




Responsible Investing

ESG Report 2025

An aerial photograph of a winding asphalt road through a dense forest. The road curves from the top left towards the bottom center. The surrounding area is covered in lush green trees and vegetation. The overall tone is dark and moody, with a teal gradient overlay on the right side of the page.

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Foreword from Managing Partners



Andy Gray
Managing Partner



Markus Golser
Managing Partner and Head
of Graphite's ESG Committee

With a strong investment history which began in the early 1990s, Graphite enjoys an industry-leading record for assisting the growth of mid-market companies throughout diverse economic cycles. We are proud to add value to our portfolio companies across all areas – strategic, commercial, digital, financial and operational.

While, at Graphite, we invest in companies operating across multiple sectors, they all hold the common purpose of positively serving the needs of their customers and local communities. With ESG having been intrinsically linked to Graphite's operational business model for well over ten years, we are also able to demonstrate that our companies design and implement market-leading environmental practices.

We are dedicated to ensuring the adoption and sustained support of internationally recognised ESG principles, with our own actions as well as those of our portfolio companies. We can evidence that this approach significantly contributes to maximising financial returns and delivers long-term value to our investors.

Within the following pages, we are pleased to highlight a number of the many ESG initiatives in which Graphite and its portfolio companies have engaged throughout the past year.



Who We Are

Graphite is a prominent, UK-based mid-market private equity firm offering its portfolio companies access to a team of enthusiastic and committed professionals. We pride ourselves on our ability to offer guidance and support to our portfolio companies, sharing our team's considerable experience garnered over many years of investing.

Our corporate ethos promotes teamwork, which enables us to generate strong returns for our investors through engaged partnerships with our portfolio's management teams.



**Over the last 20 years, our investments
have generated a consistent return of
more than 2.7x cost**

Our Portfolio



ESG at Graphite Capital



Key Statistics for Graphite

£1bn

current
assets under
management

73

investments made
since 1999

55

investments realised
since 1999

33

Graphite employees

48%

of Graphite
employees are
female

33%

of Graphite employees
from minority
backgrounds

£156m

current portfolio
EBITDA

51%

increase in current
portfolio EBITDA since
Graphite's investment

Key Statistics for Our Portfolio

18

current portfolio
companies

14,452

employees across
portfolio

149

bolt-on acquisitions
supported by
Graphite over
20 years

101%

increase in employment
under Graphite's
ownership across the last
three funds

26%

of Board members
across the portfolio
are female and/
or from a minority
background

42%

of senior leadership
team members across
the portfolio are female
and/or from a minority
background

56%*

of revenue generated
outside of the UK

140

countries served by
current portfolio

ESG in Our Investment Strategy

Graphite Capital is committed to investing in companies capable of making a tangible contribution to sustainable development. Where companies do not have a comprehensive ESG (Environmental, Social, and Governance) programme in place at the time of investment, Graphite supports them in developing robust ESG strategies once they join our portfolio. Prior to investing, Graphite ensures that potential investments are willing to embrace Graphite's ESG commitments and that no significant ESG risks are present.

Graphite also pursues and supports market leaders who are already recognised for sustainability efforts within their sectors. Leveraging the ESG momentum of these companies and integrating Graphite's own ESG strategy, these investments can set new benchmarks for sector-leading ESG practice.



Wonderbly, a leading global digital publisher of personalised books, became a certified B Corp in 2024. During the process, the company was recognised as the **largest diversity publisher in the world**, with about 18% of their personalised books featuring a non-white main character



Hawksmoor became the **first operator of steak restaurants** to be awarded B Corp certification **in the world**, as well as the **first UK restaurant chain** to achieve this accreditation. This has encouraged other British restaurants to pursue B Corp certification, demonstrating how a Graphite investment has set the bar for best practice in the sector



Explore Learning was recognised for its Excellence in Impact by the BVCA, specifically for unique initiatives highlighting Explore's **social impact ambitions**



nGAGE has been recognised in the 'ESG initiative of the year' prize category at the TIARA Awards for its **inclusive hiring** practices, **social value** projects and support for **community enrichment** efforts

ESG in Our Investment Strategy (continued)

Recognising the importance of formalising Graphite's pursuit of embedding ESG considerations into its investment strategy, Graphite first created the firm's Sustainable Investment Policy in 2012. This, in conjunction with our Exclusions Policy and our thorough ESG pre-investment due diligence process, underscores Graphite's dedication to integrating robust ESG management across all aspects of its business. The policy, which has been through various iterations over the last ten years, aims not only to mitigate negative impacts but also reiterates our commitment to maximising the positive impacts and outcomes for society, the environment and the economy.

