STAR Capital SUSTAINABILITY REPORT 2025

CONTENTS

This Sustainability report has been prepared with an external advisor, using industry best practices.

This sustainability report aims to meet the disclosure requirements of the Sustainability Accounting Standards Board (SASB): Asset Management & Custody Activities Standard (2021), the Task Force on Climate-Related Disclosures (TCFD) and the Principles of Responsible Investment (PRI). The indices for these three frameworks can be found at the end of this document.

This report summarises the sustainability performance of STAR and the portfolio companies of the STAR III and IV funds as well as STAR's approach to management of sustainability risks and opportunities. The report has been reviewed and approved by the Executive Board of STAR.

Introduction and leadership

Sustainability is central to how we create long-term value. Across our investment activities and ownership approach, we integrate material ESG considerations into investment decision-making, portfolio development and active stewardship.

By working closely with management teams, we aim to strengthen operational resilience, manage risks and support sustainable value creation for investors, portfolio companies and the communities in which we operate.

INTRODUCTION AND LEADERSHIP

A note from the chairperson

Although 2025 brought new challenges to the investment sector, STAR remained dedicated to sustainable portfolio growth while investing in its people.

We were delighted to invest in GenAir this year, the UK's leading pure-play air compressor rental provider. We've already partnered with them to develop a strong sustainability plan and roadmap. Additionally, we were pleased to announce the sale of the SynergyLMS Business in May 2025.

This year, the shifting sustainability landscape brought both challenges and opportunities. We remain committed in our hands-on approach: supporting portfolio companies with their sustainability strategies, fostering motivated teams, and pinpointing carbon reduction initiatives. It remains clear to us that properly engaging in sustainability factors create sustainable and long-term value for our business, our stakeholders, and society.

This report highlights our team's accomplishments, fuelled by shared purpose and collaboration. We trust you'll find it insightful.

Tony Mallin, MBE

Executive Chairperson, Managing Partner

INTRODUCTION AND LEADERSHIP

Leadership perspectives on sustainability

Sustainability is a core part of how we create long-term value. Across our investment activities and ownership approach, we work to integrate material sustainability considerations into decision-making, portfolio development and active stewardship.

Jack Holmes

Head of Sustainability

Companies that embed sustainability at the heart of their operations are better positioned to create value and manage risks.

In a rapidly evolving world, these companies are often the most resilient. We collaborate closely with our portfolio companies to strengthen their sustainability strategies.

Laura Carballo

Partner & Head of Portfolio Management

At STAR, we believe sustainability must be led from the board level and integrated into our companies' core strategies.

As board members of our portfolio companies we, monitor progress and support sustainability initiatives strengthening performance, improving efficiency and contributing to long term value creation during our ownership.

Louis Stevens

Head of Investor Relations & Fundraising

As stewards of our investors' capital, we embed sustainability into the way we invest and manage assets.

Each investment has a clear plan to drive measurable progress on material sustainability priorities. By doing so, we protect and enhance long-term value for our investors and partners alike.

INTRODUCTION AND LEADERSHIP

STAR Capital at a glance

STAR is a UK-headquartered mid-market private equity fund, established in 1999 focused on developing businesses built around Strategic Assets across Western Europe.

Number of professionals	30
Number of investors [1]	52
STAR III capital commitment [2]	€925m
STAR IV capital commitment [3]	€827m
Total AUM [4]	€1.752m

1 Across STAR III and STAR IV, including co-investment vehicles
2 Including co-investment vehicles
3 Including co-investment vehicles
4 Excluding the Urban Splash Residential Fund, for which STAR acts as an Alternative Investment Fund Manager (AIFM)

We invest primarily in companies with enterprise value between €50 million and €1 billion targeting businesses characterised by strategic qualities that provide strong downside protection and resilient cash flow profiles.

These businesses typically exhibit one or more of the following characteristics: they provide essential assets or services, hold a strong market position with significant pricing power, benefit from a loyal customer base with low churn, operate in sectors with high barriers to entry, and face a low risk of obsolescence.

Through our capital, financing expertise and sector knowledge, we work in close partnership with management teams to enhance shareholder value and support the long-term stability of these businesses.

Since its inception, STAR has completed more than 92 acquisitions and built 35 businesses throughout its history. STAR is independently owned and managed by its partners, and benefits from a long-standing team, with the average tenure of the senior investment team being in excess of 18 years.

Portfolio as of 31 December 2025

Company	HQ	Sector	Description	Fund
gsls		Transport & Logistics	Outsourced cash management and logistics service provider.	STAR III
ASL		Transport & Logistics	Europe's largest provider of aircraft wet leasing capacity to the growing express cargo and e-commerce sectors.	STAR III
Hawksford		Financial Services	International provider of compliance-driven funds, corporate and private client administration services.	STAR III
Rail Operations Group		Transport & Logistics	Provider of rolling stock movement and storage services.	STAR III
VINCORION		Specialist industrial	Leading provider in the engineering, manufacturing and repair of complex mechatronic products in Germany.	STAR III
myflexbox		Transport & logistics	Owner and operator of Austria's largest open-access network of automated parcel lockers, complemented by a strong and growing market position in Germany.	STAR IV
ABL Technic		Specialist industrial	Leading global provider of de-coating services to the manufacturing sector.	STAR IV
V.Group		Transport & Logistics	Provider of a wide range of mission critical services, such as technical ship management, crew management, and crew welfare services.	STAR IV
nextbike		Transport & Logistics	Leading developer and provider of innovative, urban bike sharing solutions in Europe.	STAR IV
STR		Specialist industrial	Leading global subsea sensor equipment and solutions provider for the offshore energy, infrastructure and marine science markets.	STAR IV
GenAir		Specialist industrial	Leading pure-play provider of medium- to large-sized industrial air compressors.	STAR IV

* TASC has been excluded from 2025 reporting due to data constraints following STAR's exit from the company in March 2026.

STAR metric
Portfolio metric

Sustainability strategy and governance

STAR integrates sustainability considerations across its investment activities to support resilient businesses and long-term value creation.

