

SAMARA  
CAPITAL

ENVIRONMENT, SOCIAL &  
GOVERNANCE REPORT  
2024

SAMARA  
CAPITAL

Mumbai | New Delhi  
Mauritius | New York

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## Disclaimer

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# 1

## Overview

We reaffirm our unwavering commitment to responsible investment practices that create lasting value for all stakeholders. This chapter offers insight into our ESG journey, highlighting key milestones achieved since our last report, notable ESG accomplishments across our portfolio, and our Responsible Investment Policy. We continue to believe that generating favourable financial outcomes and addressing sustainability concerns are complementary goals that strengthen business resilience and unlock new opportunities for growth.

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# Leadership Message



It is with great enthusiasm that I present Samara Capital's third ESG report. As we mark another milestone in our responsible investment journey, this report showcases how our commitment has translated into tangible actions and measurable outcomes across our portfolio companies and within our own operations.

The landscape of responsible investing continues to evolve at a rapid pace globally, and particularly in India, where we've witnessed a significant acceleration in regulatory frameworks and market expectations. Against this backdrop, Samara Capital has not merely adapted but has proactively transformed our approach, positioning sustainability as a core driver of value creation rather than a compliance exercise.

## Strengthening Our Investment Foundation

The past year has been transformative for our due diligence processes. Recognizing the growing importance of climate risks, we've substantially enhanced our assessment framework to incorporate detailed climate risk evaluations for all potential investments. This strengthened approach allows us to make more informed investment decisions and helps us identify early opportunities for value creation through climate adaptation and mitigation strategies. By addressing these considerations at the pre-investment stage, we're setting our portfolio companies on a path toward long-term resilience from day one.

## Navigating the Regulatory Landscape

The introduction of more stringent ESG reporting requirements, particularly SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework, has created both challenges and opportunities for Indian businesses. Recognizing that many of our portfolio companies would benefit from structured guidance, we developed comprehensive policy frameworks and monitoring mechanisms tailored to each sector's specific needs.

Our support extended beyond mere compliance, focusing on helping companies understand how these new reporting frameworks can drive strategic advantages. By establishing standardized data collection methods and analysis tools, we've enabled our portfolio companies to benchmark their performance against industry peers and identify areas for improvement.

## Collaborative Ecosystem for Excellence

One of our most impactful initiatives this year was establishing cross-portfolio collaboration forums for functional leaders. These dedicated platforms bring together leaders from across our portfolio companies to share challenges, exchange best practices, and collectively solve pressing issues.

These forums have already yielded remarkable outcomes. Our CFO forum developed standardized approaches to measure impact of sustainability value creation initiatives, while our CHRO network implemented innovative diversity and inclusion programs that have improved talent retention across the portfolio. Similarly, our technology leaders have collaborated to enhance cybersecurity protocols and data

privacy frameworks, creating resilience against emerging digital threats.

## Global Influence, Local Impact

Our commitment to responsible investment extends beyond our portfolio to the broader investment community. This year, we joined the PRI Private Equity Advisory Committee, where we actively represent the perspective of investment managers from emerging markets. This position allows us to contribute to global conversations while ensuring that standards and frameworks remain relevant and applicable to diverse economic contexts.

Through this platform, we've advocated for pragmatic approaches to ESG integration that recognize the unique challenges and opportunities present in rapidly developing economies like India. Our participation ensures that global standards evolve with consideration for varying stages of market development and regulatory frameworks.

## Four Pillars of Sustainable Value Creation

Our portfolio engagement in 2024 centred on four strategic priorities: Environmental Stewardship, where we guided companies to reduce their footprints and establish science-based emissions targets; Employment Practices, promoting fair labour standards and diversity initiatives; Corporate Governance, implementing structures ensuring transparency and ethical decision-making; and Technology Governance, emphasizing robust protocols to safeguard against

emerging digital vulnerabilities as businesses increasingly digitalize.

## Transparency as Our Foundation

Our commitment to transparency remains unwavering. We continue to report comprehensively to PRI, publish detailed annual ESG reports, and provide periodic ESG updates to our investors. This not only builds trust but also creates accountability within our organization and portfolio companies.

## Looking Forward

As we look to the future, we recognize that responsible investment practices will continue to evolve. We remain committed to staying at the forefront of these developments, adapting our approach to ensure we continue delivering both financial returns and positive impact.

The progress detailed in this report reflects the collective efforts of our investment teams, portfolio company management, and external partners. I extend my sincere gratitude to all who have contributed to our achievements this year. Together, we're demonstrating that financial success and sustainability are not competing objectives but complementary forces that drive long-term value creation.

We invite you to explore this report in detail and welcome your feedback as we continue our journey toward building more sustainable, resilient businesses.

“ Our investment approach seamlessly integrates financial objectives with environmental and social responsibility. We believe sustainable businesses must balance profit maximization with climate resilience, social accountability, and exemplary governance. By embedding these considerations throughout our investment lifecycle, we create enduring value for investors, portfolio companies, and communities. ”

- Sumeet Narang

Founder, Managing Director, and co-CIO

# About Samara Capital

**Samara Capital is one of India’s leading mid-market private equity firms with strong operating capabilities. We focus on long term business ownership and value creation while driving positive impact for all stakeholders.**

Founded in 2007, Samara Capital is a leading mid-market private equity firm in India and has invested over 2 billion USD since inception. We have a stable and cohesive leadership team that takes pride in attracting and nurturing the very best of talent to deliver exceptional results.

Over the course of more than a decade, the team has developed deep expertise in focus sectors and has actively collaborated with managements making Samara Capital a trusted partner. We see ourselves as a business owner and partner with entrepreneurs and managements to make the businesses achieve their true potential, thereby creating long term value for all stakeholders. Our investors include high quality institutional investors and family offices from across the globe.

15+

Years of experience of investing in mid-market private equity in India

2 billion USD

Invested since inception

28

Investments

11

Active portfolio companies

## Leadership Principles and Values

### Passion for Investing

Samara leaders are inquisitive and create unique investment opportunities based on sharp insights and strong relationships with business leaders. Samara leaders believe in capital preservation, demonstrate intellectual integrity and are relentless in pursuing strong risk-adjusted investment returns.

### Business Builder

Samara leaders think and act as inspiring business owners, possess sound judgment, and display a high degree of accountability. They have a frugal mindset and don't sacrifice long-term value for short term results.

### Growing Talent

Samara leaders can identify, attract, nurture, and retain the very best of talent, for the firm and for the businesses we invest in. They gauge their own success basis the talent they build and create a culture of empowerment and perfectionism.

### Grit

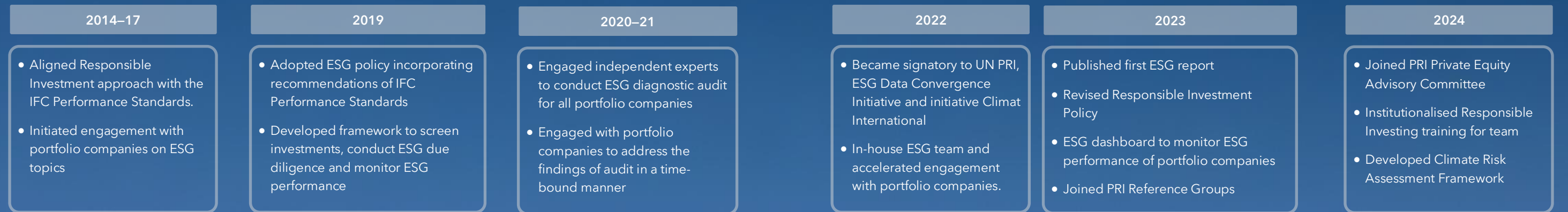
Samara leaders think audaciously and show unusual resilience. They learn and improve from setbacks/failures and keep going while rallying everyone in the team until the goal is accomplished. They are not afraid of taking calculated risks and value speed in decision making.

### Collaboration

Samara leaders display a firm-first approach, they work together in the belief that the best idea, rather than my idea, is everyone's common objective. They share information & knowledge openly and make time to help others.



# ESG Journey and Milestones



# Responsible Investment Commitment

We firmly believe that responsible investment decisions create positive impact on both financial and corporate performance while generating shared value for the community. Since formalizing our Responsible Investment Policy in 2019 and significantly enhancing it in 2023, we have continually strengthened our approach to integrating Environmental, Social, and Governance (ESG) considerations throughout our investment process.

Our responsible investing approach aligns with internationally recognized frameworks, including the UNFCCC Paris Agreement, UN Sustainable Development Goals (SDGs), and UN Guiding Principles on Business and Human Rights. As a signatory to the UN-backed Principles for Responsible Investment (PRI) since November 2022, we implement the six principles by incorporating ESG factors into investment analysis, practicing active ownership, seeking appropriate ESG disclosures, promoting acceptance of the Principles, collaborating with others, and reporting on our progress.

## Integration Across the Investment Cycle

Our commitment to responsible investment is evident throughout every stage of the investment cycle:

### Pre-Investment Phase

During the deal sourcing and screening process, we apply a robust ESG exclusion list and conduct high-level climate risk screening. For proposals that pass initial screening, we perform comprehensive ESG due diligence to evaluate regulatory compliance, existing ESG policies, potential controversies, and alignment with industry benchmarks. This allows us to identify material ESG risks and opportunities before making investment decisions.

Our Investment Committee, advised by the ESG Committee, ensures that ESG considerations are thoroughly incorporated into every investment decision. Each potential investment is evaluated not only for its financial potential but also for its environmental impact, social responsibility, and governance practices.

### Investment Agreement

Once an investment decision is made, we incorporate appropriate ESG representations, warranties, and covenants into the investment agreement. These legally binding provisions ensure that portfolio companies maintain high ESG standards and address any identified issues in a timely manner.

### Post-Investment Engagement

Our active ownership approach extends throughout the ownership period. We work closely with portfolio companies to establish robust ESG policies, processes, and governance mechanisms. Each portfolio company is guided to:

- Identify material ESG topics through rigorous materiality assessment
- Develop clear ESG strategies with measurable goals and targets
- Implement action plans to address ESG due diligence findings
- Monitor and report on key ESG metrics quarterly
- Integrate ESG considerations into core business strategies

We regularly review progress through monthly engagement calls and quarterly board-level discussions of ESG dashboard metrics. This ensures that ESG considerations remain a priority for company leadership and inform strategic decision-making.

## ESG Exclusion Criteria

- Systematic use of harmful or exploitative forced labour or child labour.
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements. This includes:
- Regulated wildlife or wildlife products.
- Radioactive materials.
- Unbonded asbestos fibres.
- Polychlorinated biphenyls (PCB).
- Pharmaceuticals subject to phase outs or bans on manufacturing / distribution / sale as per locally applicable regulations for the respective activity.
- Hazardous chemicals, pesticides, and herbicides.
- Ozone depleting substances.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- Direct manufacturing, selling or distribution of controversial weapons (nuclear weapons, chemical or biological weapons).
- Casino, gambling, and similar enterprises.
- Direct involvement in commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest.
- Deriving significant revenue from business activities involving tobacco.
- Deriving significant revenue from exploration, mining, or production of coal / oil / natural gas.

Please refer to the [Samara Capital Responsible Investment Policy](#) for details.

## Resources and Support

To effectively implement our responsible investment approach, we have developed a comprehensive suite of resources:

- ESG materiality assessment tools that align with industry standards
- Sector-specific ESG benchmarking resources
- ESG due diligence toolkits

- Regular ESG policy reviews and regulatory updates
- Dedicated ESG team providing continuous guidance

Our investment team receives annual training on responsible investing principles and practices, ensuring they have the knowledge and tools to effectively integrate ESG considerations into investment decisions.

## Looking Forward

As we move forward, we continue to enhance our responsible investment approach in response to evolving stakeholder expectations, regulatory developments, and global sustainability challenges. We remain committed to creating long-term sustainable value while addressing critical environmental and social challenges.

Our 2030 vision is to be recognized as a leader in responsible investing within the Indian private equity landscape, demonstrating that strong financial returns can be achieved while driving positive environmental and social outcomes.

# 2

## Value Creation and Responsible Investment Approach

Our structured approach to responsible investment continues to evolve, creating sustainable value through the integration of ESG considerations throughout the investment lifecycle. This chapter details our Operating Excellence Framework, Sustainable Value Creation Framework, ESG integration methodologies, and processes that guide investment decisions. We share our comprehensive ESG Factors Framework and our approach for climate risk assessment, industry collaboration initiatives, governance structure, and the sustainability resources we've developed to support our investment teams in identifying and managing material ESG risks and opportunities.

### In this Chapter

- Operating Excellence Framework
- Sustainable Value Creation Framework
- Alignment with Sustainable Development Goals
- ESG Integration Framework
- ESG Factors Framework
- Climate Risk Due Diligence
- Industry Collaboration Initiatives
- ESG Governance
- Sustainability Resources for Investment Team



# Operating Excellence Framework

The Operating Excellence Framework represents our evolved approach to driving sustainable value creation across portfolio companies. This dynamic framework—refined through years of active ownership—serves as our blueprint from acquisition through exit, ensuring predictable outcomes and enhanced financial performance. We apply the framework from first day of the ownership period with the aim of generating desired financial outcome. By incorporating lessons from our portfolio successes and adapting to evolving market conditions, we've strengthened each component to address emerging business challenges and capture new opportunities.

## Value Creation Objectives

Central to our framework are precisely defined value creation objectives established at investment inception. These objectives encompass not only financial targets and operational milestones but also strategic direction and sustainability priorities intended to build lasting enterprise value. Our leadership teams employ data-driven performance monitoring with advanced analytics capabilities, allowing real-time calibration of stewardship activities to maximize alignment with targeted outcomes.

The objectives serve as north stars throughout the ownership journey, creating shared purpose across stakeholders while enabling disciplined capital allocation. We develop these objectives through rigorous analysis of market positioning, competitive landscapes, and growth trajectories, ensuring they are both ambitious and achievable. The balanced scorecard approach ensures we track both leading indicators and lagging outcomes to measure progress comprehensively.

## Transformational Business Transition

Successful value creation requires methodical business transformation throughout our ownership period. This process begins during pre-acquisition analysis, where we identify core value levers and develop comprehensive transition roadmaps. The transition phase encompasses strategic realignment, leadership development, and technology modernization, with particular focus on identifying inorganic growth opportunities and building operational resilience.

Our transition methodology includes structured change management practices that accelerate implementation while minimizing disruption. We emphasize early wins that build momentum and stakeholder confidence, followed by more complex transformation initiatives as organizational capabilities mature. Cross-functional transformation teams work alongside management to overcome obstacles, capture synergies, and ensure milestones are met with appropriate urgency and quality.

## Governance and Execution

Our proprietary Governance Architecture implements industry-leading standards within the first 180 days post-acquisition. This comprehensive system integrates robust audit mechanisms, compliance frameworks, and board-level guidance to ensure disciplined execution of strategic objectives. The governance model balances appropriate controls with empowerment, creating accountability while enabling entrepreneurial leadership.

Performance management follows a structured cadence with quarterly business reviews anchored in quantifiable metrics. Each portfolio company operates under a detailed Annual Operating Plan with clearly defined milestones, enabling focused execution on high-impact initiatives measured through precise KPIs. Our dashboard systems provide transparent visibility into performance trends, allowing rapid intervention when metrics indicate potential concerns. This data-driven approach extends beyond financial indicators to include operational excellence, customer satisfaction, and employee engagement metrics.

## Strategy Framework

Portfolio companies benefit from collaborative strategy development that brings together the CEO, deal partners, and functional experts to craft comprehensive 3-5 year roadmaps. These strategies balance organic growth initiatives with targeted inorganic expansion opportunities, supported by competitive landscape analysis and market disruption assessments. Annual action plans derived from these strategies provide clear execution pathways with measurable milestones.

Our strategy methodology incorporates scenario planning to build resilience against market uncertainties, alongside innovation frameworks that identify emerging opportunities. We facilitate structured external engagement—including voice-of-customer research, industry expert consultations, and technology horizon scanning—to ensure strategies remain market-relevant. The resulting frameworks are both aspirational and practical, offering compelling visions alongside executable roadmaps.

## Team and Culture Framework

Our framework emphasizes identifying and developing exceptional leadership talent capable of driving transformational growth. We cultivate high-performance cultures through systematic talent development programs and cross-portfolio advancement opportunities. Cultural alignment initiatives follow global best practices, including Great Place to Work standards, ensuring engaged workforces positioned to deliver ambitious objectives.

Talent management includes sophisticated assessment and development processes that identify potential, build capabilities, and accelerate readiness for expanded responsibilities. We design succession plans for critical roles, ensuring business continuity while creating advancement

pathways. Our leadership development curriculum combines experiential learning, executive coaching, and cross-industry exposures to build versatile, future-ready executives capable of navigating complex business challenges.

Our cultural transformation methodology establishes clear values and behaviours that support high performance while fostering inclusion and innovation. We deploy regular engagement measurement tools to track cultural health, identifying areas for targeted interventions and reinforcement. This approach creates workplaces where exceptional talent thrives, driving sustainable performance advantages.