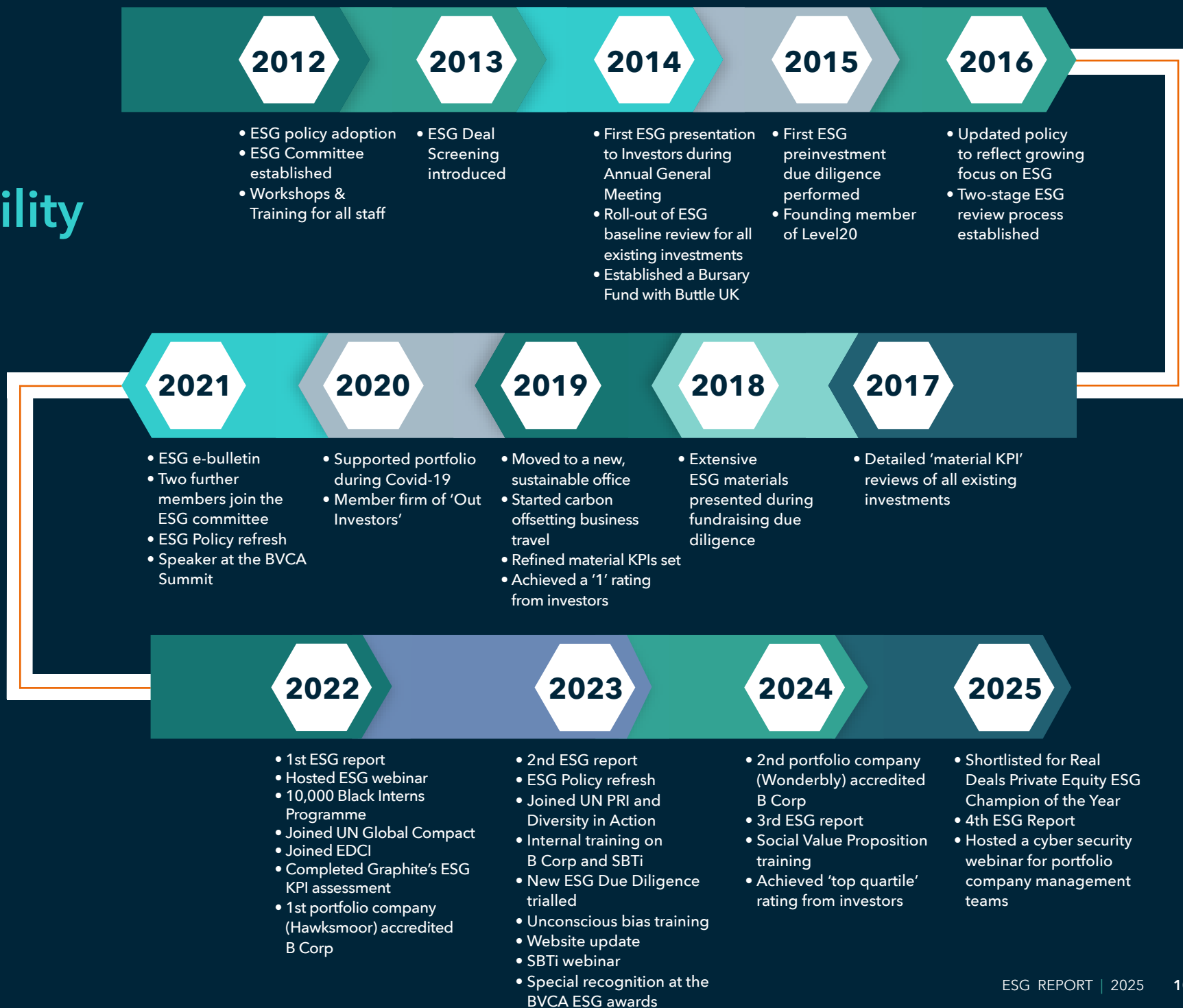
Graphite's approach involves continuous engagement with portfolio company management teams to ensure ESG factors are thoroughly managed. We place a strong emphasis on sharing

information and encourage engagement across our portfolio. This is exemplified by initiatives such as portfolio-wide webinars, where companies share best-practice ESG initiatives. The most recent webinars provided insight into the Social Value portal, highlighted our companies' experience with applying for SBTi alignment and shared best practice around cyber security.

Graphite strategically invests across a range of sectors, with a keen focus on backing market leaders to deliver premium returns. While our funds are not specifically labelled 'Impact', our investment strategy allows us to identify investment opportunities that value sustainability and entrepreneurship, particularly with respect to social initiatives. Their impact is tangible, measurable and valuable.

We take pride in the fact that investments across all three of our current funds are consistently recognised for their positive contributions to ESG. This recognition underscores the firm's commitment to fostering sustainable development and responsible business practices, proving that financial success and positive societal impact can indeed go hand in hand. Alongside the achievements of our portfolio companies, Graphite has also been recognised for its own ESG initiatives.

Our Sustainability Journey



100%

of portfolio companies track ESG KPIs

100%

of portfolio companies calculate Scope 1 & 2 emissions

88%

of portfolio companies calculate Scope 3 emissions

100%

of portfolio companies have comprehensive ESG policies

94%

of portfolio companies calculate gender pay gap

88%

of portfolio companies deploy engagement surveys

88%

of portfolio companies are aligned to the UN SDGs and/or the UNGC

71%

of portfolio companies have a carbon reduction plan

65%

of portfolio companies use renewable energy

PHITE
PITAL

In the latest reporting cycle, we saw a further reduction in Scope 1, 2 and 3 emissions per £m turnover. We also saw an increase in the sourcing of renewable electricity and greater understanding of how solar panels and rainwater harvesting benefit energy usage.

We are passionate about integrating ESG principles in our portfolio. This dedication not only demonstrates a commitment to ethical practices and sustainability but also reflects an understanding of the long-term value that responsible investing brings.

As part of our continued commitment to ESG excellence, Graphite engages in a number of activities that support responsible operational procedure. On the right, we highlight some examples.

We publish our corporate ESG Commitments, Code of Ethics, Environmental Statement, Human Rights Policy, Modern Slavery Statement, Sustainable Investment Policy and Supplier Code of Conduct on our website. This promotes transparency and ensures our ESG commitments are publicly available.



Graphite commits to and reports against UN PRI, the UN Global Compact, EDCI, BVCA and ILPA's Diversity in Action.



Graphite has enjoyed the benefits of an active, engaged and passionate ESG Committee since 2012.



Graphite ensures that ESG is part of all Investment Committee decision-making processes.



Graphite understands the potential value creation positive ESG management can provide, and ensures the process of assessing ESG risks and opportunities occurs throughout each stage of the investment process.



Graphite provides its team with ESG-related training on a regular basis, with recent training including SBTi certification, B Corp certification and unconscious bias in relation to decision-making.




Graphite provides its employees a range of benefits including, but not limited to, gym membership, professional subscriptions, interest-free season ticket loans, salary sacrifice nursery scheme, cycle-to-work scheme and pension scheme.



Graphite includes ESG-related objectives and KPIs as part of the performance review process.



Graphite commits to implementing the principles of good governance required by Article 8 of SFDR into firm practices and procedures.

The background image shows three healthcare professionals, two women and one man, in white scrubs. They are gathered around a tablet computer, looking at the screen with interest and smiling. The scene is set in a clinical or hospital environment, with a blurred background of what appears to be a hallway or ward. The overall color palette is a muted, professional blue.

Graphite's Initiatives

Graphite recognises the unique position which the private equity industry holds to fund environmental and social initiatives. Funding can be leveraged to scale initiatives that might struggle to secure funding from traditional sources. Many environmental and social initiatives require innovative solutions and the industry can help develop and scale these innovations, whether through technology, renewable energy, or social enterprises. By leveraging these advantages, the private equity industry can play a pivotal role in funding and promoting initiatives that address pressing environmental and social challenges.

The following pages include examples of initiatives which Graphite is involved in, addressing issues we have identified in the UK.



