

2020 ESG Report

EquipCapital

Letter from the Managing Partner

Our ambition is just as high when it comes to ESG as it is for returns when we invest. We want to be one of the best when it comes to ESG as well as investment performance. ESG is an integral part of the Equip DNA, and we integrate ESG in all our core processes.

We started out in our first year setting all standards and templates for everything from code of conduct to whistleblowing policy to shareholders agreements. Everything at best practice standards. This was implemented in each portfolio company although it has been challenging to achieve such a step up in a short time. We signed up to UN PRI and would like to adhere to the highest standards. All companies have selected their own UN SDG where they set targets and measure their progress.

In 2020 we spent considerable time and efforts on mapping our carbon footprint through a portfolio wide effort including a new software tool. Our action plan to reduce carbon footprint is now tangible and targeted as we know where it comes from. A key takeaway from this is that portfolio companies shift to renewable energy.

Creating attractive workplaces where employees thrive and develop is a key focus across the portfolio as you can read more about in Miles and Bastard Burgers in this report. We believe that our employees should look forward to going to work every day and feel that their job is important and rewarding.

During the fall of 2020 we enabled our companies to set KPIs and targets related to ESG based on their own business model and operations. Therefore, all companies have relevant targets that they can work to achieve in daily operations. For instance, Holy Greens measure how they improve human health with each salad they serve. Our portfolio has in many ways become a natural ESG portfolio where many companies would fit an impact fund. Rush and Busfabriken improves children's health and Holy Greens promotes a plant-based diet.



"Our ambition is just as high when it comes to ESG as it is for returns when we invest".

Sverre B. Flåskjer
Managing Partner, Equip Capital

Throughout the pandemic we have worked responsibly and proactively with our companies. Equip's businesses have strengthened their relative position versus competitors in all our companies despite being tough at times. None of our companies have needed liquidity support, and we have continued to invest throughout the pandemic. We are proud to have supported our companies through this, and we are proud of the tremendous effort delivered by management and employees.

Our ambitious efforts continue. Charlotte Ekanger, our CFO, has become responsible for ESG and sustainability and lifted the quality of both our day to day work and our reporting. The whole team is dedicated to ESG and we will keep improving every day!

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We build better companies...

Our approach to active ownership

Founded in 2018, Equip Capital is a Nordic private equity firm headquartered in Oslo, Norway. Equip’s team has an extensive investment experience across three verticals: consumer, industrials and business services.

A core part of the team’s investment strategy is to build robust partnerships with entrepreneurs and management teams. Equip takes control positions in profitable businesses with unrealised growth potential that can be triggered by applying our ownership methodology and expertise. Our approach is based on successful execution on focused, actionable value creation plans that build better companies.

Equip values
Our values guide how we work and we are committed to building a firm and culture based on these five principles:

- › **Trust**
Each other, our stakeholders and the facts
- › **Ambition**
A prerequisite for superior value creation
- › **Collaboration**
Diversity and teamwork give better results
- › **Down to earth**
Be professional and unpretentious
- › **Agility**
Open to new ideas and move fast when necessary

Our mission
Our mission is to build better companies – for shareholders, employees, customers and society. We fundamentally believe that this creates most value for all stakeholders in the long run and are therefore strongly committed to promoting sound principles for protection of the environment, social responsibility and proper corporate governance in the execution of our ownership.

Equip strives to be the best owner for companies. We commit to raise ESG standards during our ownership period, but also to bring the ESG perspective into our investment analysis and decision-making processes. Our portfolio companies all serve as examples of how we work on ESG and support the UN Sustainable Development Goals.

All employees are required to commit to Equip’s value, mission and vision when joining the firm by signing a value statement.

...with the support from our investors

On 11 December 2020, Equip Capital Fund I held its oversubscribed final closing at hard cap of NOK 1,919 million (including GP commitment). Due to the covid-19 pandemic the fundraising environment was exceptionally challenging, but with solid trading throughout the portfolio the Fund secured backing from a diversified and blue-chip institutional investor base.

The Fund secured support from both strong local names in Norway and the Nordics as well as some of the most well reputed PE investors in Europe. Equip’s investor base is almost exclusively institutional investors, and will be excellent partners for the continued development of Equip.

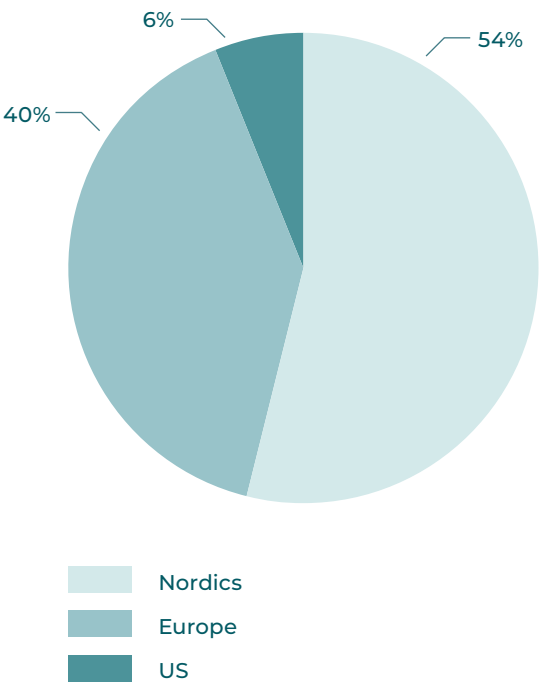
Funds raised

2019	2020
NOK million	NOK million
1,111	1,919

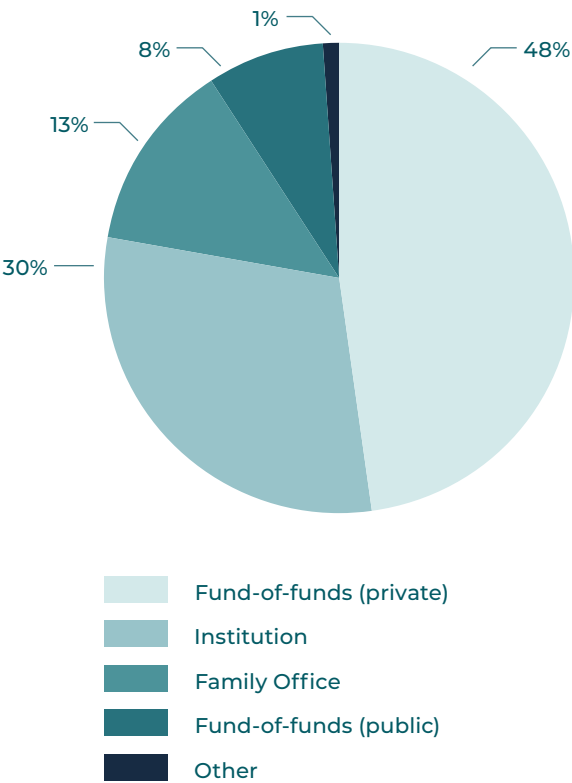
Funds deployed

2019	2020
NOK million	NOK million
552	788

Funds by LP geography



Funds by LP type



Sustainable Finance Disclosures

On 10 March 2021, Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") entered into force in the European Union. According to the SFDR, alternative investment fund managers ("AIFM") are required to provide information to investors with regards to the promotion of environmental or social characteristics and sustainable investments, sustainability risk policies, adverse sustainability impacts and report on indicators related to the adverse sustainability impacts.

Equip Capital Fund I GP LP ("Equip Capital I GP LP") is an alternative fund manager registered in Jersey and has established an alternative investment fund, Equip Capital Fund I LP ("the Fund"), registered in Jersey. Equip Capital I GP LP is a Sub-Threshold non-EU AIFM, and the Fund qualifies as a non-EU alternative investment fund for the purposes of the Directive 2011/61/EU on Alternative Investment Fund Managers ("the AIFMD"). The Fund had its final closing on 11 December 2020 and is currently not marketed in the EU/EEA.

Despite that Equip Capital I GP LP is not subject to mandatory requirements in the SFDR, Equip Capital I GP LP has chosen to voluntarily comply with the disclosure obligations to demonstrate our commitment to promoting sound principles for protection of the environment, social responsibility and proper corporate governance. The disclosures in accordance with Articles 3, 4 and 5 of the SFDR is available here: www.equip.no.

The Fund promotes environmental and social characteristics as defined in Article 8 of SFDR and invests partly in sustainable investments. The Website Disclosure for the Fund in accordance with Article 10 of SFDR for financial products referred in Article 8 is available here: www.equip.no.

Equip Capital AS ("Equip" or "Equip Capital") is the sole investment advisor to Equip Capital I GP LP and has as its mission to build better companies – for shareholders, employees, customers, and society. Equip is a signatory of the Principles for Responsible Investment as instituted by the United Nations ("UN PRI"). Equip strives to be the best owner for companies and is strongly committed to raise ESG standards during the ownership period, but also to bring the sustainability perspective into our investment analysis and decision-making processes.