Sustainability highlights

STAR Carbon Footprint tCO_2e

Scope 1	0.0
Scope 2	0.0
Scope 3	695,863

STAR's social highlights

Performance management

100% of STAR employees had updated appraisal or development plans in 2025.

Employee engagement

82% of portfolio companies conducted an employee satisfaction survey within the past two years.

Workplace safety

Lost time incident frequency rate across the portfolio: **6.86** (FY24: 8.5)

Gender diversity

Women in executive management across the portfolio: **19.5%** (FY24: 25%)

Portfolio highlights

Revenue	€3bn
Number of employees	8,000+
Portfolio companies measuring, monitoring and reporting on carbon emissions	100%
Total hours of training provided across the portfolio	246,122

STAR III & IV Portfolio Operational Presence

STAR Capital

SUSTAINABILITY STRATEGY AND GOVERNANCE

Our approach to ESG

STAR incorporates sustainability management into its business operations, acknowledging that key ESG factors improve the value, resilience and performance of its investments and assets.

Sustainability is embedded in our investment and asset management processes, with a focus on identifying and monitoring the environmental, social and governance factors most relevant to each business.

Our approach considers both the impacts portfolio companies may have on the environment, society and the economy, as well as the sustainability-related risks and opportunities that may affect their performance. Working alongside management teams, we support the development of proportionate policies, governance structures and improvement initiatives where appropriate. In doing so, we seek to promote responsible business practices and long-term value creation.

2017-2019

Sustainable investment policy and due diligence questionnaire adopted

STAR becomes a **signatory of the PRI**

2020

First **standalone ESG report** with KPIs

First **ESG workshop** for STAR employees

STAR becomes a member of **Level 20** and **OutInvestors**

2021

STAR appoints a carbon specialist adviser and produces its first **carbon emissions report**

2022

STAR appoints an advisor to refine its **ESG strategy** and practices

STAR implements an **ESG data collection and reporting platform** and consults with key stakeholders

2023

ESG strategy finalised and approved by Executive Board
Kicked off **TCFD** assessment and improved climate reporting

2024

Appointment of dedicated **ESG/ Sustainability Manager**

Inaugural TCFD report published

Published STAR's **Stewardship Policy**

2025

Launched **Biodiversity Policy** and strengthened STAR's **value creation** approach *

* STAR's value creation approach promotes sustainable initiatives throughout the portfolio, demonstrating the connection between sustainability and financial risks and opportunities.

SUSTAINABILITY STRATEGY AND GOVERNANCE

ESG governance

Investment Committee member

Executive Board attendee

STAR has structured its governance model to support the effective oversight and implementation of its sustainability priorities across both the company and its portfolio.

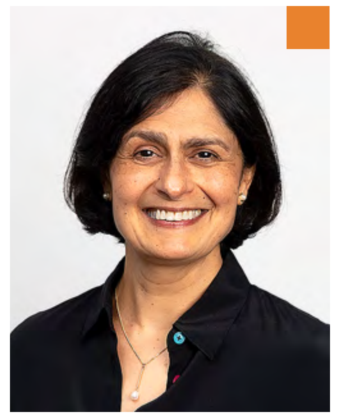
The Executive Board holds ultimate responsibility for STAR's Sustainability Strategy and Sustainability Policy as well as oversight of their implementation across the company. Sustainability is a standing item on the Executive Board's agenda, ensuring regular updates on sustainability matters at each board meeting alongside annual reviews of the Sustainability Policy.

Responsibility for sustainability is shared across the Executive Board, Investment Team and Portfolio Management Team:

- The Executive Board is supported by the ESG Committee, chaired by STAR's Sustainability & ESG Manager, which meet twice annually.
- The Investment Team assesses ESG risks and opportunities in new investments, while the Investment Committee makes the final investment decision.
- The Portfolio Management Team, together with each portfolio company board, oversees the development and monitoring of post-acquisition sustainability programmes.

Executive Board

Tony Mallin, MBE
Executive Chairperson, Managing Partner



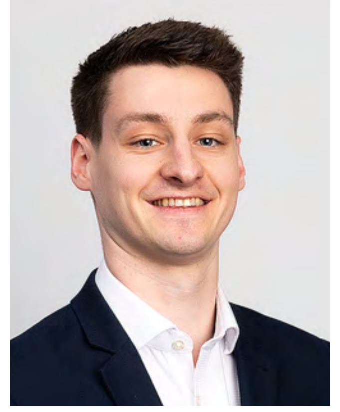
Uniti Bhalla
Managing Partner

Paul Gough
Managing Partner

Robert Spurr
Partner & Chief Financial Officer

ESG Committee

Paul Gough
Chairperson, Managing Partner



Jack Holmes
Head of Sustainability

Laura Carballo
Partner & Head of Portfolio Management

Marco Conca
Principal

Kaytlin Hunter
Legal & Compliance Associate

Louis Stevens
Head of Investor Relations & Fundraising

SUSTAINABILITY STRATEGY AND GOVERNANCE

STAR's sustainability strategy

In 2025, STAR continued implementing the Sustainability Strategy with a focus on practical application across the portfolio.

Our sustainability priorities continue to be informed by our materiality assessment, which identified the ESG topics most relevant to value creation and risk management. The assessment draws on engagement with investors, portfolio companies, lenders and the ESG Committee and reflects applicable regulation, reporting frameworks and broader market expectations.

This process identified six key priority areas across environment, social and governance themes. These priorities formed the foundation of STAR's Sustainability Strategy, which was approved by the Executive Board in Q4 2023. The strategy sets out the agreed priority areas, the associated KPIs and an ESG roadmap to guide implementation.

While STAR's Sustainability Strategy is not formally aligned with any single reporting standard, we report against recognised frameworks, including the Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB), where relevant. Corresponding disclosures are provided in the appendix on page 31. These disclosures enhance transparency and support structured, decision-useful consideration of climate-related risks, opportunities and financially material sustainability topics.

The strategy is reviewed regularly to reflect regulatory developments and business changes, emerging trends and stakeholder expectations. STAR's sustainability & ESG Manager plays a coordinating role in driving implementation of the overall strategy.

Separate strategies and main focus areas for ESG topics:

Environment

We aim to manage the impact of climate risks in our environment decisions and portfolio management, seeking to improve the portfolio company's climate performance over the ownership period to ensure future proof business growth.