## Technology Framework

The technology enablement component focuses on building scalable digital architectures that drive business acceleration. Our specialist teams guide technology investments that integrate operations, enhance decision-making capabilities, and strengthen risk management practices. We emphasize modernizing technology capabilities from traditional IT functions toward product-driven engineering cultures that reimagine business processes through digital innovation.

Our digital transformation approach prioritizes investments that deliver measurable business outcomes rather than technology for its own sake. We implement digital roadmaps

that balance foundational infrastructure modernization with quick-win initiatives that demonstrate value. Our methodology includes assessment of digital maturity, identification of high-impact use cases, and implementation of agile delivery models that accelerate time-to-value.

Advanced technologies—including data analytics, machine learning, and process automation—are deployed strategically to enhance operational efficiency, customer experience, and business intelligence capabilities. We emphasize strong technology governance frameworks that manage cyber risks while enabling appropriate innovation velocity.

# Sustainable Value Creation Framework

We recognize that ESG integration is not merely a compliance exercise but a powerful driver of business value across the investment lifecycle. Our Sustainable Value Creation Framework illustrates how we systematically transform ESG considerations into tangible value through a progressive journey from risk mitigation to opportunity capture and ultimately sustainable value creation.

This framework represents our approach to responsible investment as a value-enhancement strategy rather than a trade-off against financial returns. By identifying and activating nine specific levers across three horizons, we create a structured pathway for our portfolio companies to leverage ESG factors as competitive advantages.

The framework's ascending trajectory demonstrates how value steadily accumulates as companies progress from essential risk management activities to proactive opportunity capture and finally to market-leading sustainable business practices. This progression is not merely sequential but often operates in parallel, with companies simultaneously addressing risks while capturing opportunities and creating sustainable value.

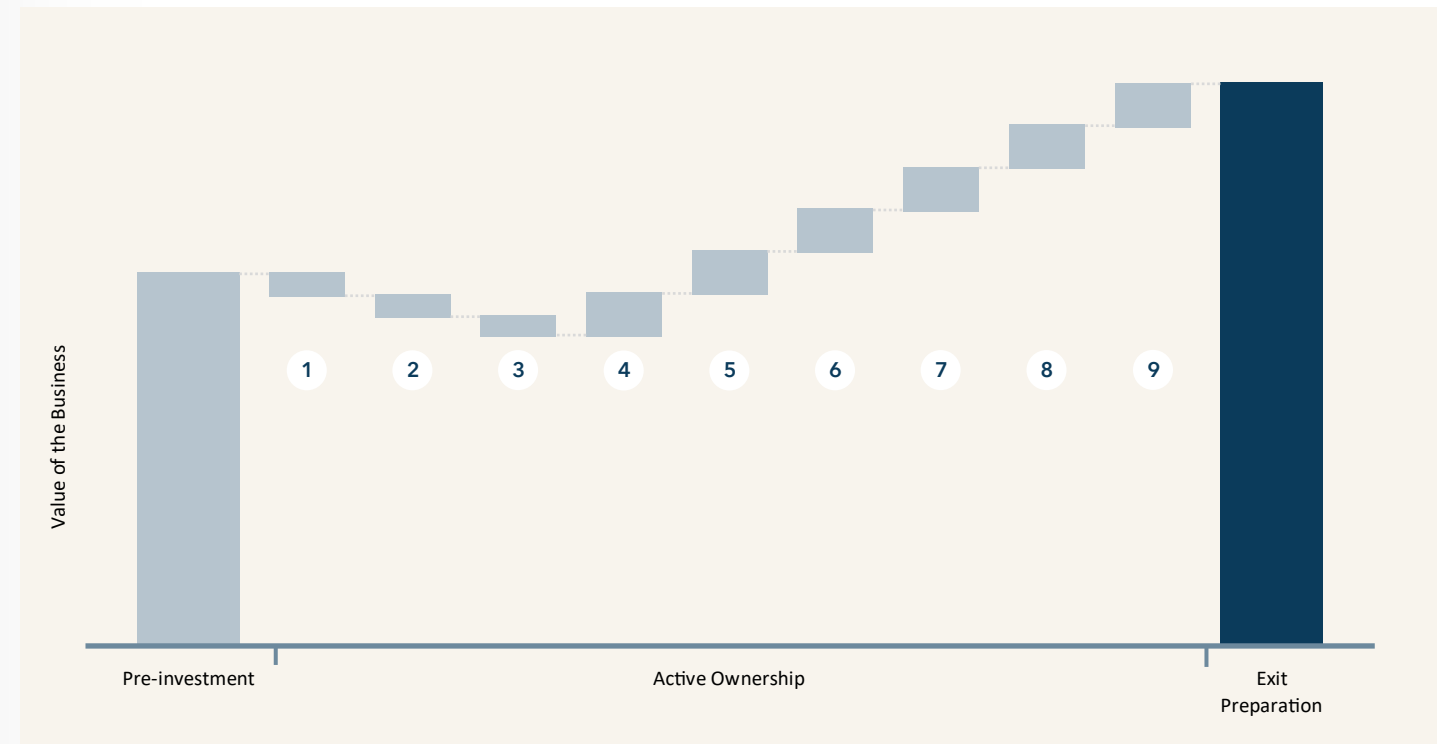
Our experience across portfolio companies confirms that businesses addressing all nine levers consistently outperform those focused solely on risk mitigation. The companies that move furthest along this trajectory typically achieve superior operational performance, stronger stakeholder relationships, and ultimately higher exit valuations.

During pre-investment due diligence, we evaluate potential investments against all nine levers to establish a baseline and

identify value creation opportunities. Throughout the active ownership period, our investment and operating teams work closely with portfolio company leadership to implement initiatives across each lever. We track progress through our ESG dashboard and regular board reviews, ensuring consistent advancement along the value creation pathway.

By exit, portfolio companies that have fully embraced this framework emerge as more resilient, efficient, and forward-looking businesses. Their enhanced ESG profiles not only demonstrate responsible business practices but also translate into tangible financial value through reduced operational costs, new revenue streams, expanded market access, and strengthened brand positioning.

The Sustainable Value Creation Framework serves as both a strategic compass and a practical roadmap, guiding our investment decisions and active ownership approach. It reinforces our conviction that generating strong financial returns and addressing sustainability concerns are not competing objectives but rather complementary goals that, when properly integrated, create lasting value for all stakeholders.



Sustainable Value Creation Framework

## Mitigating Risks

The foundation of sustainable value creation begins with robust risk management. We meticulously identify and address ESG risks before and during ownership through these key levers:

**Lever 1: Meeting the rising cost of regulatory compliance** - We proactively anticipate regulatory changes and build compliance systems that go beyond minimum requirements, preventing penalties and operational disruptions.

**Lever 2: Investing in workforce management and attracting outlier talent** - We implement progressive employment practices that reduce turnover costs while attracting exceptional talent that drives innovation and performance.

**Lever 3: Building resilience against systemic risks** - We develop strategies to address climate change, resource scarcity, and social disruptions, strengthening business continuity and operational stability.

## Leveraging Opportunities

Moving beyond risk mitigation, we actively pursue value-creating ESG opportunities through three additional levers:

**Lever 4: Driving operational efficiency** - We implement energy conservation, waste reduction, and process optimization initiatives that simultaneously reduce environmental impact and operating costs.

**Lever 5: Resource conservation** - We redesign products and processes to minimize resource consumption, creating leaner operations with reduced environmental footprints.

**Lever 6: Talent growth and skill development** - We invest in comprehensive training programs that enhance employee capabilities, improving productivity and innovation while reducing recruitment costs.

## Value Creation

The ultimate goal of our framework is to generate lasting value that benefits all stakeholders through these final levers:

**Lever 7: Revenue enhancement led by sustainability initiatives** - We develop products and services that address emerging sustainability challenges, opening new revenue streams and market segments.

**Lever 8: Market/customer access** - We expand our portfolio companies' reach by addressing underserved communities through inclusive business models and sustainability-oriented offerings.

**Lever 9: Brand enhancement** - We strengthen brand equity through authentic ESG leadership, building consumer trust and preference while attracting premium valuations.

# Alignment with Sustainable Development Goals

At Samara Capital, we recognize that our investment decisions and active ownership approach have far-reaching impacts beyond financial returns. By integrating the United Nations Sustainable Development Goals (SDGs) into our investment strategy, we are creating long-term value while addressing global challenges.

## Material ESG Factors

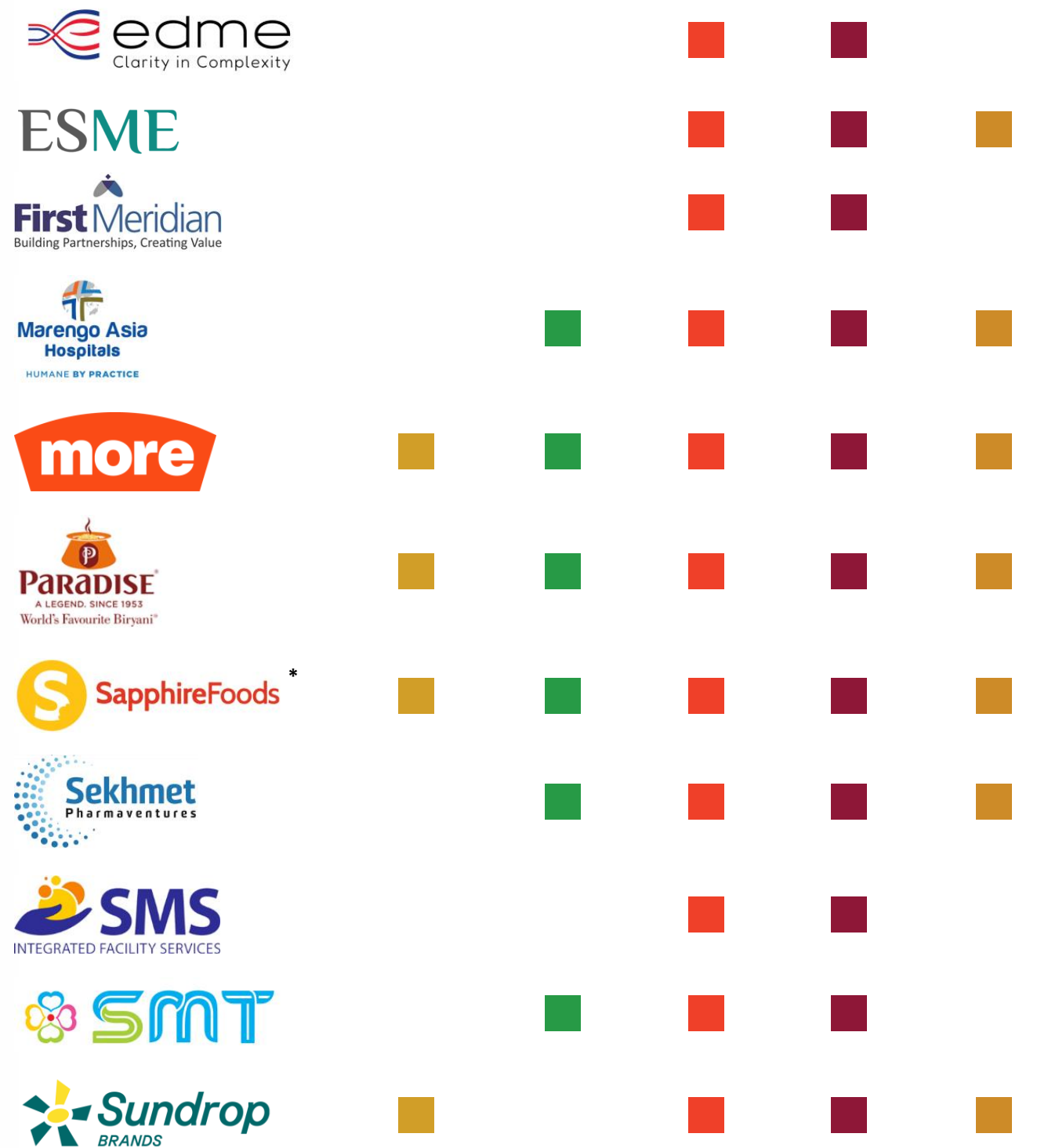
Our portfolio companies contribute to multiple SDGs through their core business activities and dedicated sustainability initiatives. We strategically focus on five key SDGs where our investments can drive the most meaningful impact:

<p>2 ZERO HUNGER</p>	<p>Our investments in the food value chain, including Sundrop Brands, More Retail, Paradise Food Court, and Sapphire Foods, contribute to food security and nutrition. These companies focus on making nutritious food more accessible and affordable while implementing initiatives to reduce food waste across their operations and supply chains.</p>
<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Through investments like Marengo Asia Hospitals and SMT, we're expanding access to quality healthcare and innovative medical technologies. Our healthcare portfolio companies are working to make critical treatments more affordable and accessible.</p>
<p>5 GENDER EQUALITY</p>	<p>We actively promote gender diversity across our portfolio, with companies like FirstMeridian (36% women employees) and Marengo Asia Hospitals (40% gender diversity ratio) leading the way. We've established diversity targets for all portfolio companies.</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>All our portfolio companies create quality employment opportunities across India, with a collective workforce exceeding 50,000 employees. Our focus on fair labour practices, workplace safety, and professional development supports sustainable economic growth.</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>We prioritize resource efficiency and circular economy principles across our portfolio. Companies like More Retail, Paradise Food Court, and Sapphire Foods have implemented comprehensive programs to reduce food waste, eliminate single-use plastics, and optimize packaging materials.</p>

## Driving Change Through Active Ownership

Our approach to SDG integration goes beyond selection criteria. We actively work with portfolio companies to:

- Conduct materiality assessments identifying the most relevant SDGs for their business
- Set measurable SDG-linked targets as part of their ESG strategies
- Track progress using specific KPIs aligned with global frameworks
- Report results transparently in sustainability reports



\* Additional SDG alignment on Page 63-64

# ESG Integration Framework

We have deepened our ESG integration approach over the past two years, moving beyond risk mitigation to create measurable positive impact. Our enhanced framework ensures that ESG considerations are not just evaluated but fully embedded in our investment decisions, portfolio management, and value creation strategies.

## Pre-investment

As part of our comprehensive evaluation process, we thoroughly assess material ESG factors for all investment opportunities. Our enhanced due diligence now incorporates climate scenario analysis, biodiversity impact assessment, and social value measurement. This approach allows us to identify not only risks but also significant value creation opportunities through sustainable business practices.

The due diligence process begins with our ESG team conducting initial screening against our expanded exclusion list and proprietary ESG screening toolkit. Based on these findings, we determine the scope of specialized ESG due diligence required, engaging sector-specific independent experts when needed for deep analysis of complex sustainability challenges and opportunities.

### 1. Strategic Opportunity Identification

- Screening potential investments against enhanced ESG exclusion criteria and impact potential
- Evaluating how sustainability trends create competitive advantages and market opportunities
- Determining if ESG factors present potential for business model innovation

### 2. Comprehensive Due Diligence

- Assessing material ESG risks, opportunities, and management systems with sector-specific metrics
- Evaluating climate transition plans and physical risk exposure through scenario analysis
- Benchmarking performance against industry peers and best practices

### 3. Investment Decision Making

- Including detailed ESG findings in investment memoranda with quantified risk and opportunity assessment
- Presenting ESG analysis alongside financial projections to the Investment Committee
- Considering ESG impact on valuation, growth potential, and exit strategy

### 4. Investment Agreement Structuring

- Embedding specific ESG commitments in transaction documentation
- Setting clear expectations for sustainability governance and reporting
- Establishing ESG performance improvement targets with accountability mechanisms

## Post-investment

We partner closely with portfolio company management teams to integrate ESG considerations into their core business strategies. This collaborative approach ensures that sustainability becomes a value driver rather than merely a compliance exercise.

Beyond establishing robust ESG policies and processes, we now require portfolio companies to set science-based targets and implement performance incentives tied to ESG outcomes. Companies monitor and report on material ESG metrics quarterly, allowing us to track progress, identify improvement areas, and capture value creation opportunities throughout the ownership period.

### 5. Strategic Onboarding

- Conducting detailed ESG baseline assessment within first 100 days
- Developing customized sustainability roadmaps with the management team
- Establishing ESG data collection systems and governance structures

### 6. Value Creation Implementation

- Setting science-based targets for material ESG issues with clear action plans
- Integrating ESG initiatives into the company's core business strategy
- Providing access to specialized sustainability expertise and technology solutions

### 7. Performance Monitoring

- Tracking quarterly ESG KPIs through our enhanced digital dashboard
- Benchmarking performance against industry peers and global frameworks
- Regular reporting to investors with transparent progress updates

### 8. Responsible Exit Planning

- Documenting ESG achievements and sustainability journey throughout ownership
- Quantifying value created through ESG initiatives in exit materials
- Ensuring continuity of sustainability strategy post-exit

# ESG Factors Framework

We believe that incorporation of ESG factors in investment decisions creates both defensive value through risk mitigation and offensive value through identifying new opportunities. This dual approach builds business resilience that can weather market volatility while positioning our portfolio companies for long-term sustainable growth.

Our experience has consistently shown that companies with strong ESG performance demonstrate greater operational efficiency, enhanced stakeholder trust, and improved access to capital.