ESG Funds

Funds that promote environmental and/or social characteristics

Our vision is to be *the best owner* for companies

Responsible investments during the covid-19 crisis

The Equip Capital Fund I portfolio has been impacted by the covid-19 pandemic in varying ways as the portfolio companies operate across different sectors and geographies.

The pandemic has had an extraordinary impact on people's lives, both on a personal and professional level. Some of our portfolio companies have benefited from increased digitization, changed consumer behaviour and a strengthened position in their competitive landscape, while others have experienced a short-term disruption during periods of lockdown.

Equip Capital is very pleased to confirm that none of our portfolio companies have needed liquidity support from the Fund during the crisis, and that we remain confident about the long-term outlook for the portfolio as the pandemic have caused a short-term disruption rather than a structural disruption for the impacted companies in the Equip portfolio. Equip has actively supported the portfolio companies in making growth investments throughout the pandemic.



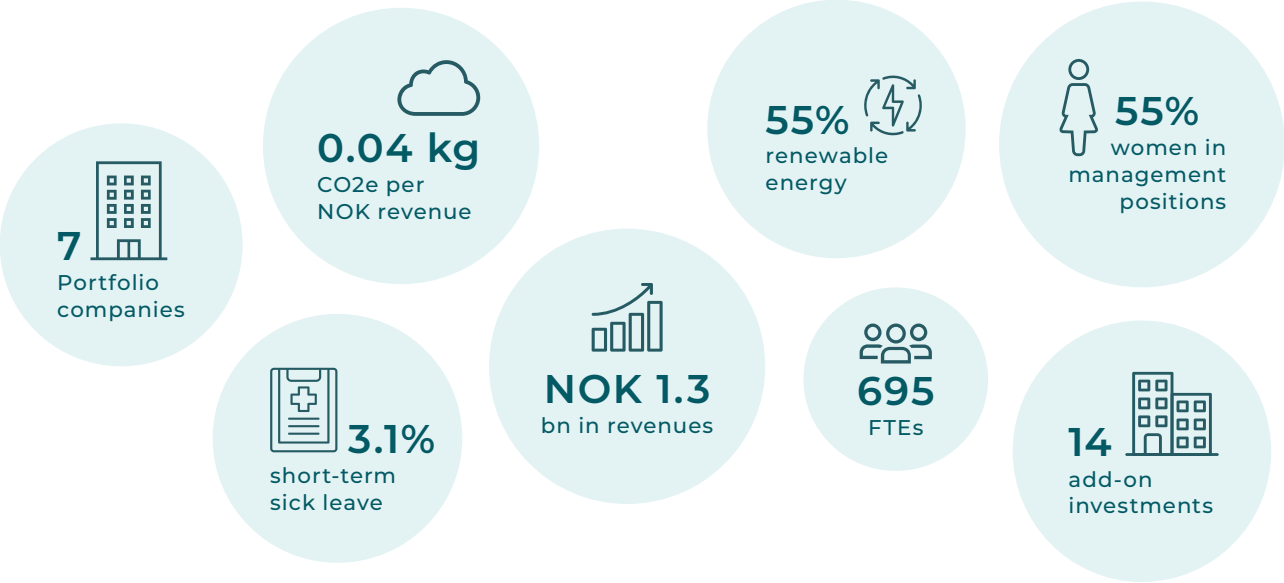
“With strong support from Equip, Holy Greens has opened five new restaurants across Sweden since March 2020 and at the same time managed to improve operating margins. Together with Equip, we have identified an exciting pipeline of new openings to expand Holy Greens’ offering of healthy, nutritious salads even further.”

Tone Wicklund-Hansen
CEO, Holy Greens

Highlights

- › Closed **1 new portfolio company** in January 2020
- › Signed **Miles** in December 2020 (closed in Feb 2021)
- › **9** add-on investments
- › **9%** growth vs pro forma 2019 revenues
- › **51%** growth vs reported 2019 revenues
- › Close to **100** new jobs created

Equip portfolio in numbers



Robust due diligence to ensure resilience

During 2020, it has been more important than ever to conduct robust due diligence when making new investments to ensure the resilience of the target company and its future value creation opportunities. In January 2020, the Fund made an investment in Funn, an IT service company headquartered in Narvik, Norway. Funn was the first investment in the Mimir group, which is a group of companies built to consolidate the Norwegian SME market for IT services. At the end of 2020, the Mimir Group had done three add-on acquisitions and three more were completed during the first quarter of 2021.

In February 2021, the Fund made an investment in Miles, an IT consultancy company headquartered in Bergen, Norway. Miles provides IT services to a broad range of customers and has a strong focus on building a unique value driven culture based on the core values “professional authority” and “warm personality” and managed through a Servant Leadership philosophy. Equip strongly believes that the IT sector is a key enabler in a digital transformation to secure a more efficient use of society's resources and an important lever in the mitigation of climate change as the IT sector enables customers to reduce their greenhouse gas emissions.

Health and safety alongside growth opportunities

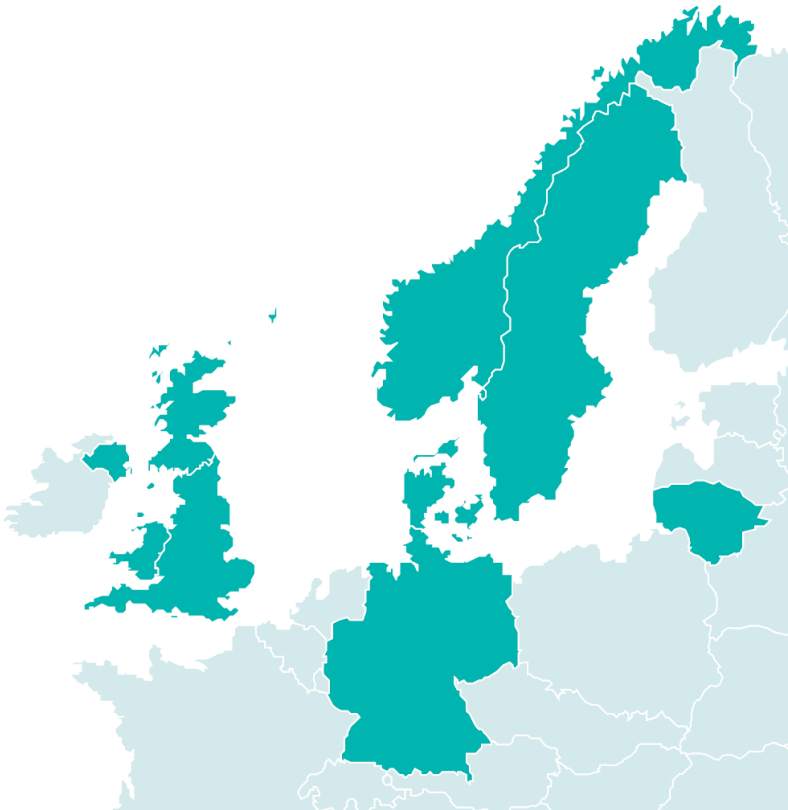
Equip worked closely with all portfolio companies from mid-February with contingency plans, communication plans with stakeholders and scenario analysis to estimate the financial impact of a potential pandemic. The companies were thus well prepared when the pandemic hit the Nordic countries in March 2020. During the initial phase, the main focus was on the health and safety of employees and customers, but in parallel, the management teams and the company boards were also mapping the longer-term risks and opportunities.

Despite a short-term disruption for both Rush and Busfabriken with their indoor trampoline parks and children's play centres, Equip has seized the opportunity to accelerate the market consolidation, which were an important part of Rush's value creation plan anchored

with management at entry in July 2019. Throughout the pandemic, Rush have completed six add-on investments and have since acquisition increased its geographical footprint to Denmark, Germany, Sweden and the UK and invested into Padel tennis as a new vertical. Busfabriken has spent significant time building a strong pipeline of potential new locations to further expand their geographical footprint as well as investing in operational improvement programs which is expected to increase profitability when growth returns.

Throughout the pandemic, Equip have also supported organic growth opportunities, as demonstrated by opening 14 new Bastard Burgers restaurants across Sweden during 2020 and also the recent five openings of Holy Greens restaurants.