Main focus areas

- Greenhouse gas emissions
- Climate risk

Social

We aim to establish the right procedures and policies to ensure a safe working environment and drive human capital development.

Main focus areas

- Talent attraction, retention, and development
- Health and safety

Governance

We aim to ensure a future proof system for data privacy, data security and ethical business conduct at STAR level and within the portfolio.

Main focus areas

- Cyber security and data protection
- Business ethics

SUSTAINABILITY STRATEGY AND GOVERNANCE

Integrating ESG across the investment lifecycle

ESG is embedded across the investment lifecycle through our governance and stewardship approach, driving responsible ownership and long-term value.

1 Selection

- Screen and evaluate ESG risks and opportunties
- ESG due diligence findings inform investment decisions

2 Entry

- ESG due diligence to identify material issues and opportunities
- Findings inform the 100-day plan and governance setup

3 Ownership

- Partner with management to drive ESG improvement
- Track ESG KPIs and monitor performance
- Regular reporting to boards and investors

4 Exit

- Demonstrate KPI progress over ownership period
- Assess and disclose remaining ESG issues and opportunities

Governance

Oversight by Executive Board

Engagement

Head of Sustainability leads portfolio engagement

Reporting

Data-driven insights inform decisions and reporting

STAR Capital

SUSTAINABILITY STRATEGY AND GOVERNANCE

Value creation

STAR's value creation approach combines operational improvement with sustainability priorities to strengthen portfolio companies over time.

1

Introduce

STAR's sustainability approach

- Share policy, expectations and reporting
- Introduce key partners
- Identify material topics

2

Agree

Sustainable value creation

- Assess sustainability opportunities
- Embed in strategy and services
- Develop ESG roadmap

3

Activate

Implement & integrate

- Implement initiatives
- Integrate into core processes
- Link to KPIs

4

Report

& demonstrate

- Monitor progress and KPIs
- Create ESG insights
- Strengthen exit narrative

Engagement and stewardship

At STAR, we believe that active stewardship is critical to supporting the long-term success and resilience of our portfolio companies. This commitment is reflected in STAR's Stewardship Policy, first published in 2024.

At STAR, we believe that active stewardship is critical to supporting the long-term success and resilience of our portfolio companies. This commitment is reflected in STAR's Stewardship Policy, first published in 2024. The policy outlines how STAR works with portfolio companies to strengthen governance, embed sustainability practices and support initiatives that contribute to positive environmental and social impact.

Through our stewardship approach, STAR engages closely with portfolio company management teams, investors and industry initiatives to promote responsible business practices and continuous improvement across material ESG topics.

ENGAGEMENT & STEWARDSHIP

Case Study: Nextbike

STAR takes a hands-on approach to supporting portfolio companies throughout their sustainability journeys.

This is reinforced by STARs dedicated Head of Sustainability, along with portfolio personnel and deal team members who sit on company boards.

In January 2025, Nextbike appointed an internal candidate as its first ESG Manager. The role is responsible for overseeing the development and implementation of the company's ESG and sustainability strategy across the business.

STAR worked closely with Nextbike ESG Committee led by the ESG Manager to achieve the following key milestones in 2025.

- Implementation of a digital tool for carbon emissions tracker and calculations.
- Achieving environmental management 14001 certification.
- Completing a double materiality assessment which identifies which sustainability issues are significant to the company.

These key areas informed the company's sustainability strategy that has been launched in 2026.

nextbike

ENGAGEMENT & STEWARDSHIP

STAR's engagement in the ESG ecosystem

STAR's ESG approach is grounded in transparency, accountability and collaboration.

Through ongoing dialogue with investors, portfolio companies and other stakeholders, ESG considerations are integrated into investment and portfolio oversight processes to support long-term value creation. As a signatory to the United Nations Principles for Responsible Investment (PRI) since 2017, STAR aligns its investment activities and reporting with recognised responsible investment standards.

This commitment extends beyond governance and reporting. Across the portfolio, STAR's companies contribute to society in different ways depending on their sector and capabilities, from supporting circular economy practices and improving resource efficiency, to contributing to the development of offshore wind and other energy infrastructure. While each business operates in a distinct market, many play a role in enabling more efficient operations, supporting clients' sustainability objectives, or providing essential services within their communities.

Beyond its portfolio, STAR supports initiatives that promote positive social impact. We continue to back Level20, which promotes gender diversity in private equity, and YES (Youth Experience in Sport), founded and chaired by Tony Mallin CBE. During the year, as part of the SPARK initiative, STAR hosted a student in July to provide insight into working at an investment firm.

For the 2025 reporting period, STAR received the following scores

★★★★☆ **79%** For policy governance and Strategy module (PGS)

★★★★☆ **83%** For the Direct—Private Equity module

★★★★☆ **80%** For the Conference Building Measures module

PRI Principles for Responsible Investment

STAR Capital

ENGAGEMENT & STEWARDSHIP

Portfolio company engagement

STAR takes a hands-on approach to supporting portfolio companies in advancing their sustainability strategies.

Colm Bergin

Chief Sustainability Officer, ASL

STAR's strong governance oversight, active engagement with ASL, and continued encouragement of transparent reporting have helped embed ESG into decision making across the organisation. STAR's support has enabled ASL to strengthen cross functional collaboration, advance key environmental initiatives, and mature its overall sustainability strategy, ensuring responsible growth and long-term value creation for all stakeholders.

Andrea Angel

ESG Manager, Nextbike

Partnering with STAR has been a catalyst for maturing our internal ESG framework in support of our vision *"Sustainable mobility for all"*! Their peer-to-peer mentorship and clear KPI framework has been vital as we build a strategic ESG hub that synergizes regulatory rigor with proactive value creation. This guidance has strengthened our approach, embedding data-driven environmental leadership and social governance into our growth and long-term value creation.

Ben Robinson

Chief Executive Officer, GenAir

Through STAR's support, GenAir has been able to accelerate its sustainability strategy, benefiting from both strategic insight and a collaborative approach that helps turn sustainability ambitions into measurable outcomes.