Enabling Pioneering Native Kelp Restoration Trials in the UK

Kelp forests play a vital role in marine ecosystems by providing habitat and food for a diverse range of marine species. However, kelp beds are declining globally, with losses stemming from climate change, marine heatwaves, decreases in water quality, coastal development, overgrazing, overharvesting and pollution. In the UK, localised losses of kelp beds have been documented.

- Last year, as part of a pilot scheme, Graphite Capital made a donation through the Devon Environment Foundation, which unlocked further funding from the Fisheries and Seafood Scheme to build a new kelp hatchery at the Marine Biological Association (MBA) in Plymouth.
- This enabled MBA scientists to start groundbreaking trials to develop kelp restoration techniques for native kelp species in Devon.

- Their ambition is to develop a system for restoring degraded kelp forests using a low-cost, scalable solution that bridges the gap between marine conservation and the fishing and seafood industry.
- The approach, referred to as 'green gravel', involves seeding kelp on to small stones or other substrates and growing the kelp in the lab until the kelp 'plants' reach lengths of ~1cm.
- They are then 'planted' at sea where they sink to the seabed and form an attachment. This relatively time and cost-efficient method of kelp restoration is promisingly scalable.
- Researchers will monitor the out-planted kelp to assess retention and attachment to the seabed, growth, and biodiversity value of the 'restored' kelp by comparison to naturally settled kelp habitats.



All images courtesy of:
www.devonenvironment.org

Challenges

- There are currently Marine Management Organisation restrictions on restoration practices in protected areas. Despite this challenge, the ambition to outplant native kelp seedlings at several coastal locations in Devon remains strong, and efforts continue to overcome the barriers and ensure that the important restoration work can progress.
- The project is currently hand-planting in Plymouth Sound, where planting can take place without a licence, allowing easy monitoring by scientists.
- Waste scallop shells proved effective for promoting kelp growth when tested in the lab. However, these shells have not been able to be deployed at sea due to being classified as 'hazardous waste,' indicating a further need for policy updates and advocacy.

The learnings provided by this pioneering project have the potential to leverage exponential impact if these kelp restoration techniques are replicated along the UK coastline over the coming decade.



Project Impact

- Juvenile seedlings grown in the hatchery are being outplanted during early 2025 to test the applicability of this restoration approach in the UK context for boosting the resilience of wild kelp populations.
- Area restored in Devon: 3 areas along a wave exposure gradient. This is a smaller area than originally planned due to challenges, discussed opposite. The project continues to focus on lab research and hand planting to make progress.
- Carbon captured: native kelp is estimated to sequester 1kg of atmospheric carbon per year for each square metre of growth.



Cavell Nurses

"Cavell provides grants, advice and a listening ear to nurses, midwives, nursing associates and maternity support workers looking to take charge of their finances and feel more in control."

Graphite has donated financial resources to Cavell, helping fund support for nurses and midwives when needed most.

Cavell annually provides financial support to over 1,500 nursing and midwifery professionals, thanks to partners like Graphite.

Nurses and midwives were polled and provided the feedback shown opposite:

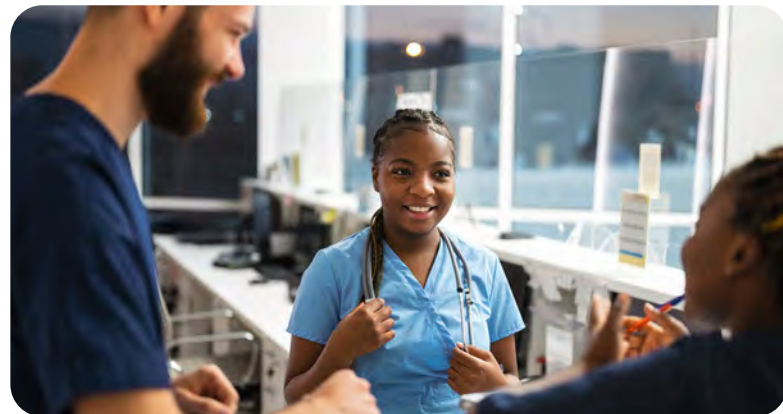


92%
agreed help from
Cavell positively
affected their
mental health

86%
agreed help from
Cavell positively
affected their
physical health

88%
agreed help from
Cavell positively
affected their ability
to do their job

86%
agreed help from
Cavell helped
them get back to,
or stay in, work



During 2024, Graphite continued to support both Buttle UK and Fairfield Enterprise, providing critically needed assistance to young people throughout the UK.



Buttle UK

Graphite Capital's Bursary Fund to date has helped support over 1,100 young people. Interviews with grant recipients have shown that Graphite's support has helped improve young people's relationships, engagement in education and self-confidence.



Fairfield provides specialist careers coaching to ambitious 16-24 year olds from disadvantaged backgrounds across the UK to enable them to pursue successful, high value careers in the finance industry.

Graphite donates both time and resources to Fairfield Enterprise with Graphite also welcoming four young candidates to its 2024 summer internship programme.



Cyber Security Webinar

As part of our commitment to providing training and sharing examples of operational best practice with our portfolio companies, we held a webinar focusing on cyber security management.

The subject of the webinar was 'Assume it can happen to you' and the webinar aimed to promote and encourage strong governance practices in relation to cyber security.

The webinar provided recommendations to our portfolio companies surrounding cyber security management practices such as having an incident response service on retainer, undertaking penetration testing, working towards ISO 27001 certification, running crisis management simulations and employing a service to manage detection of and response to threats.

The webinar was well attended and well received. This is just one example of the ways in which we continuously engage with and guide our portfolio companies to have strong governance in place.