Since our founding, we have refined our understanding of which ESG factors materially impact business performance across different sectors. This continuous learning process has led us to develop a comprehensive framework of environmental, social, and governance factors that guide our investment approach. These carefully selected factors reflect

both globally recognized sustainability challenges and India-specific considerations that are most relevant to our investment strategy.

By systematically evaluating these factors throughout the investment lifecycle, we ensure ESG considerations are fully integrated into our decision-making rather than treated as an afterthought. Each factor serves as a lens through which we assess potential risks and opportunities, helping us to build more resilient businesses while creating sustainable value for all stakeholders.

## Material ESG Factors

### Environment

**Greenhouse Gas Emissions** Rising greenhouse gas emissions contribute significantly to climate change, posing physical and transition risks to our investments. By prioritizing this factor, we can help our portfolio companies reduce their carbon footprint while preparing for stricter emissions regulations ahead.

**Climate Risk and Opportunities** Climate change creates both risks to business continuity and opportunities for innovation and market differentiation. Understanding these dynamics is essential for building resilient businesses that can thrive in a rapidly changing climate landscape.

**Energy Conservation** Energy efficiency directly impacts operational costs and environmental footprint of our portfolio companies. Focusing on this factor helps businesses maintain competitiveness while reducing vulnerability to energy price volatility and supply disruptions.

**Renewable Energy** The transition to renewable energy is accelerating globally, creating both imperatives and opportunities for businesses. This factor helps our companies reduce emissions while potentially securing long-term cost advantages and meeting stakeholder expectations.

**Freshwater Conservation, Recycling and Reuse** Water scarcity poses a growing business risk across multiple sectors and geographies where we invest. Prioritizing water stewardship helps ensure operational continuity and social license to operate in the communities where our portfolio companies are present.

**Waste Management** Effective waste management is increasingly regulated and can impact operational costs and reputation. This factor allows us to identify opportunities for resource efficiency and circular business models that create value while reducing environmental impact.

### Social

**Employment Creation and Decent Work** Providing quality employment opportunities is central to sustainability and community wellbeing. It helps us assess how our investments contribute to economic advancement and social stability.

**Data Security and Privacy** Data breaches pose significant financial and reputational risks in an increasingly digital economy. We aim to protect portfolio companies from costly incidents while maintaining customer trust and regulatory compliance.

**Diversity, Equity and Inclusion** Diverse and inclusive organizations benefit from broader perspectives and improved decision-making. It helps portfolio companies attract and retain top talent thus helping the business meet financial objectives.

**Supply Chain Sustainability** Supply chain disruptions and ethical issues can severely impact business continuity and brand reputation. We strive to identify and address vulnerabilities while creating more resilient and responsible value chains.

**Training and Skill Development** Human capital development correlates with business innovation and productivity. Focusing on this helps ensure our portfolio companies maintain competitiveness by nurturing skills needed in rapidly evolving industries.

**Community Engagement** Strong community relationships are essential for maintaining social license to operate. This helps our portfolio companies build trust with local stakeholders while contributing positively to the communities in which they operate.

**Health, Safety and Well-being** Employee wellbeing directly impacts productivity, talent retention, and operational continuity. By prioritizing this, we help protect both human capital and business performance across our portfolio.

**Human Rights** Respecting human rights is a fundamental ethical obligation and increasingly a legal requirement for businesses. This factor helps us identify and mitigate potential human rights impacts throughout our investment activities and value chains.

**Product Quality and Safety** Product safety issues can lead to significant liabilities, recalls, and reputational damage. This factor ensures our portfolio companies prioritize consumer welfare while avoiding costly quality failures.

### Governance

**Corporate Governance** Strong governance structures form the foundation for sustainable business growth and value creation. This factor helps ensure proper oversight, accountability, and strategic direction across our portfolio.

**Transparency** Transparent practices build trust with investors, customers, and other stakeholders. This factor promotes a culture of openness that reduces risks while strengthening relationships with key stakeholders.

**Internal Controls** Robust internal controls are essential for preventing fraud, ensuring data integrity, and maintaining operational efficiency. This factor helps identify vulnerabilities before they impact business performance.

**Business Integrity** Ethical business conduct is fundamental to long-term success and maintaining stakeholder trust. This factor helps protect our portfolio companies from corruption risks while building brands known for integrity.

**Regulatory Compliance** Failure to ensure compliance can result in significant penalties, operational disruptions, and reputational damage. This factor ensures our portfolio companies navigate complex regulatory environments effectively while anticipating emerging requirements.

# Climate Risk Due Diligence

In 2024, we took a significant step forward in our responsible investment journey by developing a comprehensive Climate Risk Due Diligence Checklist. This initiative represents our continued commitment to integrating climate considerations throughout our investment process, from initial screening to active stewardship during ownership. The development of this checklist aligns with our broader ESG integration framework and addresses the increasing recognition that climate risks and opportunities are material factors that can significantly impact investment outcomes.

## Motivation and Relevance

The development of our Climate Risk Due Diligence Checklist has been driven by several important factors that shape the investment landscape:

### Evolving Regulatory Expectations

The global regulatory environment continues to evolve rapidly, with increasing disclosure requirements and climate-related obligations for businesses. Our checklist enables us to systematically evaluate how potential investments are positioned to navigate emerging climate regulations and reporting frameworks.

### Investor Expectations

Our investors increasingly expect robust climate risk assessments as part of our investment process. The checklist demonstrates our proactive approach to meeting these expectations while enhancing transparency around our climate risk methodology.

### Double Materiality Principle

Consistent with our ESG approach, we apply the double materiality principle in climate risk assessment—considering both how climate change impacts our investments and how our investments impact climate change. The checklist formalizes this approach, ensuring comprehensive evaluation of both dimensions.

### Transition to Low-Carbon Economy

As economies worldwide accelerate their transition toward net-zero emissions, businesses face both risks and opportunities. Our checklist helps identify potential transition risks such as policy changes, market shifts, and technology disruptions, as well as opportunities for value creation through climate solutions and adaptation strategies.

## Salient Features

**Sector-Specific Risk Identification:** The checklist includes tailored sections for different industry sectors, recognizing that climate risks and opportunities manifest differently across industries. This allows for more precise and relevant assessment of climate impacts on potential investments.

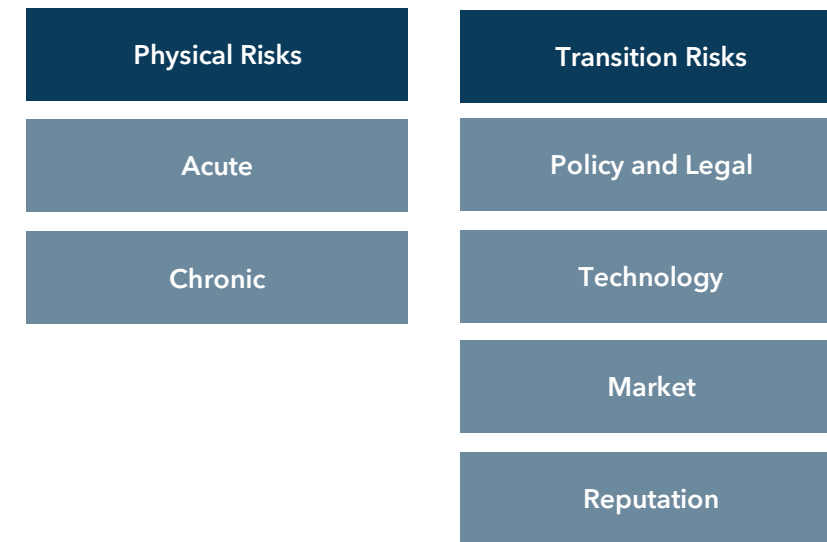
**Physical and Transition Risk Assessment:** The checklist provides a structured approach to evaluating both physical risks (such as extreme weather events and long-term climate changes) and transition risks (such as policy changes, market shifts, and technological developments) that could impact business value.

**Supply Chain Vulnerability Analysis:** Recognizing that climate impacts often extend beyond direct operations, the

checklist includes detailed evaluation of supply chain vulnerabilities to climate hazards, helping identify potential disruption risks.

**Climate Governance Evaluation:** The checklist assesses the quality of climate governance at potential investment companies, including board oversight, management expertise, and integration of climate considerations into strategic planning and risk management.

**Climate Opportunity Identification:** Beyond risk assessment, the checklist helps identify potential climate-related opportunities, such as resource efficiency, market positioning for low-carbon products and services, and resilience-building initiatives.



Elements of the Climate Risk Assessment Framework  
(Source: [Recommendations of the Task Force on Climate-related Financial Disclosures](#))

# Industry Collaboration Initiatives

The past year has seen a significant expansion in our collaborative efforts to advance responsible investment practices both within our firm and across the private equity industry. Building on our foundational commitments established in 2022-2023, we have strategically deepened our engagement in existing initiatives while joining several new working groups that address emerging ESG challenges and opportunities. These expanded collaborations reflect our belief that systemic progress on sustainability requires both individual action and collective industry momentum.

Our approach to industry collaboration continues to be guided by three core principles: actively contributing emerging market perspectives to global conversations, translating theoretical frameworks into practical implementation tools, and sharing knowledge that benefits the broader ecosystem of responsible investing. As mid-market investors operating in fast-growing economies, we bring unique insights to these collaborative forums while simultaneously enhancing our own capabilities through the exchange of ideas and best practices with global peers, investors, and co-investors.

## Collaborative Engagement with Investors and Co-investors

For portfolio companies where we have invested alongside co-investors, we have established more structured joint engagement approaches with company management. These collaborations align expectations on incorporating ESG considerations into business strategy.

Jointly driving the responsible investment agenda creates a powerful engagement approach that not only aligns investor expectations but also demonstrates to management teams the importance of ESG initiatives. This collaborative approach streamlines efforts needed by portfolio companies

in responding to ESG monitoring and reporting requirements.

For our recent investments, we have enhanced our common platform for all co-investors to pool their ESG expectations. Portfolio companies now respond to consolidated questionnaires, reducing duplication and improving efficiency. We have also increased the frequency of joint engagements with portfolio companies to minimize effort for all parties while maximizing impact.

## Peer Collaboration Initiatives

We actively participate in open forums, discussions, and various initiatives with peer investment managers on responsible investment topics. These collaborative platforms help us learn from others' experiences while collectively advancing responsible investment practices.

Such forums promote collaboration on important topics including regulatory proposals and consultations. In 2024, we participated in several industry-led forums on emerging

ESG regulations affecting private equity in Asia, contributing our perspective on practical implementation challenges and opportunities.

We remain committed to engaging with industry peers on collaborative initiatives and jointly addressing system-level issues impacting responsible investment decision-making in emerging markets.

## Collaboration for Promoting Responsible Investment

### PRI Committees and Working groups

**PRI Private Equity Advisory Committee (PEAC):** In 2024, we joined PEAC to support the development and implementation of private equity guidance aligned with the Six Principles. Our participation helps shape practical tools and resources for asset owners, service providers, and investment managers globally.

**PRI Sustainable Systems Investment Managers Reference Group:** We continue our active participation, bringing emerging markets perspective to discussions on system-level issues and sustainable financial systems.

**PRI Human Rights & Social Issues Reference Group:** We joined this group in 2024, contributing to information exchange on human rights and social considerations in investment decisions, while engaging with other signatories on emerging issues.

**PRI Circular Economy Reference Group:** Our ongoing participation supports investor capacity to address circular economy across relevant value chains. The reference group also provides input on PRI's circular economy strategy, and future guidance to support signatory action.

**ESG Supply Chain Due Diligence Working Group:** It aims to improve management of ESG risks and opportunities in supply chains across private markets. The working group is developing a common approach for ESG supply chain due diligence, mapping regulatory landscapes, and identifying best practices across different maturity levels.

**Sustainability-linked Value Creation Working Group:** The group is reshaping how private equity views sustainability—from risk management to value creation and focuses on developing actionable guidance for driving tangible financial outcomes through sustainability initiatives.

### ESG Data Convergence Initiative (EDCI)

**ESG Data Convergence Initiative (EDCI):** We have completed our third cycle of data submission to EDCI in 2024. We continue to actively participate in the EDCI process and have started incorporating EDCI benchmarks to compare the ESG performance of our portfolio companies periodically.

**Working Group for Harnessing Benchmarks:** We now actively participate in the EDCI Working Group that develops best practices in harnessing insights from the initiative's benchmark data. Our involvement includes contributing to discussion forums for GPs and LPs on practical applications of EDCI benchmarks

### Other Collaborative Engagements

**Initiative Climat International (iCI) Asia Pacific Chapter:** We continue our membership in the Asia Pacific chapter since 2022, collaborating on climate action within private equity. In 2024, we actively participated in the iCI Asia Pacific's climate assessment discussions, which helped strengthen our approach to climate risk assessment across portfolio companies. We also learnt from the group on sector-specific decarbonization gaining practical insights.

# ESG Governance

In 2024, we achieved a significant milestone in our ESG journey by fully institutionalizing the ESG Committee within our governance framework. This strategic advancement has transformed how ESG considerations influence our investment decisions, creating a more robust and integrated approach to responsible investing. By strengthening this critical governance component, we have ensured that environmental, social, and governance factors are systematically evaluated at every stage of our investment process.

Our enhanced governance structure reflects our conviction that sustainable value creation must be anchored in rigorous ESG oversight. As global markets increasingly recognize the material impact of ESG factors on long-term performance, we have positioned ourselves at the forefront of this evolution in the private equity landscape, particularly within emerging markets.

## Institutionalizing the ESG Committee

The institutionalization of our ESG Committee in 2024 marked a pivotal development in our governance framework. We formalized the Committee's charter, expanded its membership to include additional expertise, and established a more comprehensive meeting cadence with detailed reporting protocols. This evolution has enabled the Committee to provide more in-depth guidance on complex ESG matters, from climate transition risks to emerging social considerations across our diverse portfolio companies.

The ESG Committee now functions as an essential component of our investment decision-making apparatus,

with formal representation in Investment Committee meetings for all potential transactions. This integration ensures that material ESG factors are thoroughly evaluated alongside traditional financial metrics when assessing investment opportunities. The Committee's enhanced role includes developing sector-specific ESG frameworks, conducting periodic reviews of portfolio company ESG performance, and providing strategic direction on our firm-wide responsible investment initiatives. These improvements have significantly strengthened our ability to identify both ESG risks and value-creation opportunities across all stages of the investment lifecycle.



## Governance Structure

### At Samara Capital

#### Investment Committee

The Investment Committee holds ultimate responsibility for ensuring the firm's commitment to our Responsible Investment Policy and its implementation. It receives guidance from the ESG Committee on incorporating ESG factors in investment decisions, and provides comprehensive oversight for both pre-investment and post-investment ESG integration across all portfolio companies.

#### Investment Team

The investment team implements the recommendations from both the Investment Committee and ESG Committee, ensuring adherence to our Responsible Investment Policy across all portfolio activities. They incorporate ESG considerations into investment analysis and regularly report on portfolio companies' ESG performance.

#### Legal Team

Our legal team ensures that ESG-related warranties and covenants are incorporated into investment agreements and analyse their legal implications, providing essential support to our ESG governance structure.

#### ESG Committee

Our ESG Committee, established in 2023, provides dedicated oversight on implementation of the Responsible Investment Policy. The Committee comprises representatives from leadership, investment team, and ESG specialists. It serves in an advisory capacity to the Investment Committee, providing recommendations on ESG matters throughout all stages of the investment process.

#### ESG Team

Our ESG team operationalizes the Responsible Investment Policy by conducting ESG appraisals of investment proposals and providing ongoing supervision of portfolio companies' ESG performance. The team ensures that all activities remain consistent with the policies and procedures established under our Responsible Investment framework.

### At Portfolio Companies

#### Board Oversight

We establish clear ESG accountability by ensuring board-level oversight of ESG matters. Our investment team members who serve on portfolio company boards champion ESG initiatives and regularly review ESG performance metrics. This top-down approach ensures that ESG considerations receive appropriate attention and resources.

#### Sustainability Working Groups

We encourage portfolio companies to establish cross-functional sustainability working groups that meet regularly to coordinate ESG efforts across departments. These groups develop action plans, monitor progress, and ensure that ESG initiatives are aligned with business objectives.

#### ESG Champions

Each portfolio company nominates dedicated ESG champions who implement ESG initiatives and drive progress on material ESG topics. These champions come from diverse functions including operations, human resources, and legal departments, depending on the most material ESG issues for their industry sector.

#### Structured Reporting Mechanisms

We have implemented standardized ESG reporting frameworks across our portfolio companies, with quarterly data submission requirements covering 20+ key metrics. This consistent approach enables us to track progress, identify areas for improvement, and share best practices across the portfolio.



# Sustainability Tools for Investment Team

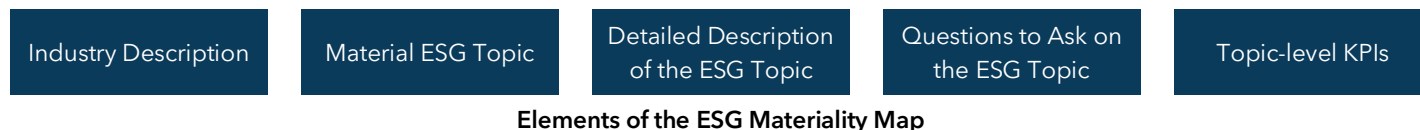
The past year has seen a significant expansion in our collaborative efforts to advance responsible investment practices both within our firm and across the private equity industry. Building on our foundational commitments established in 2022-2023, we have strategically deepened our engagement in existing initiatives while joining several new working groups that address emerging ESG challenges and opportunities. These expanded collaborations reflect our belief that systemic progress on sustainability requires both individual action and collective industry momentum.