Environmental

Climate change has the potential to affect asset values through regulatory developments, transition dynamics and physical impacts, and is therefore considered within STAR's broader approach to risk assessment and portfolio oversight.

Main focus areas

- Carbon emissions (p. 19)
- Climate risk and opportunity (p. 21)

During 2025, STAR's environmental focus centred on updating and refining its TCFD-aligned climate risk assessment, building on prior emissions analysis to deepen its understanding of portfolio exposure to both physical and transition risks. Alongside this work, STAR continued to broaden its environmental approach, including the development of a Biodiversity Policy and a value creation framework.

STAR commits to:

Continuous measurement, monitoring and reporting of Scope 1, 2, and 3 emissions at STAR and across its portfolio.

Supporting portfolio companies in reducing their carbon footprint through various initiatives such as installing solar panels and investing in more energy efficient aircraft and train fleets.

Track relevant biodiversity KPIs and the recycling of waste within the portfolio.

ENVIRONMENTAL

Case Study: V. Group

V. Group has provided a variety of actions and resources in relation to climate change mitigation and adaptation.

Action	Case study	Decarbonisation lever
Alternative fuel training and operational readiness	**V.** expanded alternative fuel training and operational readiness through simulator-based learning, fuel studies and industry collaboration. This included enhancing the Green Room training facilities in Manila and Mumbai with the Wärtsilä Training Simulator Suite for Green Fuels, covering LNG and methanol operations, with an ammonia simulation module scheduled for deployment in 2026.	Training for low-carbon alternative fuels, customer compliance and advisory support
Strengthening energy and environmental data management	**V.** continued to enhance its energy and environmental management capabilities through the further development of its ISO 50001-aligned energy management framework and the establishment of an ESG Champion network across its offices. These initiatives strengthened the monitoring, management and reporting of energy consumption and environmental performance data.	Energy in own operations
Supporting lower-emission technologies in leisure and cruise operations	**V.** Leisure continued to support the adoption of lower-emission technologies across cruise and yacht operations, including dual-fuel LNG/MGO systems, hybrid propulsion solutions and wind-assisted technologies. This included providing technical management expertise for newbuild and transition projects, such as the Orient Express Silenseas project, which integrates LNG capability with innovative SolidSail wind propulsion technology.	Vessel efficiency and operational performance, customer compliance and advisory support
Strengthening supply chain emissions management through procurement activities	In 2025, Oceanic and Marcas strengthened procurement initiatives to improve visibility of supply chain emissions, including introducing IMEF reporting requirements for major suppliers. **V.** also advanced its vessel supply chain emissions baseline and increased the use of recycled packaging for key food products.	Procurement and supply chain actions

ENVIRONMENTAL

Carbon emissions

STAR Emissions

With a team of around 30 people, STAR's operational footprint is relatively small, and emissions from its own activities remain limited. Scope 1 emissions relate to direct emissions from sources owned or controlled on site, including the combustion of natural gas and other fuels, as well as other on-site fuel use. Scope 2 emissions are low due to the buildings use of renewable electricity.

The majority of STAR's emissions sit within Scope 3, driven mainly by business travel and, most significantly, to the activities of its investment portfolio. This reflects STAR's business model and underlines the importance of active portfolio engagement and responsible travel management in reducing emissions.

In 2025, STAR recorded zero Scope 1 and Scope 2 emissions of 0.0 primarily as a result of the continued shift towards biogas use within the office building.

When portfolio emissions are included, total emissions for 2025 reached 695,863 tCO_2e. ASL accounted for the largest share of this total. The overall figure also incorporates the impact of new portfolio additions during the year: STR and GenAir, and the removal of TASC and Synergy which were sold.

STAR III and STAR IV portfolio emissions

The STAR III and IV funds invest across a wide range of businesses and sectors, each with very different carbon emissions profiles. In 2025, STAR's total portfolio emissions decreased compared with 2024, from 1,152,994 tCO_2e to 695,745 tCO_2e. This was mainly driven by ASL adopting an operational control approach, replacing the financial control approach, scope 3 therefore forms a larger proportion of total emissions than was previously reported.

Scope 1 (market based)
tCO_2e
0.0
(2024: **0.0**)

Scope 2 (market based)
tCO_2e
0.0
(2024: **0.0**)

Scope 3 (including investments)
tCO_2e
695,745
(2024: **1,152,994**)

Scope 3 (excluding investments)
tCO_2e
118.19
(2024: **178.58**)

ENVIRONMENTAL

Carbon emissions

The portfolio's emissions profile remains concentrated in a small number of companies, with ASL and V.Group continuing to account for the majority of STAR's total emissions, reflecting the nature and scale of their operations. Compared with 2024, ASL's* Scope 1 and Scope 2 emissions decreased following a change in reporting methodology, whereby emissions from subsidiary companies are now reported under Scope 3. As a result, Scope 1 and Scope 2 emissions declined, while reported Scope 3 emissions increased. V. Group also reported a year-on-year reduction in total emissions, driven by improved fuel efficiency across its managed vessel operations.

Across the wider portfolio, emissions developments varied, with reductions at companies such as GSLS, Hawksford and ABL Technic, while increases were recorded at ROG, Vincorion, MYFLEXBOX and Nextbike. The 2025 reporting also includes emissions from STR and GenAir, reflecting changes in the portfolio during the year. Synergy LMS has been excluded from the emissions profile following its sale in May 2025.

During the year, STAR continued to work with a carbon specialist to support portfolio companies with developing their net zero targets. The approach varies by company, reflecting differences in sector, business model, technological maturity and the availability of feasible decarbonisation levers. As a result, the objective is for each portfolio company to follow its own emissions reduction pathway over time. ASL, the portfolio's largest emissions source, remains committed to Destination 2050, the European aviation industry's roadmap to net zero emissions.

* ASL has adopted the operational control approach for greenhouse gas (GHG) emissions reporting, replacing the previous financial control approach, in line with the GHG Protocol. Under this methodology, emissions are reported for aircraft and activities over which ASL has direct operational control, regardless of ownership or financing arrangements. This approach aligns with aviation climate frameworks, including the EU Emissions Trading System (EU ETS) and ICAO's CORSIA, which assign emissions responsibility to the aircraft operator. The change enhances the completeness, consistency and comparability of ASL's emissions reporting, while strengthening accountability and supporting more effective emissions management.

