat down with CEO Mikael Matts to discuss how they have gone about realising that vision.

Q. COULD YOU GIVE US A SHORT INTRODUCTION TO NIMLAS GROUP?

A. 2022 was our first full year as Nimlas Group. We have combined three installation groups, Sandbäckens in Sweden, QMG in Finland, and Konstel in Norway. This has made us a truly pan-Nordic player. Our market is still highly fragmented and specialised and there is still ample room for further consolidation. We have an accelerated M&A strategy, and we are disciplined and diligent in its execution. For us, it is important

that we add partners with a sound and entrepreneurial culture and a leading position in their local market. It's equally important that they are geared for the ongoing green transition in the Nordic region. Growing demand for energy-efficient solutions, driven by both long-term sustainability and short-term needs, creates a requirement for future-proof building installations. With the strong financial backing from KLAR, and the right entrepreneurial culture, Nimlas is well placed to become the next great success in this sector.

Q. WHAT DO YOU MEAN BY THE GREEN TRANSITION?

A. Some 40% of CO₂ emissions in Europe comes from buildings¹. That figure includes the production of building materials, but technical installations are at the core of constructing and operating sustainable buildings. As buildings become more complex, so do their technical systems for electricity, heating, cooling, ventilation, security and more. At the same time, advances in technology



40% of CO₂ emissions in Europe comes from buildings¹

¹ European Commission, 2020.

and measurement sensors allow improved control between systems and buildings. Customers want efficient, comprehensive solutions and, with increased energy prices and material shortages, a strengthening trend towards sustainability is driving the demand for updated installations. The future needs technical installation providers who can deliver integrated solutions that provide real value to customers.

Q. SO HOW DO YOU DELIVER THE REAL VALUE CUSTOMERS WANT?

A. The recent hike in interest rates and energy prices has created a very strong demand for energy-efficient installations, not only in new-build but also in upgrades to existing buildings. As many as 75%¹ of existing buildings require upgrades to meet more sustainable building standards. That's where Nimlas, with our experience and expertise, can act as a real partner. Take the example of one real-estate customer in Norrköping. We recently installed smart solar panels for them that are connected to weather forecasts. If sun is predicted in the next hour, one can hold off engaging the cooling

system until it arrives and then cool the building on solar energy instead of non-renewable alternatives. We are also targeting condominium associations. In a recent case we upgraded the entire heating and ventilation system and lowered CO₂ emissions and costs by 60% with a 6-year payback on the investment.

Q. THAT ALL SOUNDS GREAT. ANY CLOUDS IN THE SKY?

A. Recruiting the right people with the right competencies and entrepreneurial mindset remains a challenge. We need to play an active role in ensuring that our countries spend more resources on education systems which teach the relevant trades. Thankfully, our vision of becoming the most sustainable installation group is highly attractive to skilled talent and it's an important part of our employer branding.

Q. ONWARDS AND UPWARDS, THEN?

A. Exactly. We continue to improve the way we incorporate, and communicate, our sustainability offering. It's not just a question of

supporting the transition towards clean energy with our installations of solar panels, charging infrastructure, and clients within the battery industry, but also of how we package our services. For example, by including the CO₂ impact of our installations at the quotation stage, we could allow customers to compare the real costs, monetary and environmental. An installation may be slightly more expensive upfront but profitable in the long term, and it's an investment that is sustainable. ●

“ **We upgraded the entire heating and ventilation solution and lowered CO₂ emissions and cost by 60%** ”



Mikael Matts
CEO, Nimlas Group

¹ European Commission, 2020.

The KLAR Portfolio
NWT Group
ITS Kanal Services
Swoosh
Oleter Group
Nimlas Group
Enerim





Enerim: Overview

KEY STATS

Investment date:	June 2020
Sector:	SaaS/Tech-enabled Services for Utilities
Transaction type:	Carve-out
Geography:	Nordics
Headquarters:	Finland

Building the leading energy management service provider to utilities in Northern Europe

ABOUT

Through its three distinct business areas – end-user markets, wholesale, and metering & analytics – Enerim combines a customer information system SaaS solution with tech-enabled services for smart grids and energy market functions to secure year-round energy supply. Enerim has revenues of €38m with approximately 250 employees, and is headquartered in Helsinki, Finland.

NET REVENUE (EUR M)