	Entry	Current
	Norway Sweden Denmark	Norway Sweden Denmark
	Norway Lithuania	Norway Lithuania
	Norway	Norway
	Sweden	Sweden
	Sweden	Sweden
	Norway	Norway Sweden
	Norway	Norway Sweden Denmark Germany UK



Map of current geographical footprint

Continuous work to improve on ESG

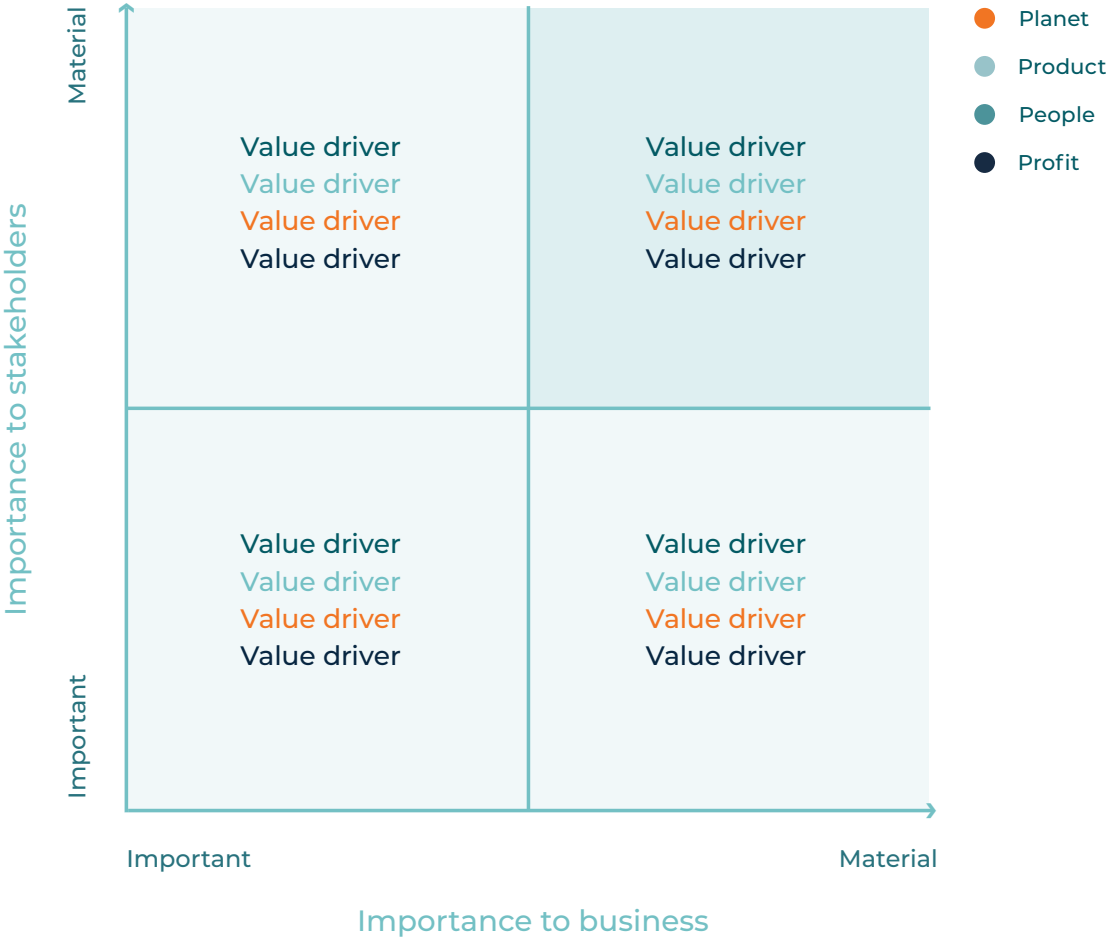
During 2020, all Equip portfolio companies conducted a materiality assessment and defined 3-5 company specific ESG Goals. In addition, Equip introduced a set of portfolio-wide ESG goals. We are confident that a continued focus on ESG will contribute to the commercial success of the portfolio.

To measure the progress towards the set ESG goals, Equip has implemented a quarterly sustainability reporting template where selected ESG KPIs are reported alongside the regular financial reporting. The agreed sustainability KPIs have been aligned with the respective industry's sustainability disclosure topics and accounting metrics standard set by SASB.

In 2021, Equip look forward to fruitful discussions with the management teams across the portfolio to anchor short-term and long-term targets for all their sustainability KPIs.

Please see page 24-39 for further details on both the company specific and portfolio-wide ESG goals and KPIs.

Illustrative example materiality assessment



ESG Policy

Equip’s environmental, social and governance policy (ESG policy) was developed for the purpose of promoting and maintaining proper decision-making processes that focuses on high environmental, social and governance standards, and to encourage the establishment of appropriate ESG measures in portfolio companies.

Environmental

Equip seeks to minimise environmental impact and encourages environmental consciousness. Equip does not accept products or working routines that are unreasonably harmful to the environment or components of products that do not live up to high ethical, environmental and safety related standards.

Social

It is Equip’s objective to be socially responsible with regards to its advisory business, and to contribute to the development of the communities in which companies operate by promoting sustainable and profitable growth of the Equip portfolio companies.

Governance

Equip acknowledges the importance of good corporate governance in connection with its business, and thus adheres to all applicable anti-corruption laws and best practice standards. The principles of fair business and marketing practices are essential to us, and Equip will thus seek to take all reasonable steps to ensure the quality and reliability of the goods and services provided by Equip and the Equip portfolio companies.

Equip will exhibit honesty, integrity, fairness and respect in all its business dealings, and do not make rep-resentations or omissions, nor engage in any other practices that are deceptive, misleading, fraudulent or unfair.



The UN Principles for Responsible Investment

Equip Capital AS became a signatory of the Principles for Responsible Investment (PRI) as instituted by the United Nations in February 2020.



Signatories’ commitment

- Principle 1:** We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

How Equip commit to the UN PRI

- Equip’s active ownership approach is consistent with the Principles
- Equip addresses ESG issues in our investment policy statements
- Equip has developed an ESG Assessment Tool and ESG risks and opportunities are an integrated part of the Equip Risk framework
- ESG factors are a part of Equip’s due diligence process
- Equip assesses whether the management teams have the capability to incorporate ESG issues through our ESG Assessment Tool and Management Assessment Tool
- Equip actively engages with potential targets and our portfolio companies on ESG issues
- Equip is committed to ensure alignment of investment policy, monitoring procedures and performance indicators
- Equip is committed to train their employees in best ESG practises and will continue to develop the team through internal and external seminars and training activities
- Equip seeks standardised and frequent reporting on ESG related topics both on Fund and portfolio level
- Equip provides an annual ESG report to investors in addition to integrating ESG issues in the quarterly investor report
- Equip follows Invest Europe’s Handbook of Professional Standards

Being a UN Pri signatory, we report on Equip’s climate strategy, governance around climate-related risks and opportunities, risk management and sustainability metrics and targets, all anchored around TCFD recommendations.

The UN Sustainable Development Goals

Equip Capital recognises the impact private equity owned companies may have on the environment and society at large and are therefore strongly committed towards promoting sound principles for the protection of the environment, social responsibility and proper governance practices in the course of our business conduct.

The Sustainable Development Goals are the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, and they are a call for action to promote growth while protecting the planet and address social needs.

Equip strongly believes that we as private equity owners are in a unique position to drive sustainability outcomes and implement principles of responsible investing to generate positive returns for society in specific areas as we do when generating strong returns for our investors through our controlling and active ownership model.

In line with our ESG Policy, each of Equip's portfolio companies shall always be committed to at least one of the 17 UN Sustainable Development Goals as we believe that working towards these goals is key for creating most value for all stakeholders in the long run and thereby solid returns to our investors.

Prioritized SDGs

<div>3</div> <div>GOOD HEALTH AND WELL-BEING</div> <div></div>	<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>9</div> <div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div></div>
<div>11</div> <div>SUSTAINABLE CITIES AND COMMUNITIES</div> <div></div>	<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	<div>13</div> <div>CLIMATE ACTION</div> <div></div>	<div>16</div> <div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>



Environmental impact

Equip has a strong commitment to UN SDG #13 Climate action, as well as UN SDG #7 Affordable and clean energy, UN SDG #9 Industry, innovation, and infrastructure and UN SDG #12 Responsible consumption and production, which we consider important enablers in the transition to a low carbon economy and climate change mitigation.

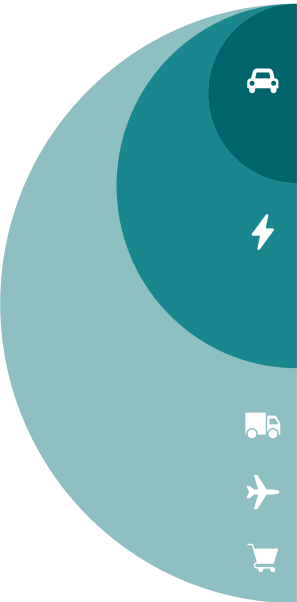
Greenhouse gas emissions must be reduced to a level where the Earth's net climate balance is zero in order to stabilize global temperatures. This objective has been ratified under the Paris Agreement. Equip agrees that we have to put strict focus on reducing sources for emissions, but at the same time also support the sinks to uplift nature's carbon cycle to achieve net zero.

Equip's portfolio contribute to the Fund's environmental characteristics and Equip targets to reduce carbon emissions¹ across our portfolio by 50% from the 2019 base-year by 2030, or about 6% each year to support the goals set out in the Paris Agreement.