## ESG Materiality Map

We recognize that identifying and addressing material ESG factors is critical to building resilient businesses and generating sustainable returns. Our ESG Materiality Map serves as a cornerstone tool for our investment and ESG teams, enabling systematic identification and evaluation of material ESG topics during pre-investment due diligence.

This comprehensive framework allows us to:

- Systematically assess ESG risks and opportunities across different sectors
- Prioritize ESG factors based on their potential business impact
- Integrate material ESG considerations throughout the investment lifecycle
- Create value through improved sustainability performance



## How We Apply ESG Materiality Map

Identify Material ESG Factors	Pinpoint the most relevant environmental, social, and governance issues for specific industries and business models. The map categorizes ESG topics according to their relevance across various sectors, helping teams quickly focus on issues that could significantly impact business performance and stakeholder relationships.
Conduct Risk Assessment	Evaluate potential ESG risks based on standardized criteria and industry benchmarks. The tool includes risk assessment frameworks that consider both the likelihood and potential impact of ESG issues, allowing for consistent comparison across investment opportunities. This standardized approach enhances objectivity in the evaluation process.
Discover Opportunities	Recognize potential value creation levers through ESG improvements. Beyond risk mitigation, the Materiality Map highlights areas where proactive ESG management can drive operational efficiencies, unlock new market opportunities, enhance brand value, and strengthen stakeholder relationships.
Inform Due Diligence	Recognize potential value creation levers through ESG improvements. Beyond risk mitigation, the Materiality Map highlights areas where proactive ESG management can drive operational efficiencies, unlock new market opportunities, enhance brand value, and strengthen stakeholder relationships.
Develop Action Plans	Create post-acquisition ESG strategies addressing the most material topics. The insights gained through the Materiality Map directly inform 100-day plans and longer-term ESG roadmaps for portfolio companies, establishing clear priorities and actionable steps for ESG integration from day one of ownership.

## Sector-level ESG Benchmarking

For our priority investment sectors, we have developed in-depth ESG benchmarking resources that provide detailed reference documents summarizing sector-level material ESG topics and peer benchmarks. Our sector benchmarking has been strengthened to include material ESG topics as identified by leading national and global companies, with detailed analysis of how these topics evolve over time and vary by geography. We have incorporated sectoral ESG issues determined by global frameworks and industry associations, including emerging standards and reporting requirements. The benchmarking also covers regulatory landscapes across regional, national, and global requirements, with compliance guides and implementation roadmaps for investment teams to reference.

Our comprehensive peer benchmarks now feature materiality assessment findings, including quantitative performance data and qualitative strategy assessments that allow for meaningful comparisons. Industry-specific goals and targets are presented with implementation timelines,

resource requirements, and success metrics to guide portfolio company ambitions. We have enriched our benchmarking with detailed case studies of successful ESG initiatives, complete with measurable outcomes and lessons learned that can be applied across our portfolio.

The benchmarking now includes supply chain ESG risk mapping specific to each sector, highlighting hotspots and best practices for engagement. We have added sections on technology enablers and digital solutions that support ESG performance improvement by sector. To anticipate stakeholder concerns, we've incorporated investor expectations and engagement priorities by sector. For high-impact sectors, we've initiated development of transition pathways showing decarbonization trajectories and capital allocation requirements. These expanded sector benchmarks serve as critical decision-support tools for our investment teams during deal sourcing, due diligence, and portfolio management phases.

## ESG Policy Review

Our internal ESG team continues to produce weekly and monthly ESG policy review publications that track emerging regulatory developments. These insights directly inform our investment decision-making process throughout the investment cycle. The ESG policy review newsletter has been significantly enhanced to include comprehensive analysis of mandatory and voluntary ESG regulations worldwide, with implementation timelines and compliance requirements relevant to our investment sectors. We provide detailed guidance from financial regulators, statutory bodies, and industry groups, including consultation responses and enforcement priorities that might affect our portfolio companies.

We track market trends in responsible investment and sustainable finance, including emerging products, frameworks, and evolving investor preferences that shape capital markets. The newsletter analyses notable ESG controversies and their business implications, with insights into root causes and preventive measures that can protect portfolio value.

We have expanded our coverage to include comparison of regulatory approaches across jurisdictions, highlighting

convergence and divergence in global standards that multinational portfolio companies must navigate. We now track litigation trends and case law developments related to ESG disclosures and sustainability claims, helping portfolio companies manage legal risks effectively. The review covers industry coalitions and voluntary initiatives gaining traction, with membership requirements and commitment levels that might present opportunities for our companies. Finally, we analyse taxonomy developments and classification systems that define sustainable economic activities across regions, helping our investment teams understand how assets might be categorized under emerging frameworks. This comprehensive policy intelligence enables our investment teams to anticipate regulatory changes, identify compliance gaps, and position portfolio companies advantageously in an evolving ESG landscape.

These resources collectively strengthen our ability to integrate ESG considerations into investment decisions, supporting our commitment to creating sustainable value while managing risks effectively.

# 3

## Engagement with Portfolio Companies

Active engagement with our portfolio companies remains the cornerstone of our stewardship approach to responsible investing. This chapter outlines how we support companies in developing robust ESG strategies aligned with their business objectives, the sustainability resources we provide, and our focus areas for engagement. We highlight our collaborative work on environmental stewardship, employment practices, corporate governance, and technology governance, risk management and compliance (GRC), demonstrating how these efforts contribute to building more resilient businesses.

### In this Chapter

- Sustainability Engagement with Portfolio Companies
- Sustainability Resources for Portfolio Companies
- Areas of Sustainability Engagement
- Environmental Stewardship
- Employment Practices
- Corporate Governance
- Technology GRC

# Sustainability Engagement with Portfolio Companies

Our comprehensive ESG integration begins well before the formal ownership period commences. This forward-looking approach ensures portfolio companies align with our sustainability vision from day one. Through years of active ownership, we've refined our methodology and built deep sectoral expertise that enables us to apply tailored ESG strategies across diverse investments.

In 2024, we've enhanced our collaborative approach with portfolio companies. The Investment Team, ESG Team, and Legal Team work in concert under the Investment Committee's strategic guidance, ensuring cohesive and effective ESG implementation across all operations.

We view ESG as fundamental to business success rather than a compliance exercise. Our experience confirms that properly managed ESG factors directly impact financial performance, risk mitigation, and value creation opportunities.

## Materiality Assessment

We begin by conducting thorough materiality assessments to identify critical ESG factors. Our enhanced double materiality approach now incorporates both financial impact considerations and the company's broader environmental and social footprint, providing a more holistic view of sustainability priorities.

**2024 Highlight:** Completed comprehensive materiality refreshes with external stakeholder input for select portfolio companies by incorporating emerging sustainability issues as well as regulatory developments.

## Risk and Opportunity Mapping

Following materiality assessment, we guide portfolio companies to map specific risks and opportunities within their identified material ESG areas. In 2024, we've introduced new tools that help quantify these factors, enabling more precise prioritization and resource allocation.

**2024 Highlight:** Developed a climate risk assessment framework to help portfolio companies identify potential climate transition opportunities and prioritize mitigation actions for physical climate risks.

## Strategic Business Alignment

We ensure ESG priorities integrate seamlessly with core business strategies. We've strengthened this alignment by conducting workshops that bring together sustainability and business teams to identify synergies that drive both ESG performance and commercial success.

**2024 Highlight:** Through the year, we conducted engagements with portfolio companies supporting them in embedding ESG metrics directly into their strategic business plans and align business priorities with sustainability goals.

## Performance Metrics and Targets

Each portfolio company is expected to establish clear ESG goals with measurable KPIs. Our ESG team has updated our sector-specific metric frameworks in 2024, incorporating emerging standards and investor expectations. These standardized metrics allow for consistent tracking and benchmarking across our portfolio.

**2024 Highlight:** Expanded our ESG metrics dashboard to include additional indicators aligned with emerging disclosure frameworks. All portfolio companies now track and report on standardized ESG metrics, with quarterly reporting.

## Governance Framework Development

Strong governance underpins successful ESG implementation. We assist portfolio companies in developing robust policies and governance structures as per their operations and ESG priorities. Our regulatory tracking system ensures companies stay updated on evolving ESG requirements.

**2024 Highlight:** Ensured functioning of dedicated CSR / ESG committees at board level across the portfolio companies. Updated governance frameworks to incorporate emerging requirements from national sustainability disclosure standards.

## Action Planning and Implementation

Portfolio companies develop targeted initiatives to achieve their ESG objectives. This year, we've introduced quarterly progress reviews focusing on implementation challenges, resource allocation, and measuring outcomes against established targets.

**2024 Highlight:** Supported implementation of ESG initiatives across the portfolio, including renewable energy transitions, diversity programs, and supply chain enhancement projects that delivered measurable improvements in key ESG metrics.

## Continuous Monitoring and Adaptation

Our ESG team maintains regular engagement with portfolio company ESG champions. We've enhanced our monitoring platform in 2024 to provide more dynamic tracking and analysis capabilities, enabling quicker identification of trends and adjustment of strategies as needed.

**2024 Highlight:** Launched a process to develop digital ESG performance platform to reduce data collection time while increasing data accuracy. Conducted quarterly ESG performance reviews with portfolio companies, identifying and addressing performance gaps.

## Board-Level Accountability

Sustainability oversight is established at the highest governance level. Our updated ESG dashboard provides board directors with comprehensive metrics and analysis, ensuring informed decision-making and strategic guidance on sustainability matters.

**2024 Highlight:** ESG performance discussions featured as standing agenda items in portfolio company board meetings.

# Sustainability Resources for Portfolio Companies

We take an active role with our portfolio companies to drive sustainable business practices. Our approach involves strategic guidance at all levels, particularly through board representation where our investment team members advocate for ESG priorities.

## ESG Framework Development

A significant number of our portfolio companies have embraced sustainability under Samara's guidance. Our hands-on ownership model allows us to shape the ESG direction for these businesses from early stages.

In 2024, we enhanced our internal sustainability expertise and expanded dedicated resources to provide more comprehensive support. This evolution has strengthened our ability to help companies identify critical ESG factors specific to their industries and business models.

Throughout the year, we conducted comprehensive materiality assessments with portfolio companies using a dual-impact approach that considers both business impact

and societal effects. For businesses with existing ESG frameworks, we facilitated reviews to incorporate emerging trends, changing stakeholder expectations, and new regulatory requirements.

Our collaborative approach to goal-setting has proven effective. By leveraging our board positions, we've successfully advocated for meaningful sustainability commitments. Most companies in our portfolio now maintain five-year ESG roadmaps with specific annual targets that receive regular board-level review, ensuring accountability and organizational alignment.

## Building ESG Capabilities

Recognizing that many portfolio companies need support building internal sustainability expertise, we've implemented a structured knowledge-sharing program. After establishing their ESG priorities and targets, we provide specialized training for management teams.

In 2024, we expanded our education initiatives to include function-specific workshops covering critical areas such as

carbon management, resource efficiency, workforce safety, and community engagement. Our ESG team maintained regular contact with company sustainability champions throughout the year, providing ongoing guidance as they implemented initiatives.

## Climate Resilience Planning

Climate change presents both risks and opportunities for our portfolio companies. In 2024, we enhanced our approach to climate resilience by integrating comprehensive risk assessment across value chains.

Our methodology examines climate impacts at each business stage—from supply chain and operations to product distribution and customer use. This systematic approach helps companies identify vulnerability points and potential competitive advantages.

Working closely with management teams, we've established emissions measurement protocols across the portfolio. All companies now track Scope 1 and 2 emissions, while several

more advanced businesses have expanded to relevant Scope 3 categories.

Based on robust emissions data, companies have developed reduction strategies aligned with sector benchmarks and national climate commitments. Several businesses have formalized ambitious targets, including net-zero commitments and Science-Based Targets initiative (SBTi) approved plans.

Monthly emissions tracking has become standard practice, with quarterly board reviews ensuring senior leadership accountability. Looking forward, we'll enhance our climate strategy by incorporating more sophisticated physical and transition risk assessment methodologies.



# Areas of Sustainability Engagement

We have established clear priorities for our ESG engagement with portfolio companies. These focus areas reflect both global sustainability trends and the specific contexts in which our companies operate. Our engagement follows a structured approach with regular check-ins, progress monitoring, and strategic guidance throughout the ownership period. By integrating these ESG considerations into board-level discussions, we ensure leadership commitment and accountability for sustainability performance. Our engagement framework aligns business objectives with responsible investment practices, creating value while addressing environmental and social challenges.

## Environmental Stewardship

- We expect our portfolio companies to conduct business activities in an environmentally responsible and sustainable manner, prioritizing conservation efforts across their operations.
- We recognize that we operate in a resource-constrained world and emphasize that our portfolio companies must use resources most prudently, implementing efficiency measures throughout their value chains.
- We believe that minimizing pollution to air, water and land is the right way to do business, and we work closely with our companies to monitor environmental impacts and implement reduction strategies.
- We are committed to supporting our portfolio companies as they transition towards low carbon / net zero economy by providing guidance, tools, and resources to help them measure, manage, and reduce their carbon footprints.
- We actively encourage our portfolio companies to adopt circular economy principles, focusing on waste reduction, materials recycling, and product life extension where feasible.
- Climate risk assessment is now integrated into our due diligence process, helping us identify both physical and transition risks that could impact long-term business resilience.

## Employment Practices

- All portfolio companies are encouraged to establish a diverse and inclusive workplace that provides equal opportunities for all employees while preventing any and all forms of discrimination in recruitment, promotion, and day-to-day operations.
- We treat occupational health and safety as an extremely important topic, and require all portfolio companies to inform us about any major safety incident at the earliest, while implementing robust preventive measures and safety management systems.
- We encourage the management teams to foster an environment where every employee can voice their opinions and concerns without any fear of retaliation, supporting open communication channels at all levels.
- We emphasize the importance of fair compensation, professional development opportunities, and work-life balance across our portfolio companies to enhance employee satisfaction and retention.
- Our portfolio companies are expected to implement training programs that enhance employee skills and create pathways for career advancement, ensuring the development of a future-ready workforce.
- We regularly conduct assessments of employment practices across our portfolio and share best practices to elevate standards throughout our companies.

## Corporate Governance and Compliance

- We fully understand the importance of sound and robust governance in building resilient businesses and regularly communicate our expectations for corporate governance practices to portfolio companies, focusing on transparency, accountability, and ethical conduct.
- We regularly review the governance practices of portfolio companies employing a structured monitoring framework that identifies areas of strength and opportunities for improvement.
- Our expectations from portfolio companies on governance practices far exceed the minimum compliance requirements, aiming for industry-leading standards rather than baseline compliance.
- We emphasize the importance of having diverse, well-qualified boards with independent directors who bring varied perspectives and expertise to strategic decision-making.
- We require our portfolio companies to implement comprehensive anti-corruption and business ethics policies, ensuring adherence through regular training and monitoring systems.
- We work closely with management teams to establish effective internal controls and risk management frameworks that protect value and enable sustainable growth.

## Technology GRC

- Over the years, we have experienced that technology has evolved from being just an enabler to forming the backbone for practically every organization, necessitating strategic governance approaches.
- No business is shielded from the adverse financial and reputational impact that can result from a cybersecurity incident, making robust protection measures essential for all our companies.
- Technology Governance, Risk management and Compliance (GRC) is treated as a high priority during our engagement with portfolio companies, with regular assessments and improvement plans implemented.
- We support our portfolio companies in developing comprehensive data privacy frameworks that both protect sensitive information and comply with evolving international regulations.
- We encourage the adoption of emerging technologies that can enhance operational efficiency, while ensuring appropriate controls are in place to manage associated risks.
- Our technology risk assessments now include supply chain considerations, recognizing the interconnected nature of digital systems and the importance of vendor security management.

## Future of Engagement

Our vision for the future extends beyond incremental improvements in our engagement approach. We are developing more sophisticated ESG integration tools, strengthening our measurement capabilities, and deepening our impact across portfolio companies. We will continue to enhance our focus on climate resilience, diversity and inclusion, and digital governance while exploring innovative frameworks that connect ESG performance to value creation.

Through strategic partnerships with industry organizations and subject matter experts, we aim to elevate standards not just within our portfolio but across our sector. We believe that by consistently raising the bar for engagement quality, we will build businesses that are both financially successful and positive contributors to society and the environment.

# Environmental Stewardship

Since our last report, environmental stewardship has evolved from a focus area to a cornerstone of our investment philosophy. We recognize that addressing environmental challenges presents not just risks to mitigate, but substantial opportunities to enhance business resilience and create sustainable value. Throughout 2024, we have deepened our approach to environmental management across our portfolio, moving beyond baseline performance to driving measurable improvements and innovative solutions.