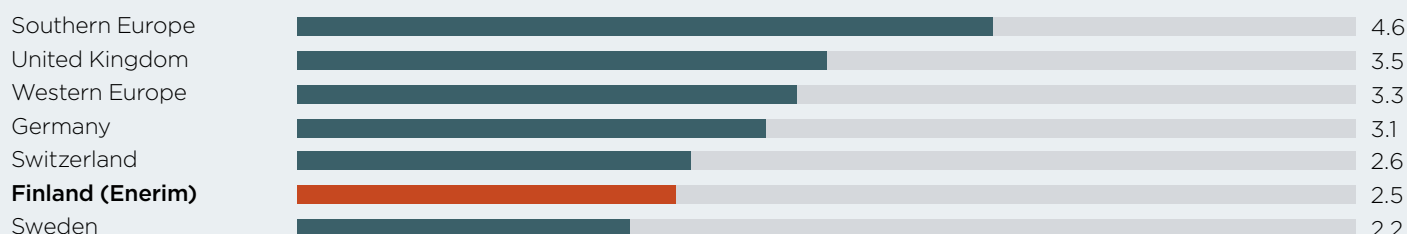


FTE



GEOGRAPHY RISK

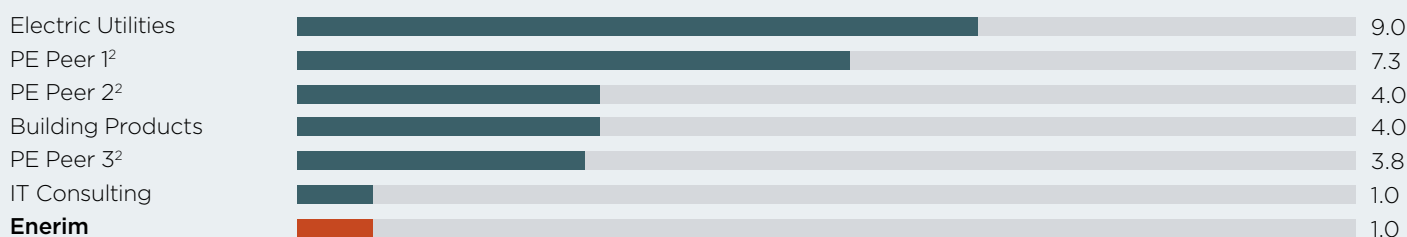
GEOGRAPHICAL COVERAGE OF PORTFOLIO COMPANIES¹



INDUSTRY RISK

ESG industry risk score is low, amidst Enerim's involvement in the IT Consulting and other services industry.

ENERIM ESG INDUSTRY RISK SCORE VS. UNIVERSE (1-10)¹



¹ MSCI ESG Industry & Geography Risk score (low 0 - high 10), based on a company's industry classification using the Global Industry Classification Standard (GICS).

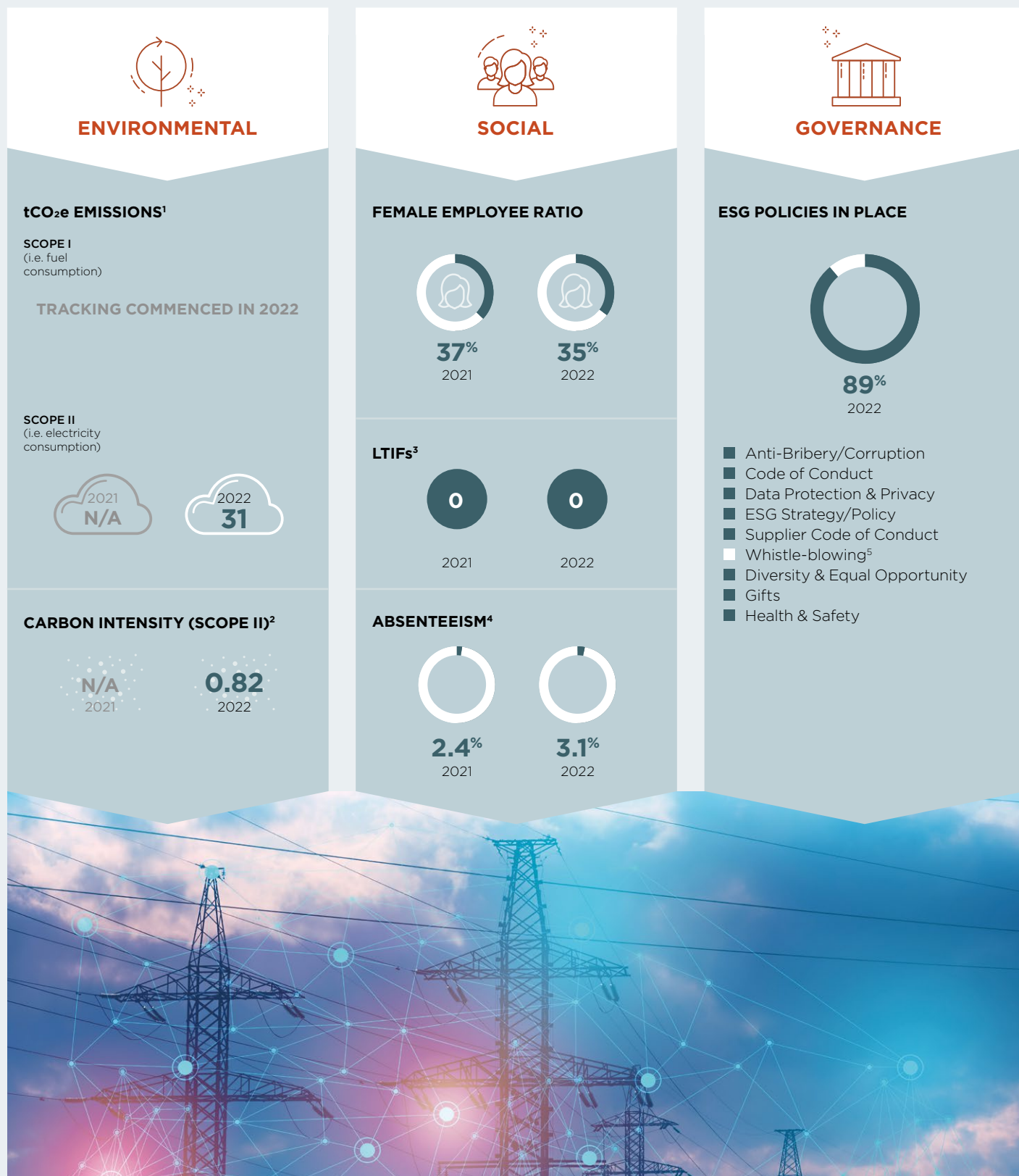
² Other private equity firm clients of advisor MJ Hudson – most of them comparable to KLAR in industry and geographical exposure. These scores are not based on the actual activities of the companies or their performance, but on the industry in general.