During 2020, Equip implemented a portfolio wide sustainability reporting template and introduced a software platform for reporting carbon emissions across

scope 1, 2 and 3 and whether the electricity consumed come from renewable energy sources. The software is using science-based emission data and is built on the GHG Protocol, the global standard for carbon accounting. When collecting data from the portfolio companies, we have used spend-based data in combination with supplier-specific data or activity data to achieve the highest accuracy in the emission calculations. All companies have provided fuel consumption, electricity consumption as well as financial data regarding purchases to derive their respective scope 1, 2 and 3 emissions - for both 2019 and 2020.

By end of 2021, the ambition is that all Equip portfolio companies have offset unavoidable emissions across scope 1, 2 and 3 for 2020.

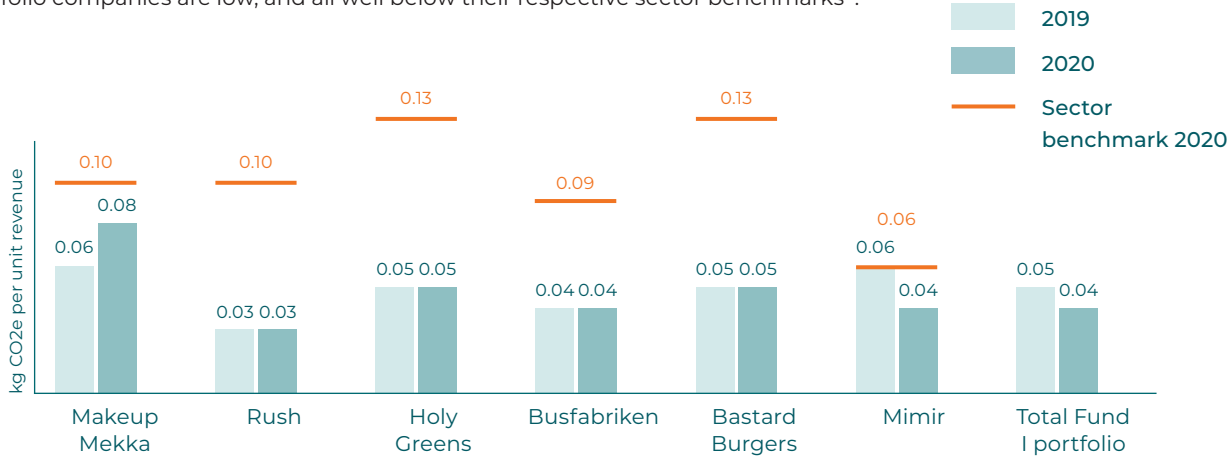


- Scope 1** emissions are direct emissions resulting from vehicles or fuel use
- Scope 2** are indirect emissions resulting from purchased electricity, cooling and/or heating
- Scope 3** emissions are other indirect emissions that occur in the value chain of the company and are not already included within scope 2, such as emissions resulting from purchased goods or services, transport, business travels etc.

¹Measured as kg CO2e per unit revenues

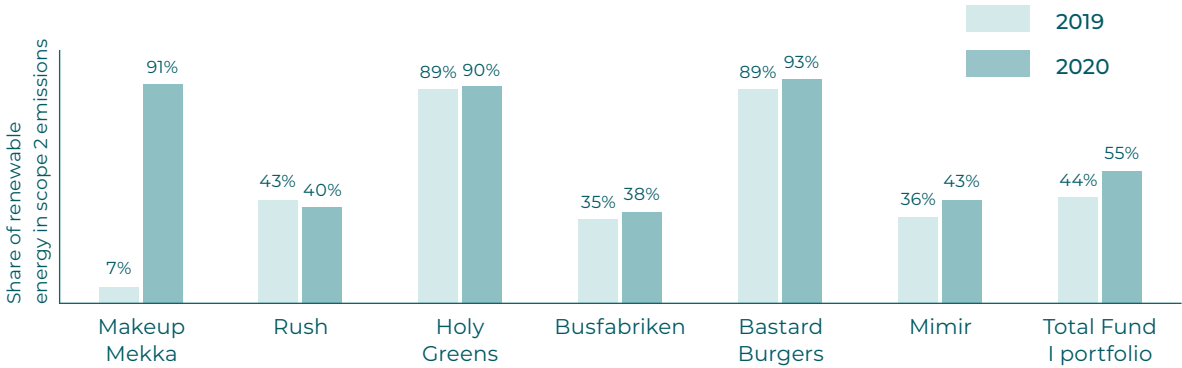
Carbon intensity

When conducting industry benchmarks, the analysis show that the carbon-intensity of our portfolio companies are low, and all well below their respective sector benchmarks².



Share of renewable energy

Equip has no exposure to companies active in the fossil fuel sector. The portfolio companies' emissions in scope 1 and 2 is mainly related to use of fossil fuels for electricity, cooling and/or heating of buildings. All companies, except Rush, have increased their share of renewable energy from last year. The energy mix for Rush is expected to improve following the integration of the six recent add-on investments.



The Equip portfolio companies promotes a wide range of initiatives to reduce global emissions, and please see further details on some of the examples below in the portfolio section on page 24-39:

- Makeup Mekka's goal to ensuring sustainable packaging, maintaining low return shares and minimize the emissions from inbound and outbound transport of their cruelty free products,
- Holy Greens' contribution to a more plant-based diet and a menu offering with a carbon footprint from each meal well below the average of 1.7 kg CO2e³, and
- Bastard Burgers' vegan offering and support of initiatives like "Veganuary" to increase share of vegan meals sold, sourcing of meat from local farmers based in Northern Sweden and a high share of renewable energy throughout their chain of restaurants,
- Mimir's innovative IoT solution with automated feeding and monitoring of fish welfare in fish cages within the aquaculture segment, where they can measure a range of parameters by analysing big data from a remote control centre, as well as their cloud-based service offering which enables their customers to work remotely and reduce business travels.

²Source: Normative and World Input-Output Database

³Source: Klimato

Social impact

Equip promotes social responsibility and actively seeks to achieve gender equality and empower all women and girls in line with UN SDG #5. Another important focus area is securing decent work and economic growth as stated in UN SDG #8.

The employees and the customers are among the most valuable assets for a company, and thus their safety and wellbeing must thus be a top priority to ensure the long-term success of its business.

In Norway, the unemployment rate increased from 3.7% in 2019 to 4.6% in 2020, while GDP decreased 2.5%. In Sweden, the unemployment rate increased from 6.8% in 2019 to 8.3% in 2020 GPD decreased 2.8%⁴. Despite the challenging market situation during the pandemic, the number of FTEs across the Equip portfolio increased by 97 from 2019 to 2020 on a pro forma basis.

Decent work

Through the investment process, Equip conducts due diligence to identify prevent, mitigate and address any adverse human rights impacts. Equip supports UN Global Compact and recognises that corporate sustainability starts with a value system and a principle's-based approach to doing business.

Immediately after closing a transaction, Equip provides the new portfolio company with best practise standards covering policies and procedures to minimise the risk of breach of fundamental responsibilities in the areas of human rights, labour, working environment and anti-corruption. Please see page 21 for further details regarding the Equip onboarding pack.

From Q4 2020 and onwards, all companies report on sick leave and occupational injuries as part of their quarterly sustainability report to Equip, which provides a good indication of the wellbeing of the employees. Covid-19

has of course had a negative effect on the absenteeism figures, especially within the restaurant and leisure sectors where the employees cannot perform their work remotely, due to strict instructions to stay home in case of any symptoms of a cold or an influenza. Provided that Holy Greens and Bastard Burgers have remained open during the pandemic while many hotels and restaurants have been closed and with their personnel temporarily laid off, also makes it challenging to compare absenteeism numbers within the jointly reported hotel and restaurant sector during covid-19. Holy Greens and Bastard Burgers are closely monitoring their sick-leave statistics, and both report a reduction in short-term sick leave in the first quarter of 2021.

By end of 2021, the ambition is that all Equip portfolio companies have implemented a system for monitoring employee satisfaction.

Number of days lost to occupational injuries, accidents or fatalities = 0

Absenteeism (Q4 2020)	Short term	Long term	Sector average
Makeup Mekka	1.1 %	0.0 %	4.6 %
Rush	2.9 %	0.0 %	5.5 %
Holy Greens	5.7 %	0.0 %	3.1 %
Busfabriken	3.5 %	1.2 %	3.5 %
Bastard Burgers	3.9 %	0.0 %	3.1 %
Mimir	1.6 %	0.6 %	4.0 %
Portfolio average	3.1 %	0.3 %	4.0 %

Source: Makeup Mekka, Rush and Mimir: NHO, Sykefraværstatistikk 4. kvartal 2020
Source: Holy Greens, Busfabriken and Bastard Burgers: SCB 4. kvartal 2020

Gender equality

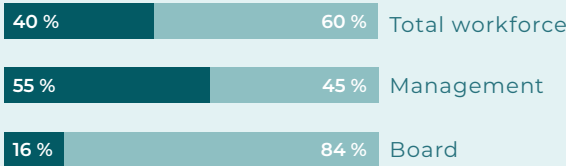
Research show that a better gender balance boosts profits, and that a critical mass of female participation in the workforce raise profitability, and management participation is considered most important to a company's profitability, returns and earnings volatility. Results have shown the following levels for critical mass of women at each level for impact on performance: more than 44.7% of the total workforce, above 30% in management and more than 20% of women on the board⁵.