## Strategic Environmental Value Creation

When partnering with our portfolio companies on environmental initiatives, we aim to create a dual impact: reducing ecological footprints while enhancing business resilience. Our approach focuses on transforming environmental challenges into opportunities for innovation, efficiency, and sustainable growth.

Environmental considerations are fundamental to our investment philosophy. From initial screening through active ownership, we evaluate how companies interact with natural resources, manage their emissions, and address ecological

challenges. This lens helps us identify both risks to mitigate and opportunities to capture.

We've observed that companies embracing environmental excellence gain competitive advantages through reduced operating costs, enhanced market positioning, and stronger stakeholder relationships. Resource efficiency initiatives frequently generate immediate cost savings while preparing businesses for increasingly stringent regulatory requirements.

## Collaborative Environmental Management

Our environmental engagement with portfolio companies is collaborative and tailored to each business's unique context. We work alongside management teams to identify material environmental factors that impact both financial performance and ecological health.

This partnership approach has proven effective as management teams develop greater ownership of environmental initiatives when they clearly understand the business value they create. By integrating environmental considerations into core strategy rather than treating them as

compliance exercises, our portfolio companies achieve more meaningful and sustainable results.

In our experience, the most successful environmental programs address multiple dimensions simultaneously - reducing resource consumption, minimizing waste generation, transitioning to renewable energy, and designing products and services with environmental considerations from inception.

## Sector-Specific Environmental Approaches

Different industries face distinct environmental challenges, requiring tailored approaches. For manufacturing companies, we emphasize resource efficiency, clean production methods, and circular material flows. In consumer-facing businesses, we focus on sustainable packaging, responsible sourcing, and transparent environmental communication. Technology companies benefit from energy-efficient operations, responsible electronic waste management, and solutions that enable environmental improvements for customers.

The environmental materiality assessment process we conduct with each portfolio company identifies these sector-specific priorities. Through structured workshops involving cross-functional leadership teams, we develop comprehensive environmental strategies aligned with business objectives. These strategies feature clear metrics, accountability frameworks, and regular performance reviews.

## Building Long-Term Environmental Resilience

Beyond addressing immediate environmental challenges, we help our portfolio companies prepare for long-term ecological trends that will reshape markets. Climate adaptation planning, water security strategies, and circular business models are increasingly important for sustainable value creation.

We believe environmental stewardship is fundamentally about future-proofing our investments. Companies that understand and proactively manage their relationship with the natural environment are better positioned to thrive in a

resource-constrained world with changing consumer expectations and evolving regulatory landscapes.

Through thoughtful environmental management, our portfolio companies not only reduce their ecological impacts but create meaningful value for all stakeholders. The environmental initiatives we support represent the intersection of responsible business practice and strategic opportunity - where doing right by the planet enhances business performance rather than compromising it.

## Aligned Reporting Standards

Environmental performance measurement across our portfolio follows established reporting protocols to ensure consistency and comparability. Our companies utilize frameworks including India's BRSR guidelines established by SEBI, alongside internationally recognized standards such as

GRI, SASB, CDP, and TCFD recommendations. This alignment enables effective benchmarking against industry peers while meeting diverse stakeholder information needs.

## Environment Metrics in the ESG Dashboard

Scope 1 GHG Emissions

Scope 2 GHG Emissions

Total Energy Used

Energy from Renewable Sources

Freshwater Used

Waste Water Recycled / Reused

Hazardous Waste Generated

Hazardous Waste Disposal Method

Non-hazardous Waste Generated

Non-hazardous Waste Diverted from Landfill

# Employment Practices

We have established clear priorities for our portfolio company engagement on workforce matters, implementing a structured approach that follows a defined rhythm throughout the investment cycle. This engagement framework includes scheduled interactions between our teams and portfolio company leadership, with specific milestones and deliverables agreed upon at the beginning of each year. Beyond the regular interactions managed by our ESG professionals, we elevate employment considerations to board-level discussions, ensuring senior leadership maintains strong commitment to workforce excellence. This dual approach—combining dedicated specialist support with governance oversight—has proven effective in driving meaningful improvements in employment practices across our portfolio.

## Strategic Talent Engagement Framework

Our approach to workforce management across portfolio companies follows a structured engagement model that balances accountability with practical support. At the beginning of each investment year, we establish a clear cadence of employment-focused interactions with each company, ensuring consistent attention to this critical aspect of business performance. These scheduled engagements complement the ongoing dialogue between our ESG specialists and company leadership teams.

We recognize that governance reinforces commitment, which is why workforce matters feature prominently in board discussions. This board-level visibility elevates employment practices beyond operational considerations to strategic priorities, securing leadership commitment to workforce excellence. Our experience demonstrates that when human capital initiatives receive attention in governance forums, implementation accelerates and results improve significantly.

## Workforce as Competitive Advantage

We fundamentally view employees as the cornerstone of sustainable business success. The quality of a company's workforce directly influences its ability to execute strategy, innovate, and create lasting value. Consequently, we prioritize robust employment practices as an essential value-creation lever across our investment portfolio.

From the earliest stages of investment consideration, our due diligence thoroughly examines workforce fundamentals. We scrutinize recruitment methodologies to ensure they attract diverse talent through fair and transparent processes. Equal attention is given to workplace non-discrimination

safeguards, grievance resolution mechanisms, and channels for employee feedback. These elements collectively form the foundation of a healthy employment ecosystem.

Our pre-investment assessment extends to labour compliance and workplace safety protocols. We examine historical compliance records and any employment-related litigation to identify potential areas of concern. This comprehensive evaluation informs our investment decisions and shapes early interventions where necessary.

## Establishing Employment Excellence Standards

Upon initiating the ownership relationship, we clearly articulate our expectations regarding employment policies and governance frameworks. This transparency establishes a clear roadmap for workforce management excellence from day one. Where our due diligence reveals gaps in employment policies or practices, we incorporate specific remediation requirements into the initial 100-day or 180-day implementation plan, ensuring prompt attention to critical workforce matters.

Beyond compliance foundations, we help portfolio companies develop employment practices that drive performance while respecting individual dignity. This includes guidance on competitive compensation structures, professional development pathways, inclusive leadership approaches, and employee engagement initiatives. Our aim is to foster workplaces that attract, develop, and retain exceptional talent while promoting employee wellbeing.

## Building Employment Practice Capabilities

We recognize that sustainable improvement in employment practices requires enhanced capabilities within portfolio companies. Our engagement therefore includes targeted capacity-building initiatives across various workforce management disciplines. We facilitate peer learning among HR leaders across our portfolio, creating communities of practice where best approaches can be shared and refined.

For companies facing particular workforce challenges, we provide specialized support through both internal expertise and external partnerships with leading human capital consultancies. This might include assistance with talent

acquisition strategies, leadership development programs, performance management systems, or employee engagement initiatives.

The comprehensive approach to employment practices reflects our conviction that human capital excellence represents one of the most significant value-creation opportunities across our portfolio. Companies that excel in attracting, developing, engaging, and retaining exceptional talent consistently outperform their peers in operational execution and financial performance.

## Employment and Safety Metrics in the ESG Dashboard

Total Number of Employees

% Women Employees

Permanent Employees Attrition Rate

Lost Time Injuries for Permanent Employees

Lost Time Injuries Frequency Rate

Total Number of Workers

% Women Workers

Permanent Workers Attrition Rate

Lost Time Injuries for Permanent Workers

Number of Fatalities

# Corporate Governance

Our engagement with portfolio companies on governance matters follows a structured framework with regular touchpoints established at the onset of each investment year. This systematic approach ensures consistent focus on governance excellence throughout the ownership period. While our dedicated governance specialists maintain ongoing dialogue with company leadership teams, we simultaneously elevate governance priorities during board deliberations. This dual approach ensures governance considerations receive appropriate attention from the highest levels of organizational leadership, fostering genuine commitment to implementation.

## Governance Foundation

Robust corporate governance represents the essential foundation upon which sustainable business success is built. We recognize that governance structures and practices directly influence a company's ability to create enduring value for all stakeholders. Through our experience across multiple investments, we have observed that companies with superior governance frameworks consistently demonstrate greater operational discipline, more effective risk management, and enhanced stakeholder trust.

Our commitment to governance excellence extends beyond compliance to embrace best practices that enhance business resilience and strategic execution. We view governance not as a regulatory burden but as a strategic enabler that improves decision quality, strengthens accountability, and supports sustainable growth. This perspective shapes our engagement with portfolio companies from initial due diligence through the entire ownership journey.

## Comprehensive Monitoring

We implement systematic monitoring of governance practices and compliance across our entire portfolio. Our centralized tracking system captures critical governance information directly from the legal and secretarial functions

within each portfolio company. This monitoring occurs at multiple intervals—monthly, quarterly, and annually—to ensure timely visibility into governance developments. **Key governance indicators we monitor include:**

### Governance Metrics in the ESG Dashboard

Shareholding Pattern	Details of All Directors and Board Composition
Board Meeting Details	Minutes of Board Meeting
Summary of Legal Cases	Details of High Risk Legal Cases
Notices by statutory / regulatory bodies	Notices by contractual parties

## Capability Development

Beyond monitoring, we actively strengthen governance capabilities within our portfolio companies. We provide regular guidance on regulatory requirements and emerging governance trends through our monthly update communications. These updates synthesize developments across jurisdictions relevant to our portfolio, ensuring company leadership teams remain informed about evolving expectations.

Throughout the year, we conduct focused engagement sessions with portfolio companies to share governance best practices. These sessions bring together governance leaders from across our portfolio, creating communities of practice that accelerate the adoption of effective approaches. We also maintain open communication channels for portfolio

companies to raise governance questions or concerns, providing responsive guidance when needed.

We have established a high standard for corporate governance across our portfolio and expect all companies to operate well beyond minimum statutory requirements. These expectations are clearly documented in our investment agreements as binding commitments. Our experience demonstrates that companies embracing these enhanced governance standards gain competitive advantages through improved stakeholder trust, lower risk profiles, and greater operational discipline.

## Organizational Controls Framework

A distinctive element of our governance approach is our comprehensive organizational controls framework. We have developed and implemented a detailed system encompassing 40 control mechanisms across six critical organizational processes. Each control serves as a specific safeguard designed to protect business integrity and support operational excellence.

We collaborate closely with the leadership teams of portfolio companies to implement these controls, providing detailed guidance, implementation tools, and training resources. Regular assessment of control effectiveness allows for continuous improvement, creating increasingly robust governance environments over time.

### Organisational Processes to Establish Governance Safeguards





# Technology GRC

Digital transformation represents one of the most significant value creation opportunities for modern businesses. We recognize that technology adoption delivers exponential growth potential by enabling new business models, enhancing operational efficiency, and creating superior customer experiences. However, this technological advancement must occur within a structured framework that balances innovation with appropriate controls.

Our fundamental approach with portfolio companies emphasizes technology as a strategic enabler while simultaneously establishing robust safeguards. We guide management teams to implement comprehensive governance structures, risk management protocols, and

compliance processes that provide the necessary foundation for responsible digital acceleration. This balanced perspective ensures technology initiatives advance business objectives while operating within ethical and regulatory boundaries.

## Integrated Technology GRC Framework

We have developed a holistic technology governance framework that views digital oversight as an integrated discipline rather than isolated functions. This approach connects technology strategy directly to business objectives while establishing clear accountability for digital decision-making. Effective governance requires appropriate board-level oversight of technology investments and initiatives, ensuring alignment with organizational strategy and risk appetite.

Our technology risk management methodology helps portfolio companies systematically identify, assess, and mitigate technology-related threats before they materialize into business disruptions. We emphasize forward-looking

risk identification techniques that anticipate emerging digital threats rather than merely reacting to existing ones. This proactive stance includes comprehensive vulnerability assessments, scenario planning for potential disruptions, and business continuity preparations.

Technology compliance represents the third critical dimension of our framework, ensuring adherence to the increasingly complex regulatory landscape governing digital operations. From data protection requirements to sector-specific technology regulations, we help portfolio companies navigate compliance obligations while developing scalable processes that can adapt to evolving requirements.

## Portfolio-Wide Technology Assessment Initiative

In 2023, we launched a comprehensive Technology GRC diagnostic program across our portfolio. This initiative, led by our specialized in-house technology team and supported by independent consultants with domain expertise, established the first portfolio-wide baseline of technology governance practices, risk management approaches, and compliance status.

During 2024-2025, we expanded this initiative to encompass

all portfolio companies, recognizing that technology now plays a mission-critical role in day-to-day business operations regardless of industry sector. We conducted detailed assessments across multiple dimensions of technology management, examining both foundational practices and emerging capability requirements. This comprehensive evaluation enables targeted improvement plans tailored to each company's digital maturity and risk profile.

## Technology Assessment Framework

- Policies and procedures
- Technology infrastructure
- Incident management, reporting and recovery procedures
- Enterprise resource planning systems
- Use of internal and customer facing applications
- Security practices
- Compliance management
- Documentation practices
- Roles and responsibilities of the IT team
- Partners and vendors
- Governance and leadership

## Comprehensive Risk Management and Compliance Assurance

While technology unlocks tremendous efficiency gains and business opportunities, it simultaneously introduces new risks requiring systematic management. Our portfolio companies implement structured approaches to technology risk identification, assessment, and mitigation across multiple dimensions.

We ensure portfolio companies implement appropriate technical safeguards, security monitoring systems, and incident response capabilities proportionate to their risk profile. This includes regular security assessments, penetration testing, and vulnerability management programs.

For manufacturing, healthcare, and infrastructure portfolio companies, we emphasize the importance of operational technology security, resilience, and business continuity planning to prevent disruption to critical functions.

We guide portfolio companies in implementing vendor risk management programs that assess security, privacy, and operational capabilities before engagement and throughout the relationship lifecycle.

The regulatory landscape governing technology continues to expand in complexity and scope. We require portfolio companies to maintain comprehensive technology compliance programs addressing multiple requirements.

We ensure portfolio companies implement appropriate data governance frameworks, privacy operations, and data subject rights management capabilities to meet obligations across relevant jurisdictions.

For financial services, healthcare, and other regulated portfolio companies, we emphasize compliance with industry-specific technology standards and requirements as a foundational element of their digital strategy.

We help portfolio companies monitor these developments and implement appropriate governance mechanisms for emerging technologies with potential regulatory implications.

Throughout our engagement with portfolio companies, we continuously emphasize the business consequences of compliance failures, including financial penalties, reputational damage, operational disruptions, and erosion of stakeholder trust. This business-focused approach helps technology compliance transcend checkbox exercises to become a true enabler of sustainable growth.

# 4

## Portfolio Companies' ESG Snapshot

Our portfolio companies have made significant strides in their ESG journeys, implementing initiatives that address material sustainability challenges while creating business value. This chapter showcases individual ESG profiles of our portfolio companies, highlighting their key sustainability focus areas, metrics, achievements, and alignment with the Sustainable Development Goals. These snapshots demonstrate how our companies are embracing ESG as a driver of innovation, operational excellence, and long-term sustainable growth.

### In this Chapter

Edme

Esme

FirstMeridian

Marengo Asia Hospitals

More Retail

Paradise Food Court

Sapphire Foods

Sekhmet Pharmaventures

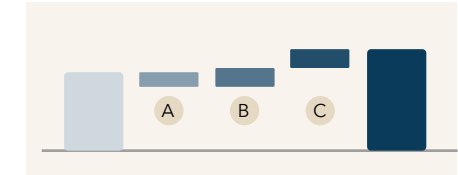
SMS

SMT

Sundrop Brands



## Creating Sustainable Value



### A. Mitigating Risks

Edme has established robust frameworks to mitigate sustainability risks across its insurance advisory operations. The company has implemented comprehensive digital transformation initiatives to reduce paper consumption and minimize the environmental footprint of its operations. Through its expert risk assessment capabilities, Edme helps clients identify and manage climate-related vulnerabilities in their business operations, strengthening resilience against emerging environmental challenges. The company's 'Client First' approach incorporates ESG risk evaluation in insurance recommendations, ensuring clients receive coverage that addresses both traditional and sustainability-related exposures in an evolving risk landscape.

creating transparency that supports informed decision-making. The company's expansive geographical presence allows it to understand regional sustainability challenges across diverse Indian markets, providing tailored insurance solutions that address local environmental and social risks while creating competitive advantages for clients committed to responsible business practices.

### C. Value Creation

Edme's approach to sustainable value creation integrates governance excellence with client advocacy and market innovation. The company's strong governance standards ensure transparency and ethical practices in all client interactions, building trust while maintaining regulatory compliance in the complex insurance landscape. By transforming insurance complexity into clear, actionable solutions, EDME creates value through improved risk management outcomes that protect client financial sustainability. The company's focus on deep sectoral expertise enables it to anticipate emerging sustainability trends and develop innovative coverage solutions that address evolving client needs. These integrated approaches position EDME Insurance Brokers as a trusted partner that delivers not just insurance products, but precision, protection, and peace of mind in an increasingly uncertain business environment.