	Equity ownership	Total emissions	Scope 1 & 2	Scope 3
	%[1]	tCO_2e	tCO_2e	tCO_2e
ASL	49%	1,290,999	667,539	623,459
GSLS	93%	1,505	988	517
Hawksford	78%	1,198	459	739
ROG	64%	1,553	736	817
Vincorion	88%	9,017	3,904	5,112
ABL Technic	89%	29,558	19,620	9,938
MYFLEXBOX	96%	2,122	5	2,117
V Group	16%	1,529,745	138	1,529,608
Nextbike	93%	4,533	1,510	3,023
STR	57%	1,597	144	1,454
GenAir	69%	1,970	584	1,386
Total		**2,873,797**	**695,627**	**2,178,170**

1 Emissions based on STAR III and IV ownership percentage.

Portfolio companies measuring, monitoring and reporting on carbon emissions
Scope 1, 2 and 3
100%

Portfolio companies with carbon emissions targets
By number
55%

Percentage of portfolio company emissions from portfolio companies with reduction targets
99.6%

ENVIRONMENTAL

Climate risk and opportunity

Climate change has the potential to affect asset values through regulatory developments, transition dynamics and physical impacts, and is therefore considered within STAR's broader approach to risk assessment and portfolio oversight.

In 2025, STAR refreshed its TCFD-aligned climate risk and opportunity assessment, building on the initial assessment conducted in 2023. The updated assessment considered amongst other transition and physical climate-related risks across multiple scenarios, including a net zero pathway, a delayed transition scenario and a continuation of current policy trends.

The assessment indicates that STAR's portfolio is broadly resilient under the scenarios reviewed. Transition risks were identified as the most material climate-related risks at portfolio level, particularly in relation to costs of transitioning, evolving regulation, and changing stakeholder expectations. Physical climate risks were assessed as less material at portfolio level, with the most relevant exposures linked to acute weather events such as heavy precipitation and flooding.

Key findings from the 2025 assessment

STAR's portfolio is assessed as broadly resilient under the climate scenarios reviewed. Transition risks are generally more material than physical risks, while climate-related opportunities were identified across the portfolio, particularly in areas linked to low-carbon products and services, energy and resource efficiency, and climate-informed business strategy.