Equip recognises that as investors, we have both the ability and the imperative to improve diversity, equality and inclusion across our portfolio. Although the gender balance on management level across the Equip portfolio is good with 55% female representation, we see large variances within the portfolio. The restaurant industry and the IT industry have historically been dominated by men and the industry trends are also visible in the reported diversity figures for Bastard Burgers and Mimir. However, Holy Greens' concept seems to attract females to a great extent, as they have 88% female representation in their management and 95% females in their workforce.

Gender balance at board level, is an improvement area for Equip. As Equip's investment professionals typically hold two of the board positions in each board, the male representation has been high as the company was founded by five men. At the end of 2020, only 50% of the boards had female board representation.

Gender balance (Q4 2020)

Sum Fund I portfolio



Bastard Burgers have initiated several initiatives to achieve their goal of being “inclusive in every way” and was in December 2020 awarded a price for their efforts to promote gender equality by for example paying all employees full salaries during parental leave. The decision to compensate the employees the variance between their annual salary and the amounts covered through the social security system, will increase the personnel costs in the short-term, but generates positive returns for society and maximises the overall long-term value of the business. The initiative is also a contribution in their efforts to make Bastard Burgers a more attractive employer for women. If you are interested in reading more about these initiatives, please see page 34-35 for an interview with CEO Simon Wanler.

The Equip portfolio companies promotes several other initiatives to secure decent work and economic growth as well as improve gender balance, please see further details in the portfolio section on page 24-39:

Gender balance (Q4 2020)	Total workforce % female	Management % female	Board % female
Makeup Mekka	92 %	75 %	33 %
Rush	46 %	78 %	0 %
Holy Greens	95 %	88 %	0 %
Busfabriken	71 %	62 %	29 %
Bastard Burgers	32 %	22 %	0 %
Mimir	8 %	13 %	17 %
Sum Fund I portfolio	40 %	55 %	16 %

⁴Source: SSB for Norway and SCB for Sweden

⁵Source: RobecoSAM, SAM Corporate Sustainability Assessment (CSA), 2019

Governance impact

The acknowledgements of the importance of good corporate governance and the need to build effective, accountable and inclusive institutions at all level to achieve sustainable development supports UN SDG #16 Peace, justice and strong institutions.

In addition to promoting environmental and social characteristics, Equip acknowledges the importance of good corporate governance in connection with our business and will therefore adhere to all applicable anti-corruption laws and best practise standards.

Research show that private equity companies has outperformed public market equities since 2000⁶. The engaged form of corporate governance from private equity boards is an important contributor to this superior performance. After acquiring of a portfolio company, Equip will typically take the Chairperson position and appoint other board members with extensive industry expertise which can support the management team in the implementation of the value creation plan. The boards of the Equip portfolio companies challenge the management teams to set ambitious targets and measure the progress towards the set goals though comprehensive reporting on both financial and non-financial parameters. Board meetings are held regularly, typically every second month, with open discussions and a direct line of communication between the board and the management team. The Equip investment team also interact frequently with the management team as a sparring partner outside the board room. The independence between the operational management team and the board alongside clear roles and responsibilities defined in the set of policies that Equip requires to be operationalised by each portfolio company are seen as effective preventive measures to minimise the risk of fraud, corruption, bribery and manage potential conflicts of interests.

The Board of Equip Capital AS has appointed a Compliance Committee consisting of two internal members and an external member (a representative from the Company's legal advisor). The task and functions of the committee is to review all proposed investment advice to be rendered by Equip to ensure that any recommendations are made within the bounds of the investment strategies and within the limits with regards to, inter alia, the risks and instruments of the relevant funds advised by Equip as well as reviewing potential conflicts of interest.

Equip will comply with sanctions and screen any sellers, key people and ultimate beneficiaries against sanctions list. In addition, there are several types of companies that Equip will not invest in; for instance (but not limited to) in companies involved in coal, weapons, firearms and ammunition, nuclear power, drugs, tobacco, alcohol, gambling, genetic engineering, corruption, animal testing, companies targeting criminal activities such as money laundering, financing of terrorism, tax crime or a company that appears on the list of companies excluded from the investment universe of the Norwegian Government Pension Fund (Global). (NO: Statens Pensonsfond Utland)⁷.



Status implementation of onboarding pack across the portfolio

Implementation of the value creation plan, including ESG related improvement areas and relevant SDGs always starts at the Board of Directors of the relevant portfolio company. This plan is then further detailed into a strategic action plan with KPIs, milestones and targets, to be implemented by the management team. The plan is dynamic and continuously adjusted, and reviewed once a year by the Board of Directors ahead of the budget process.

During the first months of ownership, the Equip onboarding pack is implemented and adopted by the Board of Directors of the relevant portfolio company. In addition, any other short-term risks or issues (ESG related or not) not addressed by the onboarding pack is mitigated. The onboarding pack includes a template for ESG policy, which then is tailored to meet the ESG aspects of the value creation plan and the SDG(s) that the company has committed to.

In addition to the documents specified below, we typically implement new and standardized employee agreements for all key employees as part of the acquisition.

	Makeup Mekka	Rush	Holy Greens	Bus- fabriken	Bastard Burgers	Mimir	Miles
ESG Policy	✓	✓	✓	✓	✓	✓	In progress
Code of Conduct	✓	✓	✓	✓	✓	✓	In progress
Anti-corruption Policy	✓	✓	✓	✓	✓	✓	In progress
Whistle-blowing Policy	✓	✓	✓	✓	✓	✓	In progress
Workplace Harassment Policy	✓	✓	✓	✓	✓	✓	✓
GDPR Privacy Protection Policy	✓	✓	✓	✓	✓	✓	In progress
ESG Procedure relating to 3rd parties	✓	✓	✓	✓	✓	In progress	In progress
Standard SHA	✓	✓	✓	✓	✓	✓	✓
Instructions for the Board of Directios	✓	✓	✓	✓	✓	✓	✓
Instructions for the CEO	✓	✓	✓	✓	✓	✓	✓

For Rush and Mimir, implementation of the onboarding pack is in progress for some of the most recent add-on investments

⁶McKinsey Global Private Markets Review 2020
⁷<https://www.nbim.no/en/responsibility/exclusion-of-companies/>

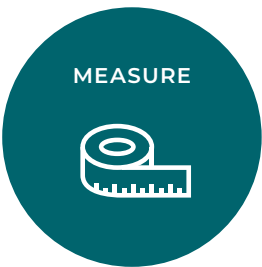
Equip's main ESG goals and 2020 achievements

Environmental factors

Increase awareness of each Equip portfolio company with regards to their carbon emissions and environmental risks, show stewardship on how to mitigate risks, seek opportunities in the transition to a more environmentally sustainable operation as well as investing in innovative concepts and technologies that benefits the planet.

2020 achievement

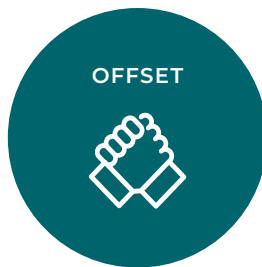
- Implemented a software platform across all portfolio companies for reporting carbon emissions across scope 1, 2 and 3
- 7.7% reduction in kg CO2e per NOK revenue
- Share of renewable energy increased to 55% (vs 44% last year)
- Equip Capital AS purchased our first carbon offsets for 100% of our 2019 and 2020 emissions across scope 1, 2 and 3



Know your climate impact



Make efforts to reduce impact



Support climate projects beyond own business

Social factors

Ensure that Equip portfolio companies are well-reputed employers that are inclusive and promote equal opportunities at all levels of the workforce.

2020 achievement

- 97 new jobs created during the year
- 9% pro forma revenue growth vs 2019
- 4 out of 6 portfolio companies had more than 30% women in management positions
- 3 out of 6 portfolio companies with at least one female board member

“In the very first meeting with Equip, we discovered a remarkable cultural match based on common values and perspectives. To further develop Miles with us, we looked for someone who shared our dedication to creating a unique work environment, and found the ideal partner in Equip”

Tom Georg Olsen
Miles



Governance factors

Equip is a responsible and professional owner for who acknowledges the importance of good corporate governance will therefore adhere to all applicable anti-corruption laws and implement best practise standards with the aim to reduce the risk of corruption and bribery in our businesses.