### B. Leveraging Opportunities

Edme has strategically positioned itself to leverage sustainability opportunities in the evolving insurance market. By developing specialized expertise in climate risk assessment and mitigation, the company provides valuable advisory services that help clients navigate the transition to a low-carbon economy. Edme's data-driven approach to insurance solutions enables clients to quantify sustainability risks and opportunities,



makes it the trusted partner for businesses seeking clarity in their insurance decisions. Edme doesn't just broker insurance; it provides expert guidance that transforms complexity into clear, actionable solutions. Where others see challenges, Edme sees opportunities to deliver precision, protection, and peace of mind.

EDME Insurance Brokers Ltd. was formerly known as Aditya Birla Insurance Brokers Ltd. (ABIBL). As one of India's leading insurance brokers, the company bring clarity to the complex world of insurance. With a pan-India presence across 1,000+ cities and decades of collective experience, it navigates intricate risk landscapes with expertise and precision.

The company follows a 'Client First' approach, coupled with deep sectoral expertise and strong governance standards, that

## Contributions to Sustainable Development Goals



**5.1 End all forms of discrimination against all women and girls everywhere**

Promoting gender equality through balanced hiring practices and inclusive workplace policies that support women's professional advancement in the insurance sector.



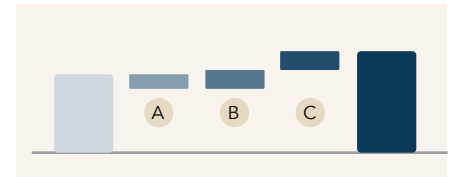
**8.2 Achieve economic productivity through diversification, technological upgrading and innovation**

Enhancing economic productivity through digitalization of insurance broking processes and upskilling of insurance professionals.





## Creating Sustainable Value



### A. Mitigating Risks

Esme has strengthened its risk mitigation approach through comprehensive initiatives across its manufacturing operations. It has expanded its **on-site solar panel** capacity, which now generates approximately 20% of its electricity requirements, reducing dependence on grid electricity and mitigating exposure to energy price volatility. Water conservation efforts have been enhanced through the installation of advanced **effluent and sewage treatment** plants that treat 100% industrial effluent onsite. Esme has also implemented a robust **chemical management system** with stringent supplier assessments, ensuring all ingredients meet safety standards and reducing potential regulatory and reputational risks associated with harmful chemicals in personal care products.

### B. Leveraging Opportunities

Esme has successfully leveraged sustainability opportunities to drive business growth. The company has expanded its portfolio of products with **biobased ingredients** compared to 2023, responding to the increasing market preference for naturally-derived formulations. **Packaging innovations** have delivered substantial benefits, with the company reducing plastic content

per unit while simultaneously improving product protection and shelf appeal.

### C. Value Creation

Blue Heaven is one of the most loved Indian cosmetic brands with a legacy of close to 50 years. Nature's Essence, started more than 20 years ago, is amongst top brands in the facial kits and bleach segments. Esme is driven by its mission of fuelling beauty aspirations of the value conscious consumer by making high quality, innovative products accessible and affordable.

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[Esme](#)

[2030 Sustainability Goals](#)

Esme is the personal care platform created with a vision to democratize beauty for Indian customers. The platform consists of popular brands, Blue Heaven, Nature's Essence and Nature's Essence Professional.

Blue Heaven is one of the most loved Indian cosmetic brands with a legacy of close to 50 years. Nature's Essence, started more than 20 years ago, is amongst top brands in the facial kits and bleach segments. Esme is driven by its mission of fuelling

beauty aspirations of the value conscious consumer by making high quality, innovative products accessible and affordable.

To fulfil the needs and aspirations of its consumers for pocket-friendly beauty and cosmetic products, the organization has developed a strong in-house product development team that constantly innovates to bring the most contemporary products to the market.

## Key Sustainability Highlights

20%

Electricity from onsite solar panels

10%

Scope 2 GHG emissions reduction

25%

YoY freshwater consumption reduction

>2,000

Women entrepreneurs trained every year



Great Place to Work Certified



GMP Certified Manufacturing



GLP Certified Laboratories



ISO Certified Production

## Contributions to Sustainable Development Goals



5.1 End all forms of discrimination against all women and girls everywhere

Supporting over 2,000 women entrepreneurs through training programs, enabling economic empowerment opportunities by technical skills, business knowledge, and market access to help build sustainable micro-enterprises in the beauty sector.



8.8 Protect labour rights and promote safe and secure working environments

Creating decent work conditions with zero lost time incidents and Great Place to Work certification. The company maintains rigorous safety standards and employee engagement practices that foster a positive workplace culture.



12.2 Achieve the sustainable management and efficient use of natural resources

Optimizing packaging content per unit weight and exploring biobased alternatives for product ingredients. Their R&D department is actively researching plant-based formulations that maintain product efficacy while reducing environmental footprint.



[FirstMeridian](#) [Corporate Social Responsibility](#)

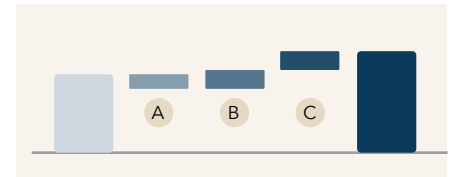
FirstMeridian Business Services Limited is a leading HR solutions provider and an investment platform empowered by technology and innovation in Staffing, Managed Services and HR Automation.

Founded in Bengaluru in 2018, FirstMeridian is a human resources investment platform that was formed with the objective to deliver end-to-end HR solutions and build a winning

workforce that thrives in change.

The organisation provides work to 120,000+ people who serve 1,200+ clients across 3,500+ locations through a wide-reaching branch network. The customers of FirstMeridian span across industry sectors, including Telecom, Retail, BFSI, IT, ITES, E-Commerce, Manufacturing, Engineering and Logistics.

## Creating Sustainable Value



### A. Mitigating Risks

FirstMeridian has implemented a comprehensive approach to mitigating sustainability risks across its operations. The company has established systems for **monitoring scope 1, 2, and 3 GHG** emissions, creating visibility into its environmental footprint. By engaging with facility management to source renewable energy for its offices, FirstMeridian is addressing its energy consumption impact. The company has also strengthened its information security framework through **ISO 27001** certification and **BCMS ISO 22301** certification for AGS, effectively mitigating risks related to data breaches and cybersecurity threats through periodic **Vulnerability Assessment and Penetration Testing (VAPT)**.

### B. Leveraging Opportunities

FirstMeridian has strategically positioned itself to leverage sustainability opportunities in the HR solutions market. The company's focus on **digital transformation** has enabled more efficient operations while enhancing its appeal to environmentally conscious clients. FirstMeridian's emphasis on **diversity and inclusion**, with 36% women representation among full-time employees, has strengthened its employer

brand and expanded its talent pool. The company ensures that all associates are covered by insurance, whether through company policies, client coverage, or government schemes, demonstrating its commitment to **employee welfare and security**.

### C. Value Creation

FirstMeridian's approach to sustainable value creation integrates **economic performance with social responsibility**. The company conducts regular employee engagement surveys to understand and address workforce needs while improving retention and productivity. Its robust governance framework, including **independent board representation and dedicated committees for audit, remuneration, and ESG oversight**, has established a foundation for sustainable growth while aligning with investor expectations for responsible management. These initiatives collectively demonstrate how strategic ESG integration contributes to FirstMeridian's business resilience and stakeholder value creation in the human resources solutions sector.

## Key Sustainability Highlights

36%

Women full-time employees

ISO 27001

Certification



30%

Reduction in attrition rate compared to 2022-23

Net Zero

Science Based Target



## Contributions to Sustainable Development Goals



5.1 End all forms of discrimination against all women and girls everywhere

Maintaining 36% women among full-time employees, demonstrating commitment to gender diversity.

Implementing targeted recruitment strategies and career development programs to attract and retain women leadership.



8.5 Achieve full and productive employment and decent work

Enhancing productivity through strategic HR solutions and technology-enabled workforce management.

Digital platforms streamline recruitment, onboarding, and performance management across multiple sectors.





[Marengo Asia Hospitals](#)

[ESG Approach](#)

Marengo Asia Hospitals is an integrated platform of multi-specialty hospitals focused on providing tertiary and quaternary care, creating 'centres of excellence' across medical specialties.

Marengo Asia Hospitals operates multi-specialty hospitals across medical specialties while adopting a 'patient first' approach. The platform envisions modern health systems to tackle the NCD/Oncology disease burden, partnering for early detection to

reduce mortality, and demand of super-speciality at-scale across all geographies. Launched in October 2020, Marengo Asia Hospitals' mission is to become most preferred multi-speciality hospital chain and provide best clinical outcome. Marengo Asia Hospitals is committed to provide a reliable healthcare delivery platform by making expert healthcare accessible for all whilst following the principles of reliability and sustainability.

## Key Sustainability Highlights

11%

Energy intensity reduction

17%

Water consumption reduction

40%

Gender diversity

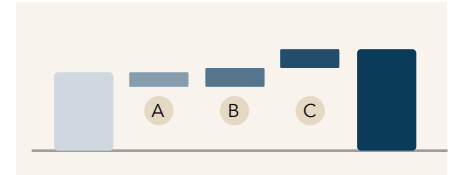
28%

Women Leaders



Marengo CIMS Hospital maintains accreditation by JCI (USA), NABH and NABL

## Creating Sustainable Value



### A. Mitigating Risks

Marengo Asia Hospitals has prioritized sustainability risk mitigation through targeted initiatives across its healthcare facilities. The hospital chain has implemented structured protocols for **biomedical waste management**, reducing environmental contamination risks and associated compliance liabilities. To address energy consumption challenges, Marengo has plans to increase **on-site solar electricity** generation, helping reduce reliance on grid power. The hospital has also established **robust data protection practices** with regular audits, effectively addressing risks associated with **patient data security and privacy**, while its **infection control monitoring** has helped maintain safe environments for patients and staff alike.

### B. Leveraging Opportunities

Marengo Asia Hospitals has identified key sustainability opportunities to enhance its service delivery and market position. The hospital chain's commitment to **recycling 50% of its wastewater** demonstrates resource stewardship while reducing freshwater consumption. Through waste reduction initiatives that have achieved a 5% year-on-year decrease,

Marengo has improved operational efficiency while minimizing environmental impact. The hospital's pursuit of **Joint Commission International (JCI) accreditation** builds on its existing accreditations from NABH and NABL, elevating clinical standards and strengthening its reputation for quality care.

### C. Value Creation

Marengo Asia Hospitals' approach to sustainable value creation balances clinical excellence with environmental and social responsibility. The hospital's focus on gender diversity, maintaining a **40% female workforce**, has enriched organizational perspectives and improved patient care. Regular **safety audits and training programs** have strengthened workplace safety while protecting staff wellbeing. Marengo's community engagement through workshops conducted according to a defined calendar has **strengthened local relationships** while promoting health education. These initiatives, supported by robust governance through dedicated **board committees for audit and remuneration and quarterly internal audits**, have positioned Marengo Asia Hospitals for sustained growth while fulfilling its mission of delivering high-quality healthcare, as evidenced by its recognition in Newsweek's list of the world's best hospitals.

## Contributions to Sustainable Development Goals

**3 GOOD HEALTH AND WELL-BEING**  
 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases  
 Improving accessibility to healthcare through specialized medical services and centres of excellence. Offering advanced treatments for complex conditions, focusing on non-communicable diseases that impact India's population.

**5 GENDER EQUALITY**  
 5.1 End all forms of discrimination against all women and girls everywhere  
 Achieving 42% gender diversity ratio, significantly higher than industry average. Implementing intentional policies to promote women in clinical leadership and administrative roles throughout the hospital network.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 8.5 By 2030, achieve full and productive employment and decent work for all women and men  
 Creating decent employment with comprehensive training and development programs for healthcare professionals. These programs enhance clinical skills while also focusing on patient-centred care approaches.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 12.2 By 2030, achieve the sustainable management and efficient use of natural resources  
 Recycling 50% of wastewater and implementing year-on-year waste reduction initiatives. The hospital group has invested in advanced water treatment systems and medical waste management technologies that minimize environmental impact.



[More Retail](#)

[Sustainability & CSR Initiatives](#)

More Retail is a leading food and grocery retail chain with a strong presence across India through its retail stores and a robust supply chain infrastructure of collection, re-processing and distribution centres.

More Retail's pan-India presence of retail stores and supply chain infrastructure of distribution centres, fruits & vegetables collection centres and re-processing centres caters to more than

700 stores across the country. More Retail also has large number of own brand products which are manufactured by certified vendors and delivered to the stores via the distribution centres. The organization aspires to be the Indian consumer's most preferred choice for food, grocery, apparel, and general merchandise needs in their neighbourhood served in an omni-channel way.

## Key Sustainability Highlights

0

Consumer data breaches

888

Tons of post-consumer plastic waste collected



Partnering with India's largest plastic recycler to collect and recycle plastic packaging waste.

Committed to fulfilling responsibility as a brand owner for environmentally sound management of the product until the end of its life.

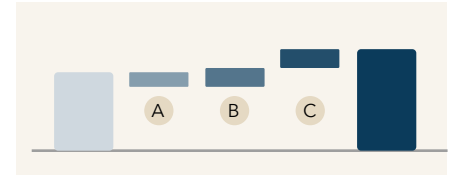
38%

Women workforce

40%

Reduction in monolayer plastic use

## Creating Sustainable Value



### A. Mitigating Risks

More Retail has implemented targeted strategies to mitigate sustainability risks across its extensive retail network. The company has deployed **IoT devices** in stores to monitor equipment-level electricity consumption, enabling early detection of inefficiencies and improving energy management. Through **route optimization for transportation**, More Retail has **decreased fuel consumption** and associated emissions, addressing logistical sustainability challenges. The company has also **strengthened its information security infrastructure** with regular vulnerability assessments, effectively safeguarding customer data and maintaining **zero data breaches**.

### B. Leveraging Opportunities


More Retail has identified key sustainability opportunities to enhance its market position and operational efficiency. By transitioning from **plastic bags to paper and biodegradable alternatives**, the company has improved its environmental performance while adapting to evolving consumer preferences. The **daily tracking system for fruit and vegetable waste** has enabled targeted waste reduction initiatives, improving inventory management and product freshness. More Retail's


fulfilment of **Extended Producer Responsibility (EPR) obligations** through partnerships with India's largest plastic recyclers has ensured regulatory compliance while demonstrating environmental leadership in **plastic waste management**.


### C. Value Creation


More Retail's commitment to sustainable value creation integrates environmental initiatives with business performance and customer experience. The company's **employee engagement programs and regular satisfaction surveys** have informed workplace improvements that support staff retention and productivity. More Retail has reduced multilayer packaging use and optimized packaging practices, improving resource efficiency while maintaining product protection. Through its commitment to **environmentally sound management of products** until the end of their life cycle, as demonstrated by its EPR implementation, More Retail is building a **responsible retail model** that balances commercial success with environmental stewardship, creating value for customers, employees, and communities across its operational footprint.


## Contributions to Sustainable Development Goals

**2 ZERO HUNGER**  
  
 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices  
 Supporting sustainable food systems through optimized supply chain and reduced food waste initiatives. The company works directly with farmers and implements IoT technology to monitor and reduce food deterioration throughout the supply chain.

**3 GOOD HEALTH AND WELL-BEING**  
  
 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases  
 Promoting healthy nutrition choices through accessible and affordable product offerings. The retail chain has expanded its selection of nutritious foods and provides clear information to help customers make informed health decisions.

**5 GENDER EQUALITY**  
  
 5.1 End all forms of discrimination against all women and girls everywhere  
 Implementing targeted initiatives to enhance gender diversity across store operations and management. Developed recruitment and retention strategies specifically designed to increase women's participation across all organizational levels.

**8 DECENT WORK AND ECONOMIC GROWTH**  
  
 8.5 By 2030, achieve full and productive employment and decent work for all women and men  
 Creating significant employment opportunities across stores nationwide with focus on local recruitment. Each new store opening generates dozens of jobs for local communities, contributing to economic development in diverse regions of India.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
  
 12.2 By 2030, achieve the sustainable management and efficient use of natural resources  
 Fulfilling Extended Producer Responsibility (EPR) obligations by collecting and recycling post-consumer plastic waste. Partnered with India's largest plastic recycler to ensure proper management of packaging waste throughout its lifecycle.



[Paradise Food Court](#)

[Values](#)

Started in 1953, Paradise has grown into one of the most-admired restaurant chains in the country today. It is a permanent fixture on Hyderabad's cultural scene that serves the best Biryani.

With multiple formats including charming cafes, busy bakeries and welcoming restaurants, the food courts are favourite

hangouts for people from all walks of life. Paradise ensures consistency of taste and quality across outlets through meticulous standard operating procedures. Industry best practices, world-class processes and cutting-edge technology enable food outlets to set new benchmarks in food & hospitality industry.

## Key Sustainability Highlights

25%

Energy savings due to oven cooking

100%

Used cooking oil handed over to recycler

11%

YoY freshwater consumption reduced

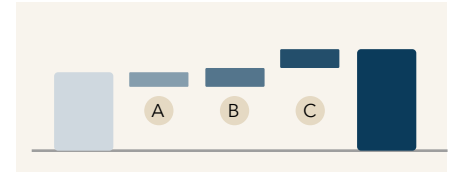
15%

Gender diversity ratio



"Great Place to Work" certified since 2022

## Creating Sustainable Value



### A. Mitigating Risks

Paradise Food Court has established focused measures to mitigate sustainability risks across its restaurant operations. The company has installed **IoT sensors** at its restaurants to monitor **electricity consumption**, identifying inefficiencies and improving energy management. Equipment upgrades to **cleaner cooking fuels** have decreased emissions while improving operational efficiency. Paradise has also implemented **rigorous food safety protocols** verified through NSF audits and certifications, effectively mitigating food safety risks and maintaining perfect compliance with food safety regulations throughout the reporting period.