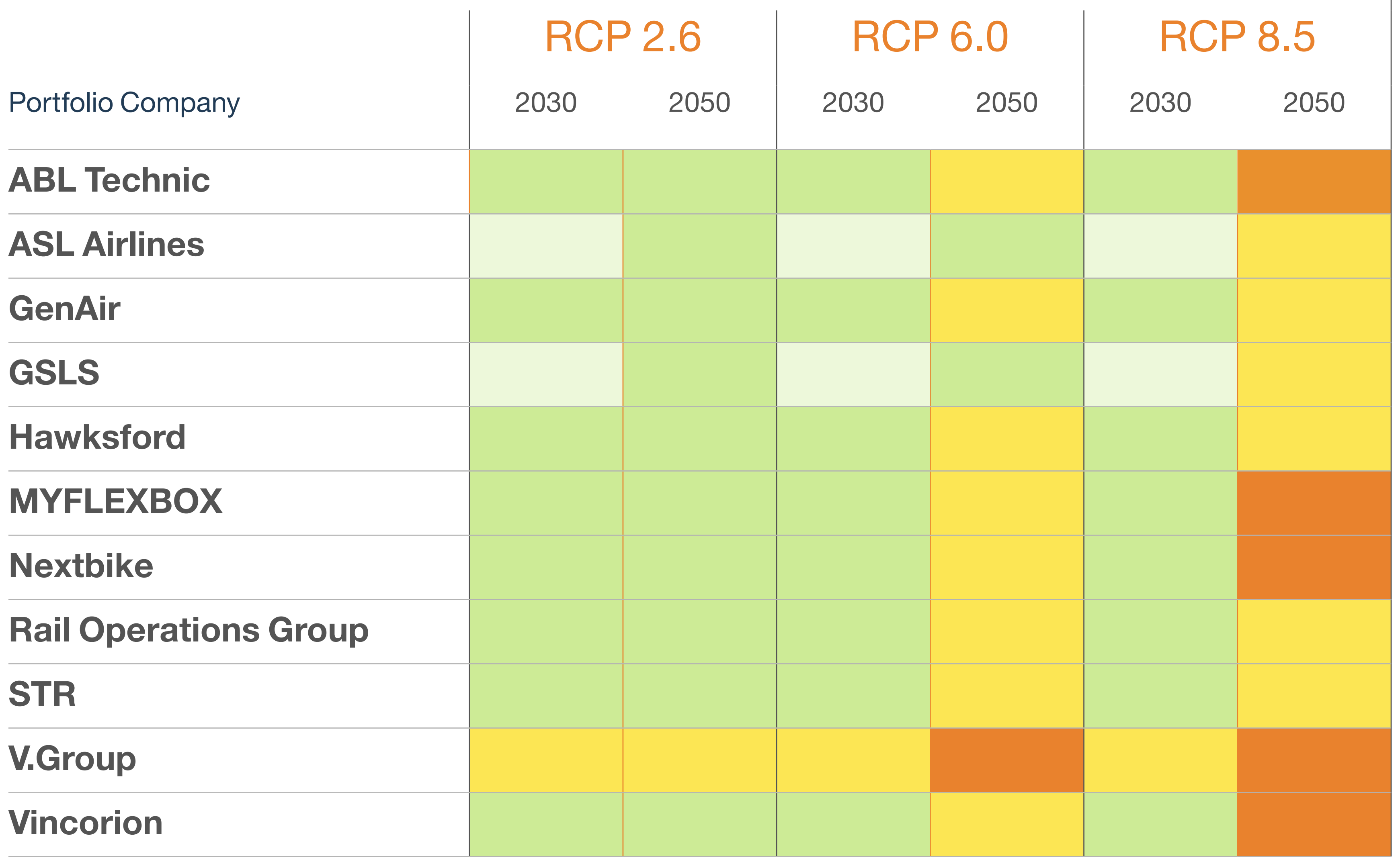
ENVIRONMENTAL

Climate risk and opportunity

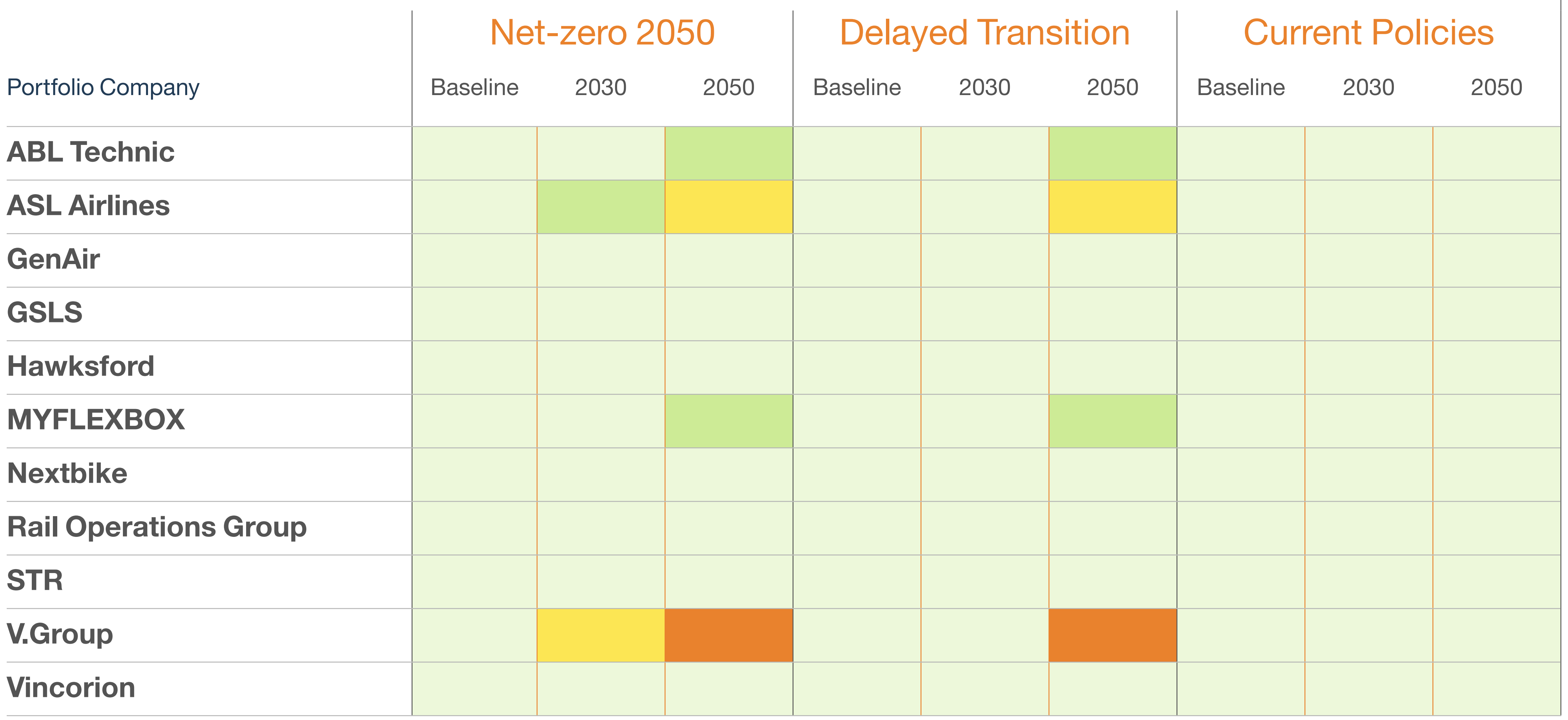
Moderate
Very low
High
Low
Very high

The diagrams below illustrate the STAR portfolio's risk profile with respect to physical and transition climate risks.

Exposure to climate-related physical risks



Exposure to climate-related transition risks



Further information on STAR's climate scenario analysis, governance, risk management approach, metrics and targets is available in Star Capital's 2025 TCFD Report.

STAR Capital

Social

STAR's social priorities focus on fostering high performance and inclusion across both STAR and its portfolio. By investing in talent, promoting diversity and inclusion and upholding strong health and safety standards, STAR aims to support long-term value creation while fostering positive and resilient working environments.

Main focus areas

- Talent attraction, retention, and development (p. 25)
- Health and safety (p. 27)

STAR commits to:

Aiming to conduct an employee satisfaction survey across STAR and all portfolio companies.

Ensuring that 100% of STAR employees receive annual training in ESG topics such as anti-corruption, cybersecurity, data privacy and environment.

STAR and portfolio companies' employees receiving relevant annual health and safety training appropriate to their area of operation

Reporting on our progress towards achieving goals related to health and safety.

SOCIAL

Case Study: ASL employee development

ASL views training and development as key to stronger engagement, lower turnover, clearer career pathways, better succession planning, and a more resilient, diverse, and high-performing workforce driven by talent, inclusive leadership, and employee wellbeing.

ASL continues to strengthen its people strategy through focused initiatives that support talent, leadership, wellbeing, and employee engagement.

Succession Planning & Talent Management

The ASL Way supports succession planning by standardising job families, competencies, and career bands, creating clear and transparent career pathways across the organisation.

People Leadership Development

ASL is expanding its leadership development programmes to strengthen people management capability and build future leaders.

Employee Wellbeing & DEI Initiatives

Regular wellbeing and DEI-focused communications help foster inclusion, strengthen belonging, and raise awareness across the Group.

Employee Engagement Insights

ASL conducts an annual Group-wide engagement survey, providing leaders with targeted insights and action-planning tools to improve leadership effectiveness and communication.

Recruitment

ASL applies a competency-based, skills-first hiring approach aligned to the ASL Way, supporting fair and inclusive access to career opportunities.

ASL's 2025 employee survey achieved a 77% participation rate, up from 62% in 2024. Employee satisfaction also increased, with 72% of employees rating ASL as a satisfactory or extremely satisfactory place to work, compared with 66% in 2024.