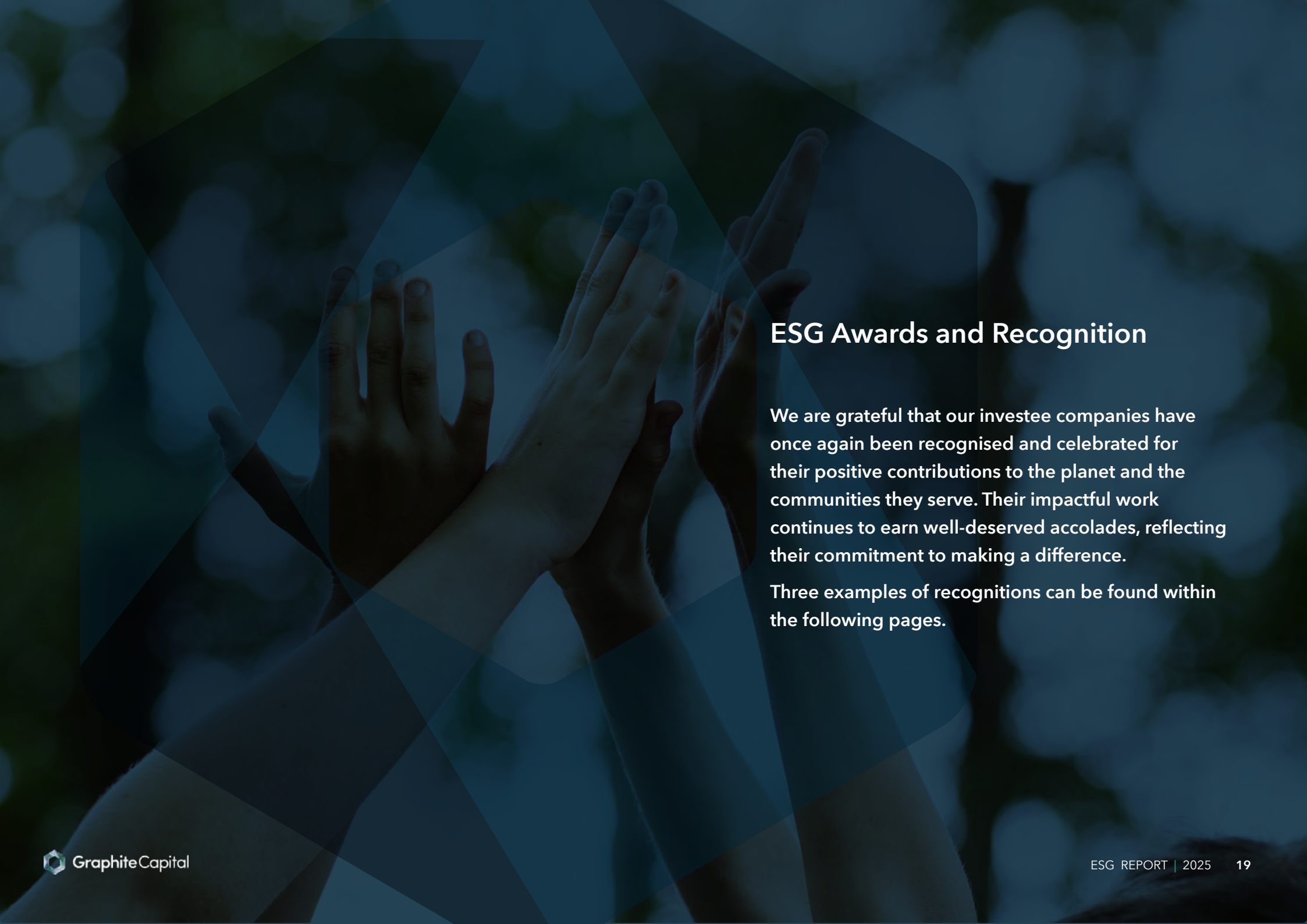
International Women's Day Celebration

As a way to celebrate the incredible women found within the management teams of our portfolio companies, we decided to do something a little different to recognise International Women's Day in 2024.

We invited our remarkable women managers to join us for a Land Rover Driving Day, where we took to the wheel and navigated courses filled with challenging terrains including inclines, descents, water, rock crawls and bridge crossings.

A unique way to foster camaraderie and connection, participants were given the opportunity to accomplish something challenging while building networks and making new friends. It was a wonderful day filled with positive energy and pride!





ESG Awards and Recognition

We are grateful that our investee companies have once again been recognised and celebrated for their positive contributions to the planet and the communities they serve. Their impactful work continues to earn well-deserved accolades, reflecting their commitment to making a difference.

Three examples of recognitions can be found within the following pages.



Explore’s Trustpilot ‘excellent’ rating is higher than competitors’, with nearly 1,500 five-star reviews.



Explore Learning - Winner - 2024 ‘Excellence in Impact’ BVCA award

In September, Explore Learning was awarded the ‘Excellence in Impact’ award by the British Private Equity and Venture Capital Association (BVCA), which recognised the work Explore is doing to challenge and address the Disadvantage Gap.

Championing others

Since its inception 23 years ago, Explore has offered fee discounts for children from families that are considered ‘in need’ via a Scholarship scheme. The Scholarship scheme is available for universal credit claimants for in-centre learning. In 2024, 5,500 children receiving free school meals benefitted from this scheme and were offered places at Explore for a significant discount, up from 4,772 children in 2023. This was 728 more scholarships than in 2023.

‘Big Dream Programme’

In addition, following the pandemic, Explore launched its ‘Big Dream Programme’. Partnering with schools, donors, trusts and charities, the ‘Big Dream Programme’ provides full tuition

scholarships to disadvantaged children throughout the UK. Recipients of the ‘Big Dream Programme’ scholarship include Buttle UK’s *Chances for Children* beneficiaries as well as recipients of Refugee Education UK’s services. Explore aims to support a thousand children through this programme by 2026.

Explore is growing its reach in local communities via these partnerships with charities, who are helping to cover the tuition costs. Member retention and new membership growth numbers have been boosted thanks to the Scholarship scheme and ‘Big Dream Programme’. Additionally, Explore’s Trustpilot ‘excellent’ rating is higher than competitors’, with nearly 1,500 five-star reviews. Not only does offering opportunities via the Scholarship scheme and the ‘Big Dream Programme’ support Explore’s social impact ambitions, it helps drive customer loyalty, grow the Explore community and improve brand recognition.



Graphite’s portfolio company Explore Learning wins ‘Excellence in Impact’ Award at the British Private Equity & Venture Capital Association (BVCA) Summit.



Working to Close the Disadvantage Gap

Explore has identified the Disadvantage Gap as the key social challenge it is extremely well positioned to address. The Disadvantage Gap refers to the disparity in grades of disadvantaged students compared to their peers. The Disadvantage Gap is used as a key measure of social mobility in England, as well as a way to indicate progress made towards reducing national educational inequalities. In 2020 and 2021, the Disadvantage Gap intensified, despite relative stability in the two years prior.

Explore's two scholarship programmes are essential to making tuition more affordable to all, giving an opportunity to disadvantaged children to increase their social mobility and close the Disadvantage Gap.

Explore measures how the Disadvantage Gap is closing through the 'Big Dream Programme' and Scholarship scheme. The company has found that, on average, Explore students make 19 months' learning progress in one year with Explore's learning tool and tutors. This research demonstrates Explore's ability to help disadvantaged students not only catch-up on learning but perhaps even surpass their peers.