### B. Leveraging Opportunities

Paradise Food Court has identified key sustainability opportunities to enhance customer experience and brand reputation. The complete elimination of single-use plastics throughout its operations has strengthened the brand's environmental credentials. By **replacing plastic carry bags with paper alternatives** and **optimizing packaging materials**, Paradise has reduced its environmental footprint while improving customer perception. The company's **NSF**

**certification** for restaurants and kitchens has become a quality differentiator in the food service market, reinforcing its commitment to food safety excellence alongside environmental responsibility.

### C. Value Creation

Paradise Food Court's approach to sustainable value creation integrates environmental initiatives with human capital development and operational excellence. The company's consecutive **"Great Place to Work" certifications since 2022** reflect its investment in employee wellbeing and workplace culture, supporting staff retention and service quality. Paradise's values-driven approach emphasizes respect, integrity, customer focus, and quality, creating a foundation for consistent guest experiences and business growth. Through its balanced approach to sustainability that addresses environmental impact, employee wellbeing, and food safety, Paradise Food Court continues to strengthen its position as a respected restaurant brand while honouring its heritage dating back to 1953.

## Contributions to Sustainable Development Goals

**2 ZERO HUNGER**  
 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices  
 Optimizing food resource utilization through monitoring and reduction of food waste across restaurants. The company employs data analytics to track inventory usage patterns and adjust purchasing to minimize waste while maintaining quality.

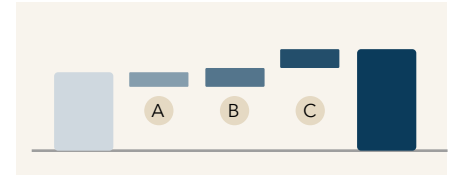
**3 GOOD HEALTH AND WELL-BEING**  
 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases  
 Maintaining highest food safety standards with NSF certifications for restaurants and kitchens. Their rigorous quality assurance processes include regular third-party audits and comprehensive staff training on food safety protocols.

**5 GENDER EQUALITY**  
 5.1 End all forms of discrimination against all women and girls everywhere  
 Implementing targeted hiring and retention programs to enhance gender diversity in workforce. The company offers flexible scheduling and family-friendly policies that support women's participation in the food service industry.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 8.5 By 2030, achieve full and productive employment and decent work for all women and men  
 Creating quality employment conditions validated through "Great Place to Work" certification since 2022. Employee development programs and career advancement opportunities are key components of their workplace culture strategy.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 12.2 By 2030, achieve the sustainable management and efficient use of natural resources  
 Eliminating single-use plastics and transitioning to paper bags across all customer-facing operations. This initiative is part of a broader sustainability strategy that includes sourcing eco-friendly packaging materials for takeaway orders.





## Creating Sustainable Value

### A. Mitigating Risks

Sapphire Foods has implemented structured strategies to mitigate sustainability risks across its quick-service restaurant network. The company has established detailed metrics to track scope 1 and 2 GHG emissions, calculating a **carbon footprint of 92 MtCO<sub>2</sub>** per restaurant and identifying reduction opportunities. Through rigorous food safety protocols including **100% value chain coverage** and **universal employee training**, Sapphire has effectively minimized food safety risks. The company's robust data privacy framework has maintained **zero breaches for five consecutive years**, protecting customer information and strengthening digital trust.

### B. Leveraging Opportunities

Sapphire Foods has identified key sustainability opportunities to enhance its market position and operational efficiency. By installing **solar panels at 45 restaurants**, the company has begun transitioning toward renewable energy while reducing operational costs. The company's commitment to **100% eco-friendly packaging** has strengthened its environmental credentials while addressing growing consumer concerns about packaging waste. Sapphire's implementation of **100%**

**used cooking oil recycling** across all locations has created circular economy benefits while ensuring responsible waste management.

### C. Value Creation

Sapphire Foods' approach to sustainable value creation integrates environmental initiatives with human capital development and governance excellence. The company's investment in **98 average training hours** has enhanced service quality and operational efficiency while providing career advancement opportunities for employees. With **32% women in its workforce and 20% in management positions**, Sapphire has created a diverse organization that enhances decision-making and customer service. As the **only Indian QSR to publish a GRI-aligned sustainability report and ranking in the 95th percentile among global QSR companies** for sustainability performance, Sapphire Foods has established leadership in transparent ESG practices. These achievements, guided by a dedicated ESG Committee and independent board leadership, demonstrate how sustainability integration directly contributes to Sapphire's recognition as the **#1 QSR brand** in India and its continued business success.



[Sapphire Foods](#) [ESG Report 2023-24](#)

Established in 2015 by acquiring ~ 270 KFC and Pizza Hut Stores in India and Sri Lanka, Sapphire Foods is one of YUM! Brand's largest franchisees in India, Sri Lanka, and the Republic of Maldives.

With over 700 KFC, Pizza Hut, and Taco Bell outlets, it is one of India's largest and fastest growing restaurant operators.

Sapphire Foods aspires to be India's best restaurant operator and consistently serve the customers great food and great experience at great value, every day.

The commitment for continual improvement in customer experience drives the execution excellence while maintaining an uncompromising focus on hygiene and food safety.

## Key Sustainability Highlights

92

MtCO<sub>2</sub> Scope 1+2 per restaurant

100%

Value chain QA and food safety audits

32%

Women workforce

98

Average training hours



# 1 amongst QSR Brands in India  
95<sup>th</sup>. percentile rating amongst global QSR companies



Published third ESG report 2023-24  
Only Indian QSR to publish GRI report

## Contributions to Sustainable Development Goals





[Sekhmet](#) [Sustainability Report 2022-23](#)

Sekhmet Pharmaventures is a platform for fast-growing pharma companies in India and has acquired stake in Chennai-based Anjan Drug in October 2020 and in Optimus Drugs Group in May 2022.

Founded in 1990, Anjan Drug Private Limited is among India's leading manufacturers of unique Active Pharmaceutical

Ingredients (API) and has grown into a fully integrated manufacturer, backed with immense experience in development and manufacturing. Optimus is one of the fastest-growing pharmaceutical companies with market presence since 2004 in providing the best quality of API, Intermediates & Finished formulations in global markets. Over the last decade, Optimus has developed niche molecules.

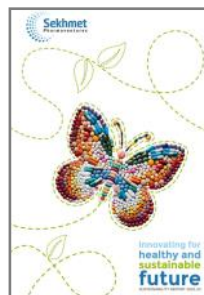
## Key Sustainability Highlights

46%

YoY reduction in GHG emissions intensity at Anjan Drugs

30%

Electricity from solar panels at Anjan Drugs



Published first sustainability report 2022-23

26%

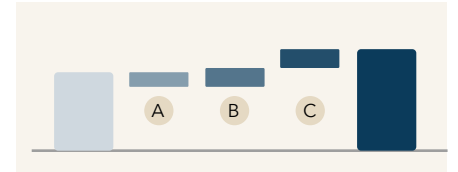
Water recycled at Optimus

27%

YoY reduction in absolute GHG emissions at Optimus

ISO certified manufacturing facilities

## Creating Sustainable Value



### A. Mitigating Risks

Sekhmet Pharmaventures has implemented focused measures to mitigate sustainability risks across its pharmaceutical manufacturing operations. The company tracks and reviews scope 1 and 2 GHG emissions monthly, creating visibility into its carbon footprint and identifying reduction opportunities. Through **Zero Liquid Discharge** manufacturing facilities, Sekhmet has eliminated wastewater discharge risks entirely, **ensuring environmental compliance** and water resource protection. The company's **focus on product quality** has achieved **zero product recalls**, protecting patient safety while maintaining operational continuity and brand reputation.

### B. Leveraging Opportunities

Sekhmet Pharmaventures has identified key sustainability opportunities to enhance its competitive position in the pharmaceutical sector. The company has established **ISO-certified manufacturing facilities** that meet international quality and environmental standards, strengthening market access and customer confidence. By maintaining **zero reportable incidents** through enhanced safety protocols, Sekhmet has improved operational continuity while protecting

employee wellbeing. The company is developing a **Supplier Code of Conduct** to strengthen **supply chain sustainability**, recognizing the increasing importance of responsible sourcing in pharmaceutical manufacturing.

### C. Value Creation

Sekhmet Pharmaventures' approach to sustainable value creation integrates environmental responsibility with social impact and governance excellence. The company has established a **diversity target** of 14% women representation in its workforce by 2030, working toward more inclusive employment practices in the pharmaceutical sector. The publication of its **first sustainability report in 2022-23** demonstrates transparency and accountability to stakeholders while establishing a framework for ongoing performance improvement. Sekhmet's **board committees regularly review ESG performance**, ensuring governance oversight of sustainability initiatives. These integrated approaches position Sekhmet Pharmaventures to create long-term value while **contributing to the Sustainable Development Goals** through its pharmaceutical activities.

## Contributions to Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING



3.8 Universal health coverage, including financial risk protection, access to quality essential health-care

Enhancing access to affordable healthcare through niche pharmaceutical development and manufacturing. The company specializes in creating high-quality, cost-effective medications that address critical health needs in developing markets.

5 GENDER EQUALITY



5.1 End all forms of discrimination against all women and girls everywhere

Working toward goal of 14% women representation in workforce within pharmaceutical manufacturing. The strategy includes partnerships with educational institutions to encourage women to pursue careers in pharmaceutical sciences.

8 DECENT WORK AND ECONOMIC GROWTH



8.8 Protect labour rights and promote safe and secure working environments for all workers

Maintaining zero reportable incidents, demonstrating commitment to workplace safety. The company implements comprehensive safety protocols and conducts regular training to ensure proper handling of pharmaceutical materials.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



12.2 By 2030, achieve the sustainable management and efficient use of natural resources

Zero Liquid Discharge manufacturing facilities, minimizing environmental impact. This advanced approach to water management ensures that no industrial effluent leaves the manufacturing premises, conserving water resources.



[SMS Integrated Facility Services](#) [Values](#)

SMS began in 1968 and has grown on a strong foundation of trust and values to rise as one of the leading Integrated Facilities Management companies across India.

SMS caters to clients from a diverse range of sectors such as financial services, healthcare, manufacturing, retail, and industrial among others and offers unique expertise to build and

offer personalized and superior quality solutions. SMS is driven by the objective that the customers always come first. By developing a thorough understanding of its customers' needs and patiently listening to their requirements, the organization has fully aligned the resources and successfully assists the customers' in realizing their vision and goals.

## Key Sustainability Highlights

8%

YoY reduction in Scope 2 emissions

25%

YoY reduction in attrition rate

20%

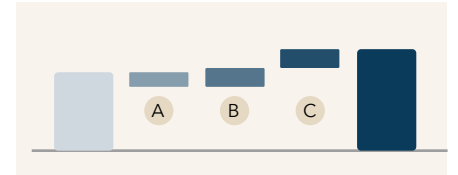
Women in workforce

0

Fatalities



## Creating Sustainable Value



### A. Mitigating Risks

SMS has established targeted approaches to mitigate sustainability risks across its integrated facility management operations. The company has implemented **monitoring of electricity consumption** at its offices, identifying efficiency opportunities while working to reduce overall usage. Through employee sensitization programs focused on **responsible paper use and electronic waste disposal**, SMS has addressed resource consumption and waste management challenges. The company's commitment to **zero fatalities** reflects its investment in occupational safety protocols that protect employees while **maintaining operational continuity** across client sites.

### B. Leveraging Opportunities

SMS has identified key sustainability opportunities in the evolving facility management sector. By developing specialized **sustainability solutions for clients**, the company has created service offerings that are growing faster than its core business, responding to increasing market demand for environmentally **responsible facility management**. Employee engagement initiatives, including periodic **satisfaction surveys**, have improved workplace experience and service quality. SMS's

practice of **hiring from local communities** has strengthened social impact while creating a workforce with detailed knowledge of local conditions, **enhancing service delivery**.

### C. Value Creation

SMS's approach to sustainable value creation integrates environmental initiatives with social responsibility and service excellence. The company's focus on reducing electricity consumption delivers environmental benefits while **demonstrating resource stewardship to clients**. By providing opportunities for women, who now constitute 16% of the workforce in a traditionally male-dominated sector, SMS has expanded its talent pool while creating **more inclusive work environments**. The company's **collaboration with government agencies on skill development initiatives** has strengthened its community impact while addressing workforce development needs. These integrated approaches, guided by SMS's values of customer focus, ethical conduct, and service excellence, support the company's continued growth since its founding in 1968 while delivering sustainable value to clients, employees, and communities.

## Contributions to Sustainable Development Goals



5.1 End all forms of discrimination against all women and girls everywhere

Maintaining 16% women in workforce and implementing initiatives to increase gender diversity.

The company offers specialized training programs to help women enter facility management roles traditionally dominated by men.



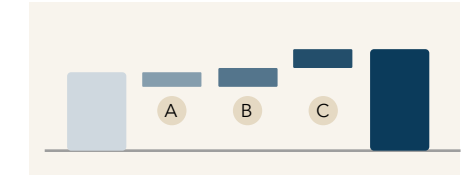
8.5 Achieve full and productive employment and decent work

Providing employment preference to local community members, supporting regional economic development.

This localized hiring approach reduces commuting needs and strengthens community connections where facilities are managed.



## Creating Sustainable Value



### A. Mitigating Risks

SMT has implemented focused strategies to address sustainability risks in its medical device manufacturing operations. The company **monitors electricity consumption** and has **implemented conservation measures** such as variable frequency drives and LED lighting systems to improve energy efficiency. Through **on-site effluent treatment plants**, SMT ensures proper management of wastewater, eliminating discharge risks and ensuring environmental compliance. The company's commitment to achieving **Net Zero GHG emissions by 2050** demonstrates long-term planning for climate risk mitigation and regulatory readiness.

### B. Leveraging Opportunities

SMT has identified key sustainability opportunities that align with its business model and market position. The company's provision of **company-owned transport for workers** has improved employee accessibility while reducing individual commuting challenges. SMT's **mission to make critical healthcare affordable for millions** of people globally has aligned its business model with addressing healthcare access

challenges, creating purpose-driven market opportunities. By **monitoring water consumption and implementing recycling practices**, the company is improving resource efficiency while demonstrating environmental stewardship.

### C. Value Creation

SMT's approach to sustainable value creation integrates environmental responsibility with social impact and innovation. The company has invested towards **corporate social responsibility initiatives** focused on women empowerment, rural healthcare, education, and animal welfare, strengthening community relationships in operational areas. With **10% women in its workforce**, SMT is working to improve gender diversity in a historically male-dominated industry. The company's emphasis on maintaining zero reportable safety incidents reflects its commitment to employee wellbeing and operational excellence. These initiatives support SMT's mission of saving millions of lives through affordable cardiovascular solutions while creating sustainable value for patients, healthcare systems, and investors.



[SMT](#) [Carbon Reduction Plan](#)

SMT is a global medical device company committed to making globally accessible medical technologies. SMT has recognition for contributions in the field of Cardiovascular healthcare.

SMT started its journey 20 years ago with a pledge to save millions of lives by providing the most innovative solutions in the cardiovascular field. SMT has led the development of innovative

biodegradable polymer coating technology in coronary stent system. The organization has evolved as a completely integrated manufacturer and unlocked new levels of productivity ensuring continued capability to serve patients with highly competitive pricing.

## Key Sustainability Highlights

0

Zero Liquid Discharge manufacturing

10%

Women in workforce

0

Lost time incidents

100%

Waste disposed / recycled through authorised vendors



SMT's mission is to save millions by making critical healthcare affordable for millions of people around the world.

## Contributions to Sustainable Development Goals

**3 GOOD HEALTH AND WELL-BEING**  
 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases  
 Making critical healthcare more affordable for millions through innovative medical device technologies. Their focus on cost-effective cardiovascular products has significantly reduced treatment costs for heart conditions in developing regions.

**5 GENDER EQUALITY**  
 5.1 End all forms of discrimination against all women and girls everywhere  
 Focused initiatives to improve 10% women representation in workforce within medical device manufacturing. Offering specialized technical training and mentorship programs to attract women to engineering and manufacturing roles.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 8.5 By 2030, achieve full and productive employment and decent work for all women and men  
 Providing company-owned transport for workers, enhancing employment conditions and accessibility. This service improves safety and reduces commuting costs, particularly benefiting employees from lower-income neighbourhoods.



[Sundrop](#)     [2030 Sustainability Goals](#)

Sundrop Brands Limited is a pioneering food processing company in India's agricultural technology sector, focusing on creating sustainable value through innovative food solutions. With a robust portfolio of products spanning edible oils, ready-to-eat snacks, and specialty foods, the company has established itself as a market leader committed to quality and environmental responsibility. Sundrop Brands combines cutting-edge food

technology with sustainable sourcing practices, working closely with farmer communities to ensure supply chain resilience while minimizing environmental impact. Sundrop Brands offers a diverse portfolio including premium edible oils, ready-to-eat snacks, popcorn, and specialty foods that cater to evolving consumer preferences for healthy and convenient food options across various market segments.