enerim

Enerim: Key Metrics

Enerim's ESG risk score is low. The tech-enabled services industry can positively contribute to a sustainable future by providing data solutions which accelerate the clean energy transition.

ENERIM KEY PORTFOLIO METRICS



¹ Activity data (consumption data or spend data) multiplied by the relevant emission factor. Calculated using MJH's ESG Carbon Tool (Unit: tCO₂-eq), 2021 tCO₂e & Carbon Intensity data omitted due to updated reporting standards and reliability when compared YOY. ² The carbon footprint/GHG emissions per unit of economic output (tCO₂-eq/mEUR revenue). Calculated using MJH's ESG Carbon Tool. Enerim's Carbon Intensity is calculated using Scope II Emissions. ³ LTIF rate is the number of lost time injuries multiplied by 1,000,000, divided by the employee total hours worked. ⁴ Absenteeism rate is the total amount of sick hours (or sick days multiplied by 8 working hours), divided by the total working hours of the year. ⁵ In progress and applied in 2023.

Enerim: ESG Strategy and Goals



SELECTION CRITERIA

Green energy transition

An increasing share of energy from renewable, decentralised sources (micro-generation) is driving volatility in the electricity grid. This in turn fuels demand for balancing and market data services.



Automation of energy infrastructure

As complexity increases, utilities are looking for ways to expand the automation of energy infrastructure management and market processes.



MARKET-BASED INITIATIVES

INITIATIVE	AMBITION	GOAL 2023
Enable the rapid rise of renewable energy	Offer newly required technical and commercial services that enable energy market players to participate in a more volatile and complex renewable energy production and distribution environment.	Solidify stronghold in Finland and establish strong positions in adjacent geographies.
Enable energy companies to offer value-added services for green energy	Offer innovative customer information systems and meter data management solutions that allow our customers to deliver new products or value-added services for green energy.	Increase our presence in new geographies.



COMPANY-BASED INITIATIVES

INITIATIVE	AMBITION
Carbon savings project	Initiate a pilot project to identify carbon savings through accurate forecasting services and review the initial results.
Paths for career development	Develop long-term internal career development paths based on the individual ambitions and capabilities of employees.
Improved ESG communication	Extend the company website's sustainability section to highlight performance on material ESG themes.
Complete emissions reporting	Gather carbon footprint data across all Enerim's locations to ensure emissions reporting is complete.
Roll out employee training programmes	Complete the design and roll out of employee training and development programmes.
Track customer satisfaction	Set up and put in place processes to track customer satisfaction systematically.

The objective of Funds raised by KLAR Partners is to seek to maximize risk-adjusted returns consistent with the investment objective of the relevant Fund as set forth in the Partnership Agreement and Memorandum for such fund. ESG activities will generally be aimed at identifying or enhancing value opportunities or sought out in furtherance of pursuing favourable investment outcomes, in line with the investment objective of the relevant Fund.

Please note that this ESG Report is not a marketing document and is provided for information purposes only. The specific, binding ESG goals, targets, commitments, incentives, initiatives or outcomes for the Funds managed and/or advised by KLAR Partners for the purposes of Regulation (EU) 2019/2088 on Sustainability-related Disclosures in the financial services sector are those stated in the relevant Fund documentation and regulatory disclosures made pursuant to Regulation (EU) 2019/2088.

Investors should refer to these materials for further information on how ESG activities are incorporated into investment strategies, screening, decision making, stewardship and engagement.

The SDGs are aspirational in nature. The analysis involved in determining whether and how certain investments may contribute to or support the SDGs is inherently subjective and dependent on a number of factors and KLAR Partners makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to the SDGs. There can be no assurance that reasonable parties will agree on a decision as to whether certain investments contribute to or support a particular SDG.

Any information provided in respect of ESG or climate performance of portfolio companies is intended to be illustrative only should not be seen as an indication of current or future performance.



DRIVEN BY VALUES

klarpartners.com

© 2023 KLAR Partners | Designed by Naked Ideas