Explore has created a Social Value Framework to measure the ultimate social impact generated by its activities, through measuring the increased attainment of all members and translating this into increased lifetime earnings potential. Using proxies, Explore has calculated that the total additional earnings impact since its inception is over £860 million.

"Since we launched our tuition business in 2001, we've set out to support as many children as possible with their education. Not only have we helped hundreds of thousands of young people to achieve their learning goals, we have coached them to develop a life-long love of learning. We want all children to dream bigger, have their individual needs met and discover the joy of learning. Our 'Big Dream Programme' is about offering even more access for disadvantaged children to experience the benefits of Explore Learning tuition."

Bill Mills, CEO and Founder, Explore Learning





Bernie Gibson - Nominated - 2024 Inspirational Women Award

Graphite backed Compass Community in December 2017 and sold the business in May 2024. Bernie Gibson served as Compass' CEO from 2012-2025, which included the entire period of Graphite's ownership. In 2024, Bernie was nominated for the BVCA's 'Inspirational Women Award.'

Bernie is known for her strong convictions, including championing others and promoting authenticity within the workplace. These convictions serve to inspire Bernie's colleagues on a regular basis. Bernie attributes these convictions to her own experience and her story serves as an inspiration to many.

Championing others

Coming from a working-class background, Bernie left school in the 1980s with no qualifications. She decided to enter the social worker profession. Bernie moved from her Lincolnshire home to a residential school in Yorkshire, where her home and work life were suddenly intertwined. After starting her career in child protection and education services, Bernie realised she was passionate about continuing her

career within the social services sector and went on to achieve a degree in Social Work and later an MBA.

While Bernie was working towards her MBA, she built a strong belief that social work is, at its core, a business, and that business is all about people. Bernie believed that championing and supporting others within the business world is not only the right thing to do, but crucial to business success. These beliefs led Bernie to develop her mantra of 'Skill and Will': if someone has the will, they can be taught and mentored to gain the skill. This mantra empowers her, and those around her, to champion and support people in learning skills, achieving professional success and, ultimately, contributing to the overall success of a business.

Authenticity

Another decisive professional moment upon which Bernie often reflects, and which she believes was critical to the development of her conviction of championing authenticity, was when she made the decision to be known as 'Bernie' upon entering

Under Bernie's guidance, Compass has been a consistently high-growth business, with an average annualised growth of 21% over the three years from 2021 to 2024, measured by turnover. Under Graphite's ownership, EBITDA tripled. These numbers serve to demonstrate that strong leadership, coupled with Graphite's support of and approach to sustainable investment, empowers sustainable growth.

the workforce at age 19. Until that point, Bernie's nickname was Dino. Bernie was advised by a mentor answering to the name Dino could be seen as unprofessional within the workplace.

However, over the years, Bernie realised that authenticity is fundamental to success. Bernie now speaks to her own mentees about 'Taking Dino to Work' - meaning bringing their whole, authentic self to the workplace.

Authenticity in the workplace may seem topical now but, 25 years ago, this approach was groundbreaking. The point Bernie hopes to convey with her tale of Dino is that you can be yourself and still achieve success. When Bernie walks into a room, people see a CEO. They expect her to act with confidence and authority- all things, Bernie is quick to point out, she could have done as Dino, as well.

Bernie's past experiences have helped her develop her 'Skill and Will' mantra as well as her mentoring principle: self-belief and building up others go hand-in-hand.

nGAGE Talent - Winner - 2024 TIARA Awards

The TIARA Awards highlight excellence, innovation and achievement in the global recruitment and talent acquisition industry.

In October 2024, Retinue Solutions, which is a part of the Graphite-backed company nGAGE Talent, was the winner of the TIARA 'ESG Initiative of the Year' award for their work with Notting Hill Genesis.

Retinue has been a leader in Managed Services recruitment across sectors such as Healthcare, Social Care, and Social Housing for 13 years. The award they received from TIARA recognised their work over the past year with Notting Hill Genesis, a leading housing association in London, whose corporate mission is to find homes for those who could not otherwise afford them.

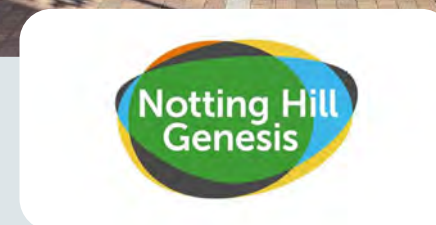
Retinue has enhanced Notting Hill Genesis' offerings, with Notting Hill Genesis now hosting

workshops aimed at helping community members prepare for employment as well as holding wellbeing workshops for employees that cover topics pertaining to sustainability, diversity, and social responsibility.

Retinue also supports community enrichment efforts and has sponsored Notting Hill Genesis' collaboration with local artists to create a Community Art Wall. The aim is to deliver social value for clients and their communities through these initiatives.

Through various initiatives, nGAGE Talent and its subsidiaries have demonstrated their commitment to providing social value support to their clients and communities. This award is a fitting recognition of all their hard work throughout the past ten years.

Notting Hill Genesis maximises social value, both internally and within its community.



Graphite Capital - Shortlisted - Real Deals Private Equity Awards 2025

Graphite Capital is delighted to announce that it has been shortlisted by Real Deals for the 2025 ESG Champion of the Year (Mid-Cap) award.

Being shortlisted for this award reflects Graphite's commitment to furthering the sustainability agenda, working with its charity partners and supporting its portfolio companies to improve their own ESG performance.

Graphite focuses its charitable donations in three main areas: environmental projects; disadvantaged young people in the UK; and relief for humanitarian crises around the globe. The first two of these areas have been highlighted for this award.

In 2024, Graphite supported the Conservation Collective with its Devon Environment Foundation Kelp Rewilding project, which is aimed at rewilding kelp forests along Britain's southern coast. By leading from the front, Graphite is also

aiming to encourage portfolio companies to become more directly involved in environmental stewardship.

Graphite has continued its longstanding partnership with Buttle UK through the Bursary Fund, established in 2024, to award grants to estranged young people. Through these 'Chances for Children' grants, Graphite provides everyday essentials and resources through a network of local referrers.