SOCIAL

Talent attraction, retention and development

STAR metric

Portfolio metric

People are our greatest asset

At STAR, our people are fundamental to delivering performance, creating value, and executing our strategy. As a people-led business, our long-term success depends on attracting, developing, and retaining high-calibre talent with the skills, judgement, and motivation to support the firm's continued growth.

We therefore view talent management as a strategic priority. STAR invests in employee engagement, professional development, and capability building across the organisation and, where relevant, the portfolio. These efforts are designed to strengthen performance, support succession, and ensure the business remains well positioned to respond to evolving market and stakeholder expectations.

STAR also seeks to maintain a collaborative and inclusive culture that supports accountability, high performance, and shared ownership of outcomes. Our flat organisational structure encourages open dialogue, close collaboration, and active contribution across the firm. By fostering an environment in which people can develop and perform at their best, STAR aims to build a resilient organisation equipped to deliver long-term value.

Employees that have had appraisal or development plans updated in 2025	100%
Employee turnover rate	10%
Portfolio companies conducting an employee satisfaction survey in the last two years	82%

STAR Capital

SOCIAL

Diversity and inclusion

Diversity and inclusion breeds success, driving long term value creation for our business and our stakeholders.

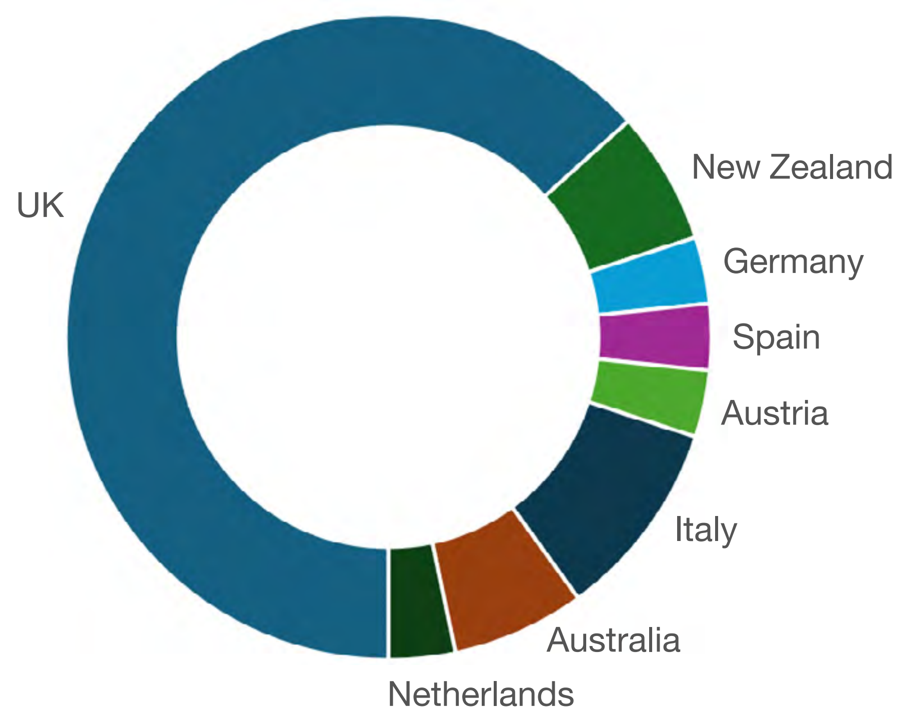
Diversity and inclusion are fundamental to STAR's long-term success and value creation. STAR recognises that fostering a diverse and inclusive culture is both a responsibility and a strategic advantage. By bringing together broad range of perspectives, experiences and backgrounds, STAR aims to strengthen decision making, promote innovation and enhance its ability to attract, develop and retain exceptional talent.

STAR's team currently represents eight nationalities, reflecting its commitment to building a workplace that values diverse perspectives and international outlooks. This diversity contributes to a dynamic and collaborative environment and supports the differentiated thinking that underpins STAR's investment approach.

We actively promote diversity and inclusion through targeted initiatives, including continued support the Level20 initiative, which works to improve gender diversity within private equity.

Transparency and accountability remain central to STAR's approach. We are committed to tracking and communicating progress on our diversity and inclusion initiatives, both within STAR and across our portfolio, ensuring stakeholders are informed of our ongoing actions and achievements.

Nationality breakdown at STAR



STAR gender diversity[1]

Executive management	25%
Non executive management[2]	17%
Employees	40%

STAR ethnic diversity

Executive management[3]	25%
Non executive management[4]	17%
Employees	5%

1 The percentage represents the female representation
2 Relates to the SASB definitions
3 Relates to the SASB definitions
4 Relates to the SASB definitions

STAR Capital

SOCIAL

Health and safety

Safe and fair working conditions are fundamental to operational excellence and workforce well-being.

STAR is committed to promoting high standards of health and safety across both its own operations and its portfolio. To support this, we maintain robust health and safety policies and procedures designed to foster safe working environments. Performance is monitored through relevant health and safety KPIs, supporting ongoing oversight, accountability and continuous improvement.

We work closely with our portfolio companies to strengthen high standards of health and safety management. This includes facilitating access to independent third-party expertise where appropriate and providing guidance to support the development and implementation of policies aligned with relevant industry standards. Responsibility for delivering health and safety training remains with each portfolio company, ensuring that programmes are tailored to their specific operational risks and business models.

Portfolio statistics 2025

Work related fatalities	0
Lost time incident frequency	6.86

STAR Capital

Governance

Governance underpins STAR's approach to risk management, oversight and long-term value protection across STAR and our portfolio.

Main focus areas

- Business ethics (p. 29)
- Cyber security and data protection (p. 30)

As an FCA-regulated alternative investment fund manager, STAR operates within a clear governance framework that emphasises transparency, accountability, and effective decision-making. This framework supports consistent standards of conduct, robust oversight and clear escalation processes.

STAR commits to:

Encouraging presence of at least one independent non-executive board member in all portfolio companies.

Taking all reasonable steps to ensure that there are zero incidents related to unethical business conduct.

A minimum of one data penetration test per year at STAR and each portfolio company.

Provide cyber security training for all relevant employees.

GOVERNANCE

Business ethics

STAR metric
Portfolio metric

Responsible and ethical business practices drive long-term, sustainable value for STAR, its portfolio, and the wider industry.

Our investor engagement

- Marketing materials feature clear risk
- Virtual data room
- Quarterly reports
- Regular update calls
- Annual Investors Meeting
- Open collaboration

Responsible and ethical business practices form a core part of STAR's governance approach and support long-term value across the company and its portfolio. As an FCA-regulated alternative investment fund manager, STAR meets all applicable regulatory and reporting requirements and promotes transparency through regular investor communications and disclosures. STAR encourages high standards of conduct across its operations and portfolio, including independent board oversight, and operates a whistleblowing framework that allows concerns to be raised confidentially and without retaliation, supported by annual training and portfolio-wide implementation.

STAR is regulated by the FCA as a full-scope alternative investment fund manager. As such, STAR is subject to legal and regulatory requirements regarding pre-contractual and ongoing reporting to customers.

Number of incidents related to unethical business conduct	0
Reported whistleblowing incidents	0
Portfolio companies that have a whistleblowing mechanism	100%
Reported whistleblowing incidents in the portfolio	91

GOVERNANCE

Cyber security and data protection

STAR metric
Portfolio metric

Cyber security risks are ever-increasing across the markets in which STAR and its portfolio companies operate, with potential impacts including data loss, operational disruption and reputational damage.

In response, STAR maintains a structured IT and data protection approach across its operations and supports portfolio companies in strengthening cyber controls through regular training, testing and ongoing awareness as threats continue to evolve.

How we are preparing for increased cybersecurity risks/controls framework:

Throughout 2025, we continued to strengthen our cyber security posture as part of our wider commitment to operational resilience, data protection, and responsible digital practices. Through close collaboration with our security operations partner Kocho, we introduced new preventative controls and enhanced detection capabilities.

How STAR supports portfolio companies with cyber

Each portfolio company is assessed against STAR's cyber framework policy. When a new business is acquired, a cybersecurity review is conducted to evaluate the company's existing procedures. This enables STAR to support each business in key areas, with the aim of ensuring robust protection against cyber incidents.

Cyber security breaches Number	0
Data penetration tests Number	1
GDPR breaches Number	0
Portfolio companies with a responsible individual for cyber security	100%
Portfolio companies providing annual cyber security training to employees	91%
Portfolio companies with a cyber security policy	100%
Cyber GDPR breaches across the portfolio [1]	3

1 Although breaches took place, these were immaterial to Star & the portfolio company.

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Appendix

APPENDIX

SASB

Sustainability Accounting Standards Board table

Topic	Accounting metric	Category	Unit of measure	Data / Page	Code
Transparent Information & Fair Advice for Customers	(1) Number and (2) a percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.	Quantitative	Number, Percentage (%)	0 0%	FN-AC-270a.1
	Total monetary losses due to legal proceedings associated with marketing and communication of financial product-related information to new and returning customers.	Quantitative	Presentation currency	£0	FN-AC-270a.2
	Description of approach to informing customers about products and services.	Discussion and Analysis	N/A	Page 29	FN-AC-270a.2
Employee Diversity & Inclusion	Percentage of gender and racial/ethnic group representation of (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees.	Quantitative	Percentage (%)	Page 26	FN-AC-330a.1

Calculated by reference to STAR III and STAR IV portfolio companies (excluding Windlogix) taking into account proportionate ownership where indicated.

APPENDIX

SASB

Sustainability Accounting Standards Board table

Topic	Accounting metric	Category	Unit of measure	Data / Page	Code
Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themes investing, and (3) screening.	Quantitative	Presentation currency	100%	FN-AC-410a.1
	Description of approach to the incorporation of environmental, social, and governance (ESG) factors, in investment and/or wealth management processes and strategies.	Discussion and Analysis	n/a	Pages 9-22	FN-AC-410a.2
	Description of proxy voting and investee engagement policies and procedures	Discussion and Analysis	n/a	Page 11	FN-AC-270a.3
Financed emissions	Absolute gross financed emissions disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	Quantitative	Metric tons (t) CO_2-e	Page 19	FN-AC-410b.1
	Total amount of assets under management (AUM) included in the financed emissions disclosure	Quantitative	Presentation currency	Page 19	FN-AC-410b.2
	Percentage of total assets under management (AUM) included in the financed emissions calculation	Quantitative	Percentage (%)	Page 19	FN-AC-410b.3
	Description of the methodology used to calculate financed emissions	Discussion and Analysis	n/a	Pages 19-20	FN-AC-410b.4

Calculated by reference to STAR III and STAR IV portfolio companies (excluding Windlogix) taking into account proportionate ownership where indicated.

STAR Capital

APPENDIX

SASB

Sustainability Accounting Standards Board table

Topic	Accounting metric	Category	Unit of measure	Data / Page	Code
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.	Quantitative	Presentation currency	£0	FN-AC-510a.1
	Description of whistleblower policies and procedures	Discussion and Analysis	n/a	Page 29	FN-AC-510a.2

Activity metric	Category	Unit of measure	Data / Page	Code
(1) Total registered and (2) Total unregistered assets under management (AUM).	Quantitative	Presentation currency	£1.753m	FN-AC.000.A
Total assets under custody and supervision	Quantitative	Presentation currency	Not applicable	FN-AC.000.B

Calculated by reference to STAR III and STAR IV portfolio companies (excluding Windlogix) taking into account proportionate ownership where indicated.

APPENDIX

PRI Principles Index

Activity metric		Page
Principle 1	We will incorporate ESG issues into investment analysis and decision-making processes.	9-12
Principle 2	We will be active owners and incorporate ESG issues into our ownership policies and practices.	11
Principle 3	We will seek appropriate disclosure on ESG issues by the entities in which we invest.	10
Principle 4	We will promote acceptance and implementation of the Principles within the investment industry.	15
Principle 5	We will work together to enhance our effectiveness in implementing the Principles.	15
Principle 6	We will each report on our activities and progress towards implementing the Principles.	In investor report

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