2020 achievement

- 0 convictions or fines for breach of anti-corruption and anti-bribery laws
- 6 out of 6 portfolio companies have implemented the mandatory Equip onboarding pack

ESG strategy and SDG alignment per portfolio company

Mimir

MAKEUP
MEKKA

Miles

RUSH
TRAMPOLINEPARK

ESTD 2016
BASTARD
BURGERS
STREETFOOD CO.

HOLY
GREENS

BUS
fabriken





Makeup Mekka

Makeup Mekka, an online retailer of coloured cosmetics in the Nordics, has committed to UN SDG #12 Responsible consumption and production. Makeup is a category with high purchase frequency due to daily use, expiration dates and high innovation pace. Hence, Makeup Mekka spend a lot of resources in ensuring that the products do as little harm to the environment as possible.

A central part of this is packaging, an area Makeup Mekka has actively worked on since it was founded in 2009. The company stands out from most competitors by having decided to eliminate unnecessary secondary packaging (typically cardboard and plastics) of products. As there are legal requirements to include ingredient lists and other key product information, Makeup Mekka instead print links to more information online directly on the products, as well as e-mailing ingredient lists to consumers following a purchase. Eliminating secondary packaging also gives a less exclusive first impression to the end consumer with lower weight and less “glam” factor. Makeup Mekka has, however, actively informed its customers over many years about why secondary packaging is being avoided with very positive feedback from consumers.

Makeup Mekka has also taken several steps to minimize negative impact on the environment from the products themselves. The company has replaced shrink-wrapping of products with small hygiene seals whenever possible. Several product lines are now produced in cardboard instead of plastic components, and the products are shipped to the end consumers in recycled paper and plastics. Also, when products are packed together in kits, plastic bags have been replaced with cellophane of cellulose or paper bags.

Reducing packaging overall and using as much recycled materials as possible have obvious positive impacts on the environment with less waste, pollution, and CO2 emissions. However, the indirect effects are also large. By eliminating secondary packaging, many more products fit into each box, reducing the number of pallets by up to 20% on both inbound and outbound freight. On outbound freight this is achieved by packaging the more than 400,000 orders by only using e-commerce bags made from recycled plastics.

How does Makeup Mekka achieve this? By securing that focus on environmentally friendly packaging is an integral part of the value chain, from product design to production from suppliers. And by raising awareness about the issue among consumers, hopefully leading to other consumer companies following in Makeup Mekka’s footsteps and taking their respective share of the responsibility.



Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
7 May 2019	Norway & Sweden	Consumer	SDG 12	NOK 92 million	25

ESG goals	KPI	Q4 2020
Animal welfare	No animal testing, % cruelty free % vegan product offer	100% 98%
Minimize emissions from transport	Below 1% return share (12 months rolling) Optimized packaging, m³ in saved transport Avoid airborne freight when possible, % of PO delivered by air	0.2% 505 15%
Sustainable packaging	Recyclable materials – outbound logistics, % share Less use of plastic wrap on products, % share with less plastics than average of industry standard	100% 98.1%

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	1.1%
Gender balance management	% female in management positions	75%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e Scope 1 Scope 2 Scope 3 YTD carbon intensity, kg CO2e per unit revenue	7,391 - 1 7,391 0.08





Rush

Rush is a leading operator of trampoline parks and has since Equip invested in the company in July 2019, grown its geographical footprint significantly beyond Norway. Rush now operates trampoline parks across Norway, Denmark, Sweden, Germany, and the UK. The parks are indoor activity centers with trampolines and other attractions where people can be challenged into doing fun activities and high-flying tricks. In its core business, Rush is directly building on UN SDG #3 Good health and wellbeing. – In Rush, we strongly believe in contributing to children’s health both in terms of increasing physical activity and creating enthusiasm. It’s about public health, says Christine Grieg-Lie, COO and operational manager in Rush.

In a year characterized by the covid-19 pandemic, social distancing, occasional lockdowns, and fewer arenas for social activities have become the new everyday life for most of us. For Rush, it has meant closing of all the parks during several periods without knowing when to open again and an immediate need to take action to minimize infection risks.

– Rush’s purpose is to increase physical activity through joy and excitement for everyone, and especially children, Christine explains. Trampoline parks naturally provide social distance between visitors in the jump area. However, Rush decided to reduce jumpers per hour during the pandemic to ensure even more space per visitor to minimize infection risks. Despite this, and as a result of the extensive measures made, July 2020 resulted in more than 151,000 jump hours and an increase in revenues of 32% compared to the year before. Christine says that kids and youths are expressing joy and happiness when being active at Rush, which is a huge motivation for everyone working at Rush.

Immediately when the covid-19 outbreak became a reality, Rush decided to take a proactive approach. A thorough risk assessment of the whole operation was conducted, resulting in new routines and guidelines for employees and guests. – We wanted to understand everything that could pose a potential infection risk and therefore mapped the customer journey all the way from visiting our websites to entering the park area, moving inside the park, the café, and potentially visiting the birthday area, to leaving. Thereafter, we evaluated and decided upon mitigating actions, and quickly implemented new routines. We also made a major effort to inform visitors about the new routines and trained our employees. We appointed one responsible person for infection control on each shift who ensured compliance and follow-up of all routines together with the general

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overweight
or
obese

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3
GOOD HEALTH
AND WELL-BEING

Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
5 Jul 2019	Norway, Sweden, Denmark, UK & Germany	Consumer	SDG 3	NOK 150.3 million	76

ESG goals	KPI	Q4 2020
Customer safety	Injury rate for customers, injuries per jump hour % of facilities inspected for safet , % share inspected vs planned	0.09% 94%
Promote active lifestyle	Number of jump hours , per quarter	164,782
Reduce food waste	Reduce wastage, value of wastage / revenues from food and beverages	3.39%

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	2.9%
Gender balance management	% female in management positions	78%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e	4,358
	Scope 1	5
	Scope 2	634
	Scope 3	3,719
	YTD carbon intensity, kg CO2e per unit revenue	0.03

manager. As a positive side effect of the new routine, where employees disinfect all surfaces every hour, Rush has experienced a positive impact on credibility and staff visibility. The joint effort from all parts of the organization has made it possible to keep our guests and employees safe, and the parks open between lockdowns, Christine explains.

The routines implemented has proved to be highly efficient. No one has been infected with covid-19 during a visit in any of the Rush trampoline parks, even though infection tracing has shown that people infected with covid-19 have been visiting. - The new routines and measures related to infection control have increased our operating costs, but it has been necessary during these unprecedented times. Good health and safety have always been key priorities for Rush when delivering on our purpose to increase physical activity and create excitement and joy among our visitors, Christine concludes.





Holy Greens

What we eat has huge impact on the planet. WWF estimates that global food systems are responsible for 25-35% of emissions caused by humans. As a society, we make a huge difference by increasing consumption of plant-based food, grown by responsible farmers in a sustainable way close to home.

Holy Greens is a chain of salad restaurants in Sweden with a concept built on premium quality, healthy and locally sourced ingredients, efficient serving, and sustainability. Holy Greens has committed to UN SDG #3 Good health and wellbeing, and UN SDG #13 Climate action.

To really understand Holy Greens’ impact on the planet, the company initiated a project with Klimato in 2020 to estimate the carbon footprint of every ingredient of every item on the menu. Increased awareness of the footprint of each ingredient enables informed decisions regarding changes in the composition of each salad or potential menu changes in addition to taste and nutrition. A future target is also to allow the consumers to make climate conscious menu choices when ordering. Similarly, the cooperation with Normative has given the company a better overview of its direct and indirect emissions across scope 1, 2 and 3, which again will be used in the efforts to further reduce emissions and carbon offsets.

To reach the 1.5-degree target in the Paris Agreement by 2050, WWF estimates that we need to reduce the carbon footprint of an average meal to 0.5kg CO2e, compared to the current average of 1.7kg CO2e. Holy Greens contributes to reducing this average by offering healthy meals with low carbon footprint. In fact, a meal at Holy Greens averaged at 1.03kg CO2e in 2020. With 17 units across Sweden and many more to come, Holy Greens can truly make a difference.

In 2020, Holy Greens sold a total 771,142 healthy and carbon-effective salads, thereby saving the planet from more than 500 tons of carbon emissions!

Holy Greens continuously work to bring more healthy salads to the Swedish people and to make their menu even more carbon effective. Also, Holy Greens customers can always choose to substitute animal proteins in non-vegetarian salads with alternative ingredients, or of course leave animal proteins out all-together. Sustainability is at the heart of Holy Greens’ culture, values and even business model.



Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
21 Aug 2019	Sweden	Consumer	SDG 3 & 13	SEK 100.6 million	82

ESG goals	KPI	Q4 2020
Healthy and sustainable meal offering	Offer carbon friendly meals with footprint below average, carbon footprint per served meals	1.03 kg CO2e per meal YTD
KRAV certification	KRAV certification in 2022, % of supplies from certified sources (KRAV, ASC, MSC etc)	In progress
Employee satisfaction	Great Place to Work – top 10 ranking in 2022	Not yet started due to covid-19

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	5.7%
Gender balance management	% female in management positions	88%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e	5,094
	Scope 1	-
	Scope 2	12
	Scope 3	5,082
	YTD carbon intensity, kg CO2e per unit revenue	0.05





Busfabriken

Busfabriken is one of the leading operators of indoor play centres in the Nordics. The play centres enable people, and especially young people, to be physically active, exercise and improve their health while having fun with a wide range of attractions. Busfabriken's service offering is directly built on UN SDG #3: Good health and wellbeing. Busfabriken has won prizes for being among the best indoor play centres in Sweden for seven consecutive years from 2014 to 2020.

Despite the pandemic and closed parks during a large part of 2020, Busfabriken has continued to invest in the backbone to digitalize internal processes, develop the customer interface, scale the company for further growth in the mid to longer term, and improve ESG standards.

Get Compliant is a cloud-based operational tool implemented in 2020 that enables management to monitor compliance with operational standards in the parks. The tool enables Busfabriken to follow up its play centres and employees every day on key compliance issues such as food safety, proper hygiene standards as well as safety. The tool is app based and works real-time, thus enabling management to quickly implement new initiatives across the entire organisation.

Busfabriken also implemented Planday during 2020 to improve governance, structure, and internal communication. Planday is a tool for administrative tasks such as staff management, scheduling, reporting and communication. In a period where on-site management has been challenging, Planday has helped improve transparency across the organisation and the direct communication with employees.

In addition to the digitisation of the operations and administrative processes, Busfabriken has also rolled out a new digital solution for placing orders in the cafeteria to all the parks during 2020 to further improve the customer experience. Busfabriken's customers can now order and pay for purchases through an app on their own mobile devices which reduces ques in the cafeteria, contact with staff and other customers as well as touching surfaces like payment terminals. Hence, risk of both droplet and contact transmission of the covid-19 virus was significantly reduced. The app is both efficient from a cost and operational perspective as well as more convenient for the customers.

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3 GOOD HEALTH AND WELL-BEING

Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
1 Oct 2019	Norway, Sweden & Denmark	Consumer	SDG 3	SEK 87.9 million	41

ESG goals	KPI	Q4 2020
Promote active lifestyle	Number of visitors	110,314
Guest safety	Guest injuries Quality of general hygiene, food and beverage safety, level of compliance (>90%)	In progress 91.1% (from start in Dec 2020 – April 2021)

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	3.5%
Gender balance management	% female in management positions	62%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e Scope 1 Scope 2 Scope 3 YTD carbon intensity, kg CO2e per unit revenue	3,367 90 970 2,307 0.04





Bastard Burgers

Bastard Burgers is a rapidly expanding chain of fast-casual burger restaurants in Sweden. The chain opened 14 new restaurants in 2020 from end of February onwards, and reached a total of 42 restaurants by year end. The company delivered an impressive revenue growth of 80% and an EBITDA growth of 60%, in addition to a like-for-like growth of 2% which is unprecedented in today's environment. Throughout the same period the number of employees grew by more than 65% to 730. How did they do it? Founder and CEO Simon Wanler tells the story.

- The reason for our success is simple: Our people and their passion. We would never be where we are today without our fantastic employees who care so deeply about serving the world's best hamburger and giving our customers the best possible experience every day. This was our ambition when we founded Bastard Burgers in 2016, and we have built the company with a philosophy that we only can achieve this by having the best team. It's probably much harder than it sounds.

How do you get the best team and build such a strong culture with passion for quality?

- For us it starts with the simple philosophy that people perform better when they love their job and feel that we care about them. People become more motivated and also motivates each other which moves the whole company forward. Hence, we have built a system around this with several initiatives. For example, we are the only restaurant chain offering full salary to employees during parental leave. We do this because we believe it's the right thing to do, but people obviously appreciate it and we actually received an honorary award for this from Martin Servera, one of the largest suppliers to the Swedish restaurant industry. We also spend a lot of resources on engaging with the employees. We have an "Idea box" where anyone can voice their opinion for new initiatives, and we have implemented the Winning Temp software which is extremely powerful in collecting feedback from employees.

Simon Wanler
Founder and CEO,
Bastard Burgers



With temporarily layoffs and reduced opening hours, how have you been able to keep your employees during the pandemic?

- Again, we have such an amazing team who have such a strong passion for what we do. Many has had a tough time, but given that we have been expanding and managed so well, the team spirit has been very high and still is. We are truly in this together. I have received emails from employees willing to work without salary to save the company, and we have seen restaurant teams collectively reducing their working hours to avoid having to temporary lay off one or more team members. These stories tell me that we can achieve anything and I want to invest even more in our team.

- That is why we recently launched our "Feel good like a Bastard" program to increase both physical and mental health among our employees. All our employees can participate free of charge and receive dietary advice, participate in Yoga classes, coached training sessions and mental health lectures.



Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
13 Des 2019	Sweden	Consumer	SDG 2, 5, 8 & 12	SEK 409.7 million	297

ESG goals	KPI	Q4 2020
Employee engagement	Winning temp score, average score (max. 10)	8.0 (Introduced in Dec 2020, first result in Q1 2021)
Reduce waste	Registered kg waste / Kg purchased	1.09%
Increase sale of non-meat products	Vegan burgers sold / Total burgers sold	10%
Improve food quality	Quality points mystery shopper (max.100)	94
Customer satisfaction	Are they happy average score (max. 5)	3.98

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	3.9%
Gender balance management	% female in management positions	22%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e Scope 1 Scope 2 Scope 3	20,001 14 46 19,941
	YTD carbon intensity, kg CO2e per unit revenue	0.05

How about training and coaching – that must also be key to ensure success while growing at this pace? And recruiting?

- Correct. We do not compromise on quality and we therefore invest a lot in our employees. We have a lot of training programs and competitions to reward high performing employees and restaurant teams. We also focus on building our leaders internally. Our leaders can participate in weekly thematic education days to improve a certain skill. We also have a Future Leadership Program, where we chose cohorts of 20 promising employees and take them through a 9 month leadership program. With respect to recruiting we focus a lot on diversity. We exist for everyone and anyone can work with us. We truly believe in equal opportunities and that a diverse team performs better. Therefore, we support the initiative with paid parental leave to increase the share of female employees and we also recruit employees that receive employment support to promote inclusion and diversity.

With your team, nothings seem impossible. How to you see the situation in the coming months and what is your key priorities?

- The situation is still uncertain, but we have learned to operate within it and are most definitely still pushing forward. As we opened fewer new restaurants than planned last year, we spent a lot of time on operational improvement programs that we will benefit from once society opens up again. We have been tested very hard over the last year and I believe we have passed. People seems to love our food and we will continue to expand, not only to Sweden, but to Norway, New York and Finland. And we will make sure to celebrate when the pandemic is going away, both internally and with our customers across all our restaurants.



Mimir

Mimir is a group of companies built to consolidate the Norwegian SME market for IT services. Initially, the group consisted of the two companies Funn and Fjordane IT, while Mimir now consists of seven companies along the Norwegian coastline. Mimir is committed to UN SDG #9 Industry, innovation and infrastructure and UN SDG #11 Sustainable cities and communities. Mimir has a broad offering targeting all SME customers nation-wide, as well as larger customers within selected industry verticals.

For Mimir's subsidiary Funn, aquaculture represents the largest industry vertical. Funn has become an important partner for Norwegian fish farmers, which serves as a great example of how digital solutions and innovation can promote a more sustainable aquaculture industry.

Fish welfare and a healthy marine environment are top of mind for fish farmers. As a dedicated digitalization partner for aquaculture customers all along the Norwegian coastline, Funn helps fish farmers create and employ useful tools to document and monitor the fish cages and surrounding areas, as well as optimize processes to best take care of the marine environment.

By combining the latest available technology with knowledge about biology and fish health, Funn can offer unparalleled digital tools and thereby give the customer valuable insight into the complex relationship between fish health and the surrounding environment. By collecting huge amounts of data and establishing rules based on real-time observations, Funn enables a more sustainable and predictable farming for both the individual customer and the industry as a whole.

Funn has a wide offering specifically targeting the aquaculture industry. To document and monitor the impact of the cages on nearby waters as well as conditions within the cage, Funn offers several Internet of Things ("IoT") devices measuring e.g. oxygen, salinity and algae levels. These devices do not require external power supply and last a full farming cycle on a single charge. The farmer can support fish health through a number of intelligent solutions for counting and registering lice (a significant problem for salmon farmers), adapting feeding schedules based on live observations and creating fish welfare dashboards. All brought online through modern network solutions and controlled remotely from a state-of-the-art control room built by Funn, of course.



Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
21 Jan 2020	Norway	Business Services	SDG 9 & 11	NOK 451.0 million	174

ESG goals	KPI	Q4 2020
Provide digital solutions to customers to reduce carbon footprint	Number of active Microsoft Teams subscriptions	10,943
Data security	Zero security breaches involving personally identifiable information	0
Positive engagement and presence in local communities	Local sponsorships	10
	Participation and contribution to local arrangements and/or activities (Yes/No)	Yes
	Active memberships in local organisations	5

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	1.6%
Gender balance management	% female in management positions	13%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e	18,558
	Scope 1	55
	Scope 2	211
	Scope 3	18,292
	YTD carbon intensity, kg CO2e per unit revenue	0.04





Miles

Miles is an IT consultancy firm like no other. To Tom Georg Olsen, the company's success is built on their vision of "creating an outstanding workplace" based on the values "warmth" and "professional authority". Neither Tom Georg nor other managers at Miles have titles containing "leader" or "manager". Miles' Servant Leadership Philosophy have won praise from the business community, scholars within HR and leadership, and – most importantly – among IT consultants in Norway.

As part of the continuously work towards the vision, all employees are invited to join an employee satisfaction survey conducted three to four times per year. Each employee gives Miles a score between 1 and 6 on five carefully selected dimensions to reveal how well Miles is doing in creating an outstanding workplace:

1. The project

Most of the consultants work fulltime for one client at the time, with projects ranging from a few months to several years. If the consultant gives a project a low score, Miles will always consider changing the role or terminate the project. The consultant always has the deciding vote.

2. Professional development

The most important arena for professional development is within each client project. No books, conferences or certifications can compensate for a less than challenging project. If the consultant gives the development dimension a low score, Miles will immediately consider whether or not this is the right project for the employee.

Dimensions 1 and 2 are related to the value "professional authority"

3. Social

The unique culture is the very core of Miles. With most days spent at the client's office (or nowadays at the home office), social events are key when building culture. Social events range from simple after work beers at the office to travels abroad with or without significant others. During the pandemic, the more advanced events have been postponed or cancelled. There have been numerous digital events, but from the score it is evident that this has not been a satisfactory substitute. The employees are eager to get back to psychical events.

Investment date	Country of operation	Sector	SDG alignment	Revenues 2020	FTEs 2020
19 Feb 2021	Norway	Business Services	SDG 9	NOK 282.2 million	175

Portfolio ESG Goals	KPI	Q4 2020
Well-being of employees	Sick leave, short-term	1.6%
Gender balance management	% female in management positions	33%
Reduce carbon emission	Total GHG emissions YTD, in tCO2e Scope 1 Scope 2 Scope 3 YTD carbon intensity, kg CO2e per unit revenue	To be reported from 2021

4. Support

Even though a consultant spends several years at a client's office on a project, he or she should never be forgotten and left without support. At Miles, people care about each other!

Dimensions 3 and 4 are related to the value "warmth"

5. General

A general score between 1 and 6 to summarize how well Miles delivers on the vision.

"In the very first meeting with Equip, we discovered a remarkable cultural match based on common values and perspectives. To further develop Miles with us, we looked for someone who shared our dedication to creating a unique work environment, and found the ideal partner in Equip", says Tom Georg. To further support the engagement in all parts of the organization, a share program was launched as part of the transaction where all employees were invited to invest in Miles.



ESG as part of Equip’s investment policy

To act on our mission to build better companies and create value for all stakeholders, it is key to identify any potential risks that could have a negative impact on the value of the portfolio of the Fund. Equip is committed to incorporating ESG issues into our investment analysis and decision-making process and throughout our ownership period.

ESG is a core part of Equip's investment policy consistently applied across all our investment and ownership activities. We have developed proprietary tools to analyse ESG aspects when evaluating new investment opportunities. These tools help us to apply both a positive screening to ensure that the target perform well on ESG or has the potential to do so through our active ownership approach and are aligned with at least one of the UN SDGs. The tools also function as a negative screening to ensure that the Fund does not make investments that conflict with the exclusions in Equip's Investment Policy which outlines several activities that could have negative ESG characteristics like for instance (but not limited to) coal, weapons, firearms and ammunition, nuclear power, companies targeting criminal activities such as money laundering, financing of terrorism, or tax crime, tobacco, drugs, genetic engineering, corruption, animal testing, casinos, internet gambling, pornography, and illegal data access and use.

Equip has established a comprehensive risk framework which seeks to identify and assess all risks for a given investment opportunity. Through the risk framework, both the impact and the probability are assessed for all significant risks and KPIs are established to monitor the risks throughout the ownership period of each portfolio company. Environmental, social and governance factors related to (but not limited to) for instance climate change, emissions, working conditions, HSE, anti-corruption and anti-bribery forms some of the core risks to be assessed. In addition, external risks related to for instance market, politics and macroeconomic factors and internal risks related to for instance financials aspects of the company, HR, operational risk in the business model and legal compliance are also subject to due diligence and the results are reviewed and assessed by both the Investment Committee and the Compliance Committee before any investment proposal is made to the General Partner of the Fund, who is responsible for all investment decisions.

ESG is a core part of the Equip Risk Framework, covered through the application of the Equip ESG Assessment Tool.

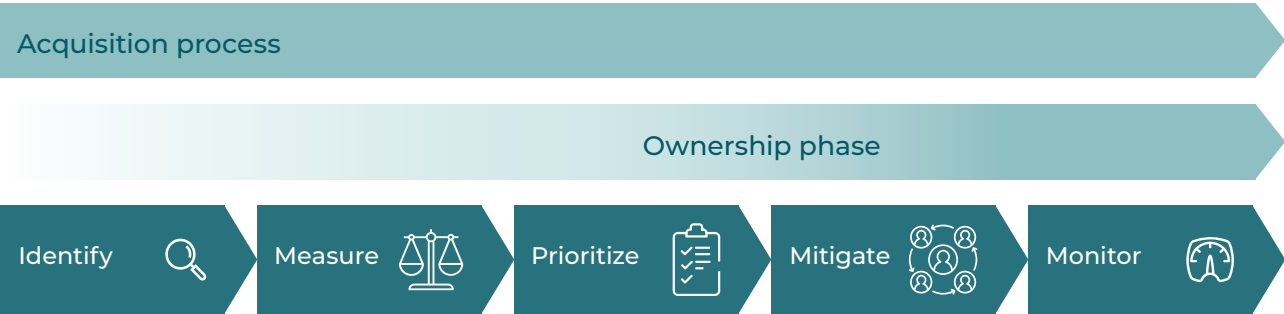


ESG as part of our investment analysis and decision-making process

Already at the deal sourcing stage, Equip seeks to identify sustainability risk and opportunities in its initial screening phase by applying the proprietary Early Deal Assessment Tool and ESG Assessment Tool.

The Equip ESG Assessment Tool is an integral part of the due diligence of a potential investment and based on the output of the tool, Equip considers where deep dive(s) are necessary and whether external resources are required for further investigation. The standardized but comprehensive questionnaire is based on the guidelines from Invest Europe and aims to gauge how advanced a company is with its ESG policies and reporting. The questionnaire will also assist with the identification of potential issues that might require a more detailed technical assessment, as well as opportunities to

enhance value and mitigate risks. The tool includes c. 90 questions in total asked on business level, covering the company's overall approach to and maturity on ESG and sustainability, as well as detailed questions regarding the environmental, social and governance aspects of the business. The questionnaire is typically completed with large involvement from the target company's management team, which allows for alignment and specific discussions on ESG related matters throughout the acquisition process.



"I am impressed to see how the investment teams and the management teams of our portfolio companies contribute to Equip's continuously evolving ESG agenda. By integrating prioritized ESG goals as part of the value creation plan and including corresponding KPIs as part of their regular reporting, the portfolio companies have become more accountable in their ESG commitment."

Charlotte Ekanger
CFO Equip Capital

The Investment Committee will have a first review and assessment of the investment opportunity at the deal sourcing stage, and if approved by the General Partner of the Fund, a more thorough due diligence process is completed to identify material risks associated with the potential investment, including any sustainability risks. During this phase, Equip will also screen any key people and shareholder in a potential portfolio investment against EU, UN and OFAC sanctions lists before entering business relationships.

The output from these tools, the due diligence reports and the results from the screening are used to identify any exclusion criteria, risks, and opportunities. This work typically results in one set of issues to be addressed immediately after acquisition, and one set of improvement areas to be addressed over time. The first set of issues are typically included in the post-acquisition/100-day plan and handled through the implementation of Equip onboarding pack, further detailed on page 21. The latter, however, is typically considered when developing the value creation plan for the upcoming ownership period, including a set of targets and KPIs used to measure development over time.

This part also includes commitment to at least one of the UN SDGs. All of this work forms an integral part of the investment advice to the Investment Committee of the Investment Advisor and the investment proposal to the Board of the General Partner of the