Additionally, since joining the EDCI in 2022, Graphite has been dedicated to collating and reporting portfolio ESG data, striving each year for greater coverage of these important indicators. This commitment reflects Graphite's unwavering dedication to integrating ESG considerations into every facet of its operations, demonstrating that responsible investment and positive societal impact are at the heart of its strategy.



ESG within our Portfolio

A cornerstone of Graphite's overall ESG strategy is empowering its portfolio companies to increase their own positive impact on society and the environment. Recognising that motivation increases when end-targets align with company mission, Graphite collaborates closely with each portfolio company to create a unique ESG strategy and roadmap for continuous improvement.

In recent years, this approach had enabled our companies to distinguish themselves by adeptly navigating and capitalising on both ESG challenges and opportunities.

Graphite continues to partner with two external ESG advisory firms that assist Graphite in managing and promoting ESG excellence throughout the portfolio. By measuring positive environmental and societal impact as well as setting ambitious targets for the future, our partners help us ensure that our entire portfolio is working towards improving business operations in both material and impactful ways.

Graphite facilitates and encourages conversation between portfolio companies, promoting the sharing of information and examples of ESG best practice.



Graphite continues to appoint a Sustainability Officer and an ESG advisor to every new investment. Officers and advisors aid portfolio companies in tracking, reporting and auditing ESG KPIs as well as collecting an annual set of ESG metrics. Key metrics collected reflect Graphite's commitment to reporting under the EDCI.

2024 Portfolio ESG KPIs

E

12%
reduction in Scope 1 & 2
emissions per £m turnover

48%
of total energy consumption
from renewable sources

26%
more portfolio companies are using
renewable energy than prior year

S

54%
of the workforce is female

21%
average pay gap across the portfolio

88%
of portfolio companies offer healthcare
and/or life insurance to employees

G

100%
of portfolio companies have appointed a
Sustainability Officer

88%
of portfolio companies engage ESG specialist consultants
on an ongoing basis to support achieving their
sustainability ambitions

65%
of portfolio companies are already working to
address the gender pay gap in their companies



Diversity in Publishing

Wonderbly is one of the largest diversity publishers in the world, with an extraordinary number of countries, languages, races and nationalities represented in illustrated literature. Wonderbly is on a self-professed mission 'to inspire boundless self-belief in children through clever and sophisticated personalisation.'

"When children see themselves as the hero of a story, it helps them believe that they can do anything they can imagine; that any story they imagine could be their story."

Asi Sharabi, Co-Founder of Wonderbly

Wonderbly wants to help ensure that more children see themselves represented as the 'hero' of the story. By allowing clients to select a number of features that make up the main character within each personalised story (hair, skin tone, name, etc.) Wonderbly is working to increase representation found within the publishing space.



Wonderbly is B Corp certified and relishes the challenge of constantly improving business practices in order to maintain certification.

Wonderbly conducted a study, asking 1,000 UK-based children aged 6-12 (and their parents) what their thoughts were surrounding representation in children's books.

8

in 10 read regularly but noticed that characters often look the same and don't always represent different views

17%

of parents see minority races represented in the books their children read

41%

of parents believe their child would read more often if the main character were similar to them

61%

of parents believe it's important for kids to see themselves in the content they consume

33%

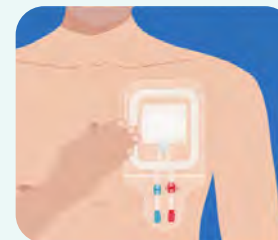
of children polled have asked their parents at one point to buy books with personalities that speak, look or act like them



Independence Products Limited: Empowering Independence

Established in 2016, Independence Products Limited (IPL) was created to address an unmet need identified by dialysis patients. IPL believes all patients have a fundamental right to stay washed and clean, and the company’s catheter pouches help protect patients from water-borne infections while engaging in water-based activities. IPL’s pouches help enable people who are currently using a catheter, or who have other challenges that make them susceptible to water-born illnesses, to wash, bathe, swim, etc.

The company takes immense pride in celebrating the positive impact its products have on people’s lives . Hearing positive stories from past customers helps fuel Independence Products’ innovation.



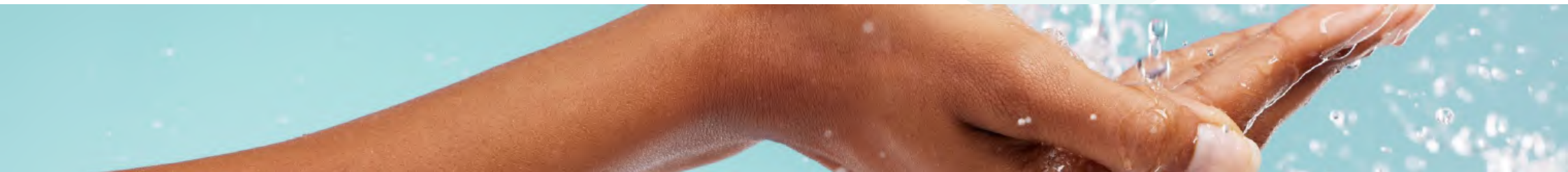
One such positive story is that of Zach.

Zach was a healthy teenager who loved swimming and spending time with his friends. However, during his teenage years, Zach was diagnosed with renal failure. Zach began undergoing dialysis treatments while he waited for a kidney transplant. Zach used a catheter and could no longer swim or even wash himself properly. Zach’s restrictions and his inability to engage in proper hygiene practices resulted in him becoming isolated from his peers.

Zach’s grandmother discovered Independence Products and, after using IPL’s pouch, Zach’s world was vastly improved, with Zach calling IPL and their catheter pouches lifesavers. IPL’s product helped Zach reengage in his normal life and participate in his favourite activities.

Zach went on to get a successful transplant and ended up winning gold at the World Transplant Games in the 50-metre freestyle.

At Graphite, we’re proud to support IPL and the life-changing work they do to help patients and empower independence.



Storal

Focus on Values and Career Development

Storal is an operator of nurseries and pre-schools across the UK, serving over 5,000 children across 53 nurseries and three out-of-school clubs. The company is headquartered in London and provides high-quality early-years education across a nationwide portfolio of nursery settings, employing over 1,700 staff. In a competitive sector, we are working with Storal to build its employer brand, driving staff attraction and retention with clear career paths and development opportunities, including apprenticeship programmes.



Supporting our teams with our first Deputy Leadership Conference

Storal hosted its very first Deputy Leadership Conference this past year, a two-day conference designed to empower and further support the company's Deputy Manager Leadership team. Deputy Managers from across Storal nurseries came together, enjoying a vibrant event that supported learning, collaboration and inspiration.