## Key Sustainability Highlights

51%

Input material from local suppliers

19%

YoY reduction in plastic waste generation

16%

Women among workers

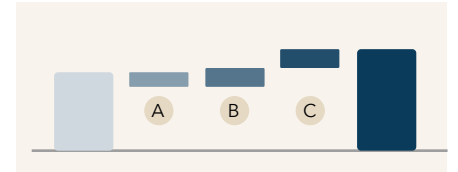
0

Complaints by employees and workers in last 2 years



Ranked among the top 15 companies in the small companies category and the top 3 small companies in the FMCG industry.

## Creating Sustainable Value



### A. Mitigating Risks

Sundrop Brands has implemented comprehensive measures to mitigate sustainability risks across its food processing operations. The company has established water conservation systems throughout its manufacturing facilities, reducing consumption while ensuring compliance with increasingly stringent regulations on industrial water usage. Through sustainable agricultural sourcing practices, Sundrop Brands has strengthened supply chain resilience against climate-related disruptions and price volatility. The company has also implemented energy efficiency initiatives including equipment modernization and process optimization, reducing both operational costs and environmental impact while preparing for potential carbon regulations in the food processing sector.

### B. Leveraging Opportunities

Sundrop Brands has strategically positioned itself to leverage sustainability opportunities in the evolving food market. By developing product lines using sustainably sourced ingredients, the company has responded to growing consumer demand for environmentally responsible food options. Sundrop Brands' initiatives to reduce packaging materials and

transition to recyclable alternatives have improved its environmental footprint while reducing material costs. The company's investment in sustainable farming practices with contract growers has enhanced agricultural productivity and product quality while reducing input costs and environmental impact, creating mutual benefits across its value chain.

### C. Value Creation

Sundrop Brands' approach to sustainable value creation integrates environmental initiatives with social impact and product innovation. The company's farmer engagement programs have strengthened agricultural communities while securing reliable raw material supplies of consistent quality. By prioritizing food safety through rigorous quality control systems and certifications, Sundrop Brands has built consumer trust while ensuring regulatory compliance. The company's commitment to nutritional improvement has aligned product development with health trends while addressing community nutritional needs. These integrated approaches to sustainability have positioned Sundrop Brands for long-term success in a market increasingly defined by health consciousness and environmental responsibility.

## Contributions to Sustainable Development Goals

**2 ZERO HUNGER**  
 2.4 By 2030, ensure sustainable food production systems and implement resilient agricultural practices  
 Implementing sustainable food production systems through resource-efficient manufacturing processes and responsible sourcing practices and optimizing energy use and water consumption across its production facilities.

**3 GOOD HEALTH AND WELL-BEING**  
 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases  
 Promoting healthier food options through product innovation and nutritional enhancement of food items. Investing in research to develop fortified food products that address specific nutritional deficiencies prevalent in local communities.

**5 GENDER EQUALITY**  
 5.1 End all forms of discrimination against all women and girls everywhere  
 Promoting gender diversity in workforce with targeted initiatives to recruit and retain women employees. These initiatives include leadership development programs and workplace policies that support work-life balance for all employees.

**8 DECENT WORK AND ECONOMIC GROWTH**  
 8.2 Achieve higher economic productivity through diversification, technological upgrading and innovation  
 Enhancing productivity through technological upgrades and innovation across production facilities. Investments in automation and digital tools have significantly improved operational efficiency and created higher-skilled employment opportunities.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**  
 12.2 By 2030, achieve the sustainable management and efficient use of natural resources  
 Implementing waste reduction initiatives and efficient resource management across operations. The company has developed comprehensive waste management systems that prioritize recycling and reuse of production materials.

# 5

## Responsibility at Samara Capital

Our commitment to responsible business practices extends beyond our investment activities to how we operate as an organization. This chapter details our internal sustainability initiatives, including our efforts to reduce environmental impact, promote diversity and inclusion in our workplace, enhance employee well-being, and engage meaningfully with our communities. We believe that leading by example strengthens our ability to influence positive change across our portfolio and the broader investment community.

### In this Chapter

Environmental Impact Reduction  
Diversity, Inclusion and Well-being  
Community Engagement

# Responsibility at Samara Capital

The sustainability principles we advocate across our portfolio extend equally to our own operations. Through careful assessment using the same ESG materiality methodology we apply to investments, we have identified our most significant sustainability impacts and priorities. Our organizational values and corporate culture form the foundation of our approach as we balance environmental stewardship and community impact with our core economic mission.

## Corporate Environmental Stewardship

Throughout 2024, we have deepened collaboration with facility management partners to enhance resource efficiency within our office operations. Recognizing that energy consumption represents our largest direct environmental impact, we have implemented targeted efficiency measures for lighting and climate control systems across our facilities. These interventions include advanced occupancy detection technology in key areas to optimize lighting usage patterns.

We continue to promote digital collaboration over physical meetings wherever feasible, having further enhanced our virtual meeting infrastructure with improved functionality. Our flexible working policy encourages employees to utilize public transportation options, reducing commuting-related emissions. Company vehicles are monitored for fuel consumption and efficiency performance as part of our

transportation impact management approach.

Our offices are situated in environmentally certified buildings, including our main location which holds Platinum certification under the Indian Green Building Council (IGBC) Leadership in Energy & Environmental Design (LEED) framework. This facility incorporates numerous sustainability features that reduce our operational footprint and sources 100% electricity from renewable sources. Recent environmental initiatives include transitioning from single-use paper products to reusable alternatives and significantly reducing bottled water consumption with complete phase-out targeted by next year.

## Workplace Inclusion and Well-being

We are cultivating diverse and inclusive teams that unite varied perspectives to develop innovative solutions for complex challenges. This commitment is embedded within our organizational policies and practices, including our recruitment approach, performance evaluation methodology, and professional development programming.

Our comprehensive policy framework encompasses code of conduct guidelines, anti-harassment protocols, and whistleblower protection mechanisms, creating a workplace environment where all employees feel secure and valued. As an equal opportunity employer, we have established systems ensuring every team member receives fair consideration for professional advancement.

Employee well-being remains a core priority, with comprehensive health benefits including access to quality medical care. We actively encourage personal time off and maintain a supportive approach to work-life integration across the organization.

# 24%

Women across investment + operations team

## Organizational Carbon Footprint

Since initiating carbon footprint measurement in 2022, we have progressively expanded our emissions accounting methodology. Beginning in 2023, we incorporated Scope 3 emissions from business travel, encompassing both hired vehicles and commercial flights. This more comprehensive approach provides greater visibility into our total climate impact.

Our emissions reduction strategy includes multiple interventions: working with building management to increase renewable electricity procurement, prioritizing

electric vehicles when arranging business transportation, and optimizing necessary air travel through thoughtful scheduling and routing. These tactical measures support our strategic commitment to develop a formal net-zero transition plan aligned with scientific guidance and national climate objectives. We recognize our responsibility to contribute meaningfully to broader decarbonization efforts across the economy.

2024 Samara Capital GHG Emissions (tCO <sub>2</sub> e)	
Scope 1 GHG emissions	
<b>Company-owned cars</b>	<b>25.8</b>
Scope 2 GHG emissions	
<b>Purchased electricity</b>	<b>7.8*</b>
Scope 3 GHG emissions	
<b>Business travel</b>	<b>64.9</b>

\* Our office in Mumbai is located in a building that sources 100% electricity from certified renewable sources. Our presence in other cities is in the form of satellite offices. We have estimated electricity consumption and emissions for these office based on available data.

## Community Engagement

We actively support philanthropic causes in the local communities by contributing resources to generate environmentally and socially beneficial outcomes.

During the year 2024, we have supported two non-profit organisations that work closely with local population and provide assistance to the needy.

Veruschka Foundation empowers individuals with developmental disabilities to become contributing members of the society by providing them sustainable livelihood opportunities. This enables such individuals to achieve

independence at home, start/skill their entrepreneurial journey or be placed in mainstream employment. The programs run by the Veruschka Foundation provide government-certified training and inclusive opportunities, leaving a lasting impact on lives and communities.

Access Life Assistance Foundation provides multi-disciplinary supportive care to families who come to various hospitals for their child's cancer treatment. It provides a loving and temporary home for children undergoing treatment for cancer along with their parents or caretakers.

# 6

## Annexures

Transparency and accountability form the foundation of our approach to responsible investment. This chapter provides detailed disclosures aligned with global frameworks, including our reporting against the UN Principles for Responsible Investment (PRI) and the Task Force on Climate-related Financial Disclosures (TCFD). These annexures offer stakeholders comprehensive insight into our ESG performance, governance mechanisms, and strategic approach to addressing sustainability challenges and opportunities.

### In this Chapter

UN PRI Disclosures

TCFD Disclosures



# UN PRI Disclosures

## Principle 1

We will incorporate ESG issues into investment analysis and decision-making processes.

We have clearly defined approach for incorporating ESG considerations in the pre-investment evaluation process as well as throughout the ownership. *(see page 21-22 for details)*

Our approach for ESG incorporation is reviewed periodically and we ensure that we are agile in responding to emerging trends as well as evolving expectations from investors and regulators alike.

## Principle 2

We will be active owners and incorporate ESG issues into our ownership policies and practices.

We practice active ownership for all portfolio companies. Through the years, we have developed and finetuned our model for regularly engaging with the leadership of the portfolio companies. Apart from operational value creation, this engagement is also aimed at identifying and managing ESG risks and opportunities. *(see page 35-36 for details)*

## Principle 3

We will seek appropriate disclosure on ESG issues by the entities in which we invest.

All portfolio companies are required to periodically monitor and report on the relevant ESG metrics as determined by ESG materiality analysis. We actively support the portfolio companies in identifying material ESG topics and have developed several tools and guidance for the portfolio companies to monitor and report ESG metrics. *(see page 37-38 for details)*

## Principle 4

We will promote acceptance and implementation of the Principles within the investment industry.

We actively support industry initiatives by PRI and others aimed at promoting responsible investment. We are members of several resources groups of PRI such as Sustainable Systems Investment Managers Reference Group and Circular Economy Reference Group. We also collaborate with initiative Climat International and support ESG Data Convergence Initiative. *(see page 27-28 for details)*

## Principle 5

We will work together to enhance our effectiveness in implementing the Principles.

Apart from collaborating with peers as part of the global and regional initiatives for promoting responsible investment, we also work with investors and co-investors to enhance the effectiveness of our responsible investing approach. We regularly respond to investor requests on ESG and proactively incorporate emerging trends to improve our processes. *(see page 27-28 for details)*

## Principle 6

We will each report on our activities and progress towards implementing the Principles.

We have commenced PRI reporting since 2023 and our transparency reports are publicly available on the PRI data portal. We also publish annual ESG report which includes our commitment, initiatives and progress towards responsible investment. The ESG reports are available on our website.

# TCFD Disclosures

## Governance

Our governance structure has evolved to better address climate-related challenges and opportunities. The Investment Committee continues to receive guidance from the ESG Committee on climate-related matters, ensuring these considerations are embedded in all investment decisions. This integrated governance approach enables us to evaluate climate considerations alongside traditional financial metrics, reinforcing our commitment to building resilient businesses.

We have strengthened the role of our ESG team, who now conducts quarterly assessments of climate risks and opportunities for both existing portfolio companies and potential investments. This enhanced oversight allows for more timely identification of emerging climate-related issues. The ESG team works closely with investment teams to translate climate insights into actionable investment and operational strategies, creating a feedback loop that continuously improves our climate governance practices.

Our climate governance framework now extends deeper into

portfolio companies, with climate performance metrics including carbon intensity, renewable energy adoption, and climate adaptation measures being presented at quarterly board meetings. This ensures consistent accountability and focus on climate issues throughout our ownership period. We have established climate-specific key performance indicators (KPIs) for senior management at portfolio companies, linking executive compensation to climate performance where material to the business.

In 2024, we expanded our training program to include specific modules on climate risk analysis and climate-related value creation opportunities, equipping our investment and operating teams with the specialized knowledge needed to address these complex issues. We have also introduced a climate knowledge-sharing forum where portfolio companies can exchange best practices and collaborate on innovative solutions to common climate challenges. This cross-portfolio approach has accelerated learning and implementation of effective climate governance practices.

## Strategy

Climate considerations have become increasingly central to our investment thesis and value creation approach. We recognize that climate change presents both material risks and transformative opportunities across our investment portfolio. By integrating climate strategy into our core investment approach, we are better positioned to generate sustainable returns while contributing to the transition to a low-carbon economy.

Our investment strategy now incorporates climate scenario analysis for all potential investments to identify transition and physical risks over different time horizons. This forward-looking approach allows us to assess resilience against multiple climate futures. We evaluate investments under at least three scenarios: a business-as-usual scenario, a scenario aligned with current policy commitments, and a scenario consistent with limiting global warming to 1.5°C. This comprehensive analysis informs both our investment decisions and post-acquisition value creation plans.

Across our portfolio, we have prioritized climate action plans that address both climate risk mitigation and opportunity capture. These plans focus on areas such as renewable energy transition, resource efficiency, circular economy initiatives, and climate-adaptive business models. We work closely with

management teams to identify climate-related initiatives that create tangible business value through cost savings, revenue growth, or enhanced competitive positioning.

During 2024, we began mapping our portfolio companies against national and global net-zero pathways to identify potential challenges and opportunities arising from the low-carbon transition. This strategic mapping helps us anticipate regulatory shifts and market transformations while positioning our investments for long-term resilience. We have developed sector-specific transition roadmaps that outline key milestones and initiatives to align portfolio companies with these pathways, tailored to their unique operational contexts and market positions.

Furthermore, we actively incorporate climate considerations into our exit planning, recognizing that climate performance increasingly influences company valuations and attractiveness to potential buyers. We document climate achievements and strategies as part of our value creation narrative when preparing companies for exit.

## Risk Management

Our climate risk management approach has been refined to capture both acute and chronic climate risks across our investment lifecycle. We now apply a three-tiered assessment framework that evaluates physical, transition, and liability risks at each stage of investment. This comprehensive framework enables us to identify climate vulnerabilities that might not be captured by traditional risk assessment methodologies, providing a more complete picture of investment resilience.

During the pre-investment phase, we have enhanced our screening criteria to more comprehensively identify climate vulnerabilities. Our due diligence process now includes dedicated climate risk assessments that examine value chain exposures, regulatory trajectories, and market shifts driven by climate change. We utilize geospatial analysis to evaluate physical risk exposures of key facilities and operations, and employ carbon pricing models to quantify potential financial impacts of transition risks under various scenarios.

For portfolio companies, we are implementing a standardized climate risk register. This systematic tracking will enable more effective risk prioritization and mitigation planning. Each identified risk will be assigned an owner within the organization

who is responsible for developing and implementing appropriate mitigation strategies. We will track both the inherent risk level and the residual risk after mitigation measures, allowing us to assess the effectiveness of our risk management approaches.

Our ESG team produces regular climate policy briefings that analyse emerging regulations and market trends related to climate change. These insights are shared with portfolio companies to support proactive adaptation strategies and compliance planning. The briefings incorporate regional policy developments relevant to our portfolio companies' operating geographies, ensuring locally relevant risk intelligence.

Additionally, we aim to start conducting climate stress tests for high-risk portfolio companies to assess their financial resilience under various climate scenarios. These stress tests will examine potential impacts on revenue, costs, asset values, and capital expenditure requirements, providing management teams with actionable insights to enhance resilience. The results will inform both short-term operational decisions and long-term strategic planning, creating a dynamic approach to climate risk management that evolves with changing conditions and emerging science.

## Metrics and Targets

We have expanded our climate metrics tracking to provide a more comprehensive view of our climate performance and that of our portfolio companies. Beyond Scope 1 and 2 emissions, we now monitor Scope 3 emissions for our operations and encourage portfolio companies to do the same. Our emissions accounting methodology has been refined to align with the Greenhouse Gas Protocol and industry best practices, ensuring robust and comparable data across our portfolio.

For portfolio companies, we have standardized climate-related KPIs that include energy intensity, renewable energy adoption rates, water consumption, and climate adaptation initiatives. These metrics are now integrated into quarterly business reviews alongside financial performance indicators. We have developed sector-specific benchmarks that allow portfolio companies to compare their performance against industry peers and identify areas for improvement.

We have also begun measuring the climate alignment of our portfolio against global warming scenarios to better understand our investment exposure and transition readiness. This portfolio temperature assessment will guide our future investment decisions and engagement priorities with portfolio companies.

To drive progress on our climate objectives, we have established a data management system that enables efficient collection, verification, and analysis of climate-related metrics across our operations and portfolio.

Furthermore, we have begun developing approach to quantify climate-related financial impacts and opportunities within our portfolio. This includes measuring avoided emissions from innovative products and services, quantifying cost savings from energy efficiency initiatives, and calculating climate-related capital expenditure needs. By translating climate metrics into financial terms, we hope to be better able to communicate the business case for climate action to management teams and demonstrate the value-creation potential of climate initiatives to our investors.