Storal Awards Party

Storal hosted its first Storal Awards Party, a special evening dedicated to acknowledging and celebrating the exceptional performance and achievements of both individuals and teams within the company. The event brought together teams from across the country, giving team members the opportunity to network and meet colleagues face-to-face. The event was a great way to reward excellence in a variety of categories while also offering employees an enjoyable social experience.

Winning NMT Nursery Group of the Year (Medium) for the second consecutive year

Storal was honoured as the NMT Nursery Group of the Year (Medium) for the second consecutive year.

Winning the award allowed Storal to celebrate its people, who, it believes, are at the centre of everything the company does. The impact employees have on children and families is seen through the positive feedback and reviews Storal receives, the strong partnerships the company has with parents and the confident children who leave Storal ready and excited for the next phase in their educational journey.

Winning NMT Nursery Group of the Year 2024 was recognition of the hard work, commitment and unwavering dedication of every team member at Storal. Winning NMT Nursery Group of the Year two years in a row was recognition of the high-quality care and education Storal offers to children, families and employees.





Empowering Learning (EL) is an education services provider, launched by Graphite as a start-up in 2017. Its principal areas of focus are the provision of supply teachers and teaching assistants to schools as well as the delivery of specialist behaviour-management training courses, mainly to educators.

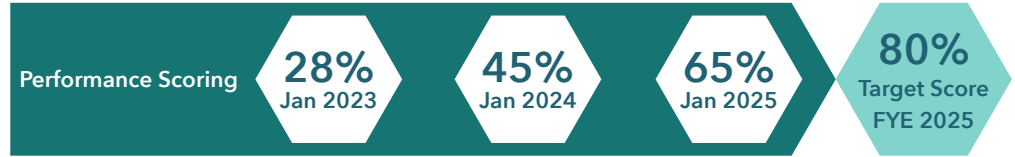
ESG Progress: A Transformational Journey

During Graphite’s investment in EL, the company has significantly advanced its ESG programme, aligning with recognised frameworks such as the UN Global Compact and GHG Protocol for carbon emissions.

In 2022, EL started work with one of Graphite’s external ESG consultancies, Sustainable Advantage, undertaking a comprehensive ‘ESG Performance Review.’ The review assessed EL across approximately 70 material ESG topics. Based on international frameworks, regulations and accreditations, the review provided EL with a score representing its current level of ESG maturity. This also set achievable but ambitious ESG targets for EL to achieve in the coming years.

In 2022, EL received an overall ESG maturity score of 28%. This score placed EL in Sustainable Advantage’s ‘Progressing’ category and demonstrated that the company still had a significant amount of work to do within the ESG space.

In 2024, EL’s ESG Review score reflected the strategic ESG improvements it has implemented throughout the years. ESG initiatives undertaken by the company helped elevate its ESG maturity score and positioned EL within Sustainable Advantage’s ‘Established’ category. EL is now on track to increase its ESG maturity score to 65% in the 2025 ESG Review, earning the company a firm place within Sustainable Advantage’s ‘Excellent’ category.



While Social and Governance aspects received strong scores from the outset, reflecting EL’s positive impact on schools and communities, the company’s Environmental score was initially low. However, progress has been transformative, reflecting the company’s commitment to sustainability and the work the company has undertaken to reduce its impact on people and the planet.

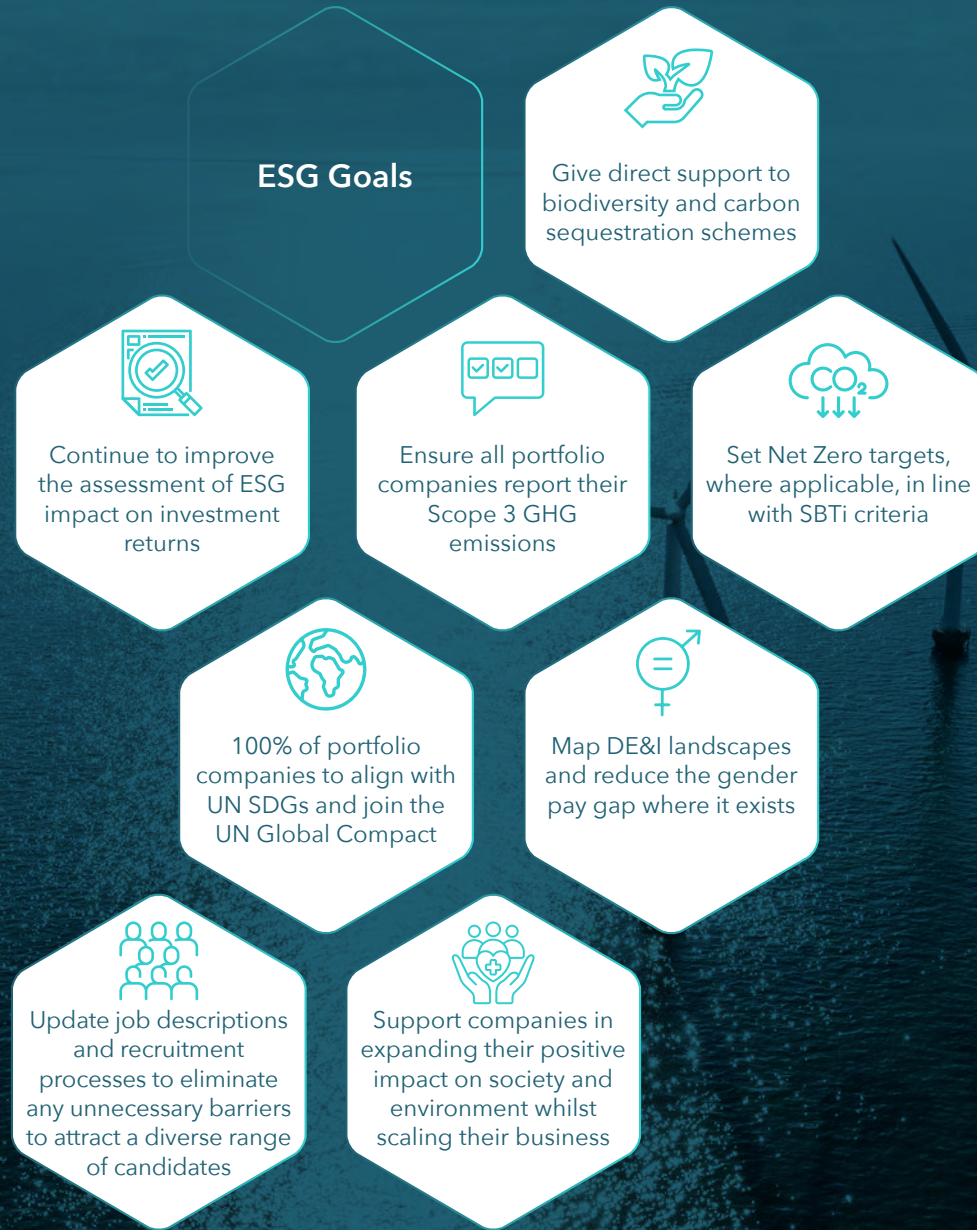
Over the past two years, environmental initiatives which have helped to drastically improve the company’s ESG maturity score include:

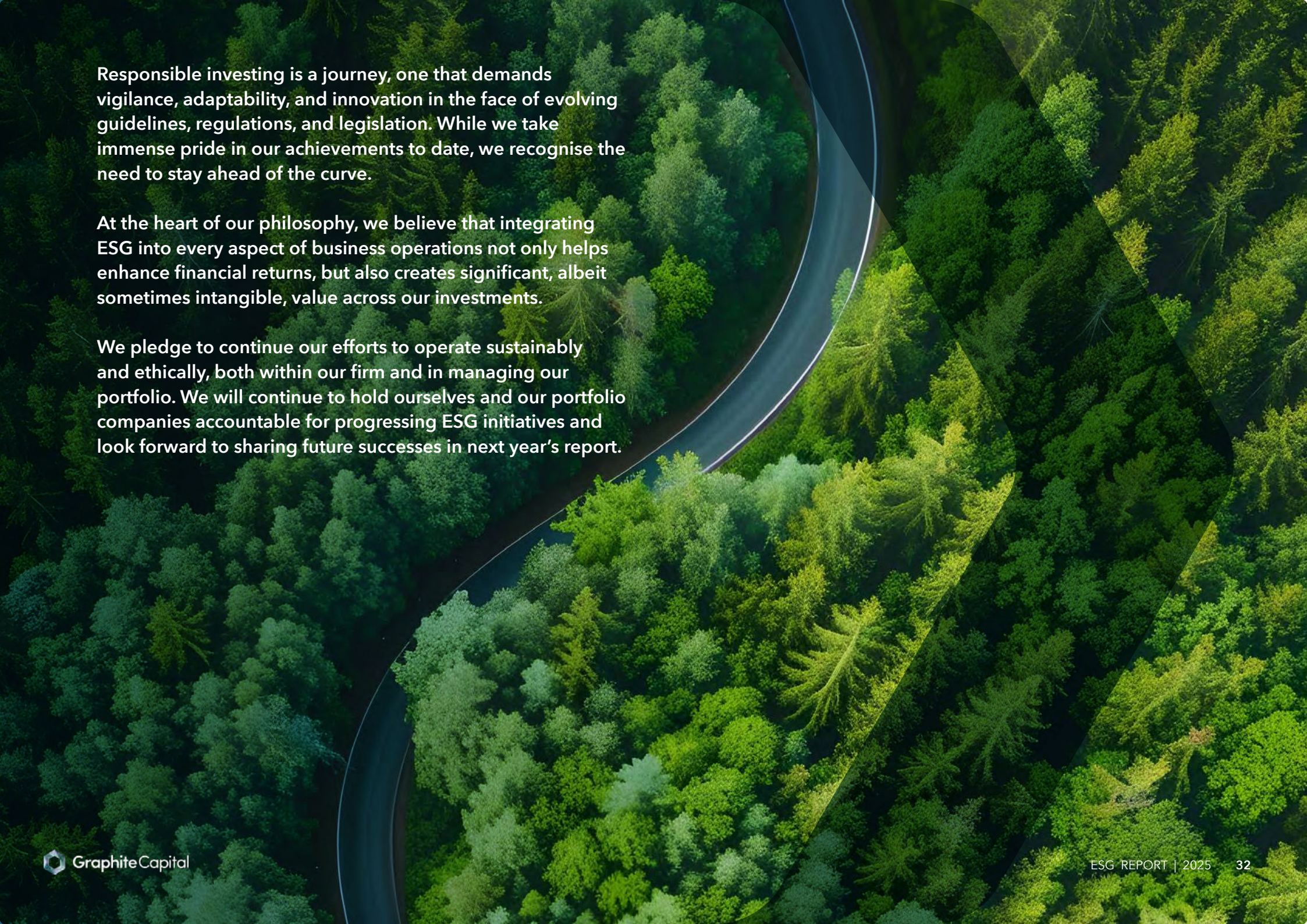
- Establishing a network of ‘Green Champions’ who meet quarterly to drive environmental initiatives and campaigns throughout the company
- Laying the groundwork for carbon accountability by calculating Scope 1, 2 and all material Scope 3 GHG emissions and developing a calibrated company carbon reduction plan
- Working together with Sustainable Advantage to apply for Science Based Targets initiative approval
- Engaging with all landlords to assess energy consumption and enhance energy reduction measures across company branches
- Creating a centralised system used to track employee business travel



Looking Forward

We are proud to share the progress that our portfolio has continued to make during 2024. We are delighted that Wonderbly joined Hawksmoor as a globally recognised B Corp and that Explore was recognised by the BVCA in 2024. More generally, we are pleased that, with determination and effort, steady ESG progress has been made throughout each of our portfolio companies, only a few of which have been highlighted in this report. We feel that the work done so far has laid a strong foundation and we look forward to realising the next set of objectives. Celebrating our portfolio's successes also drives us to continue to review our own policies and impact.





Responsible investing is a journey, one that demands vigilance, adaptability, and innovation in the face of evolving guidelines, regulations, and legislation. While we take immense pride in our achievements to date, we recognise the need to stay ahead of the curve.

At the heart of our philosophy, we believe that integrating ESG into every aspect of business operations not only helps enhance financial returns, but also creates significant, albeit sometimes intangible, value across our investments.

We pledge to continue our efforts to operate sustainably and ethically, both within our firm and in managing our portfolio. We will continue to hold ourselves and our portfolio companies accountable for progressing ESG initiatives and look forward to sharing future successes in next year's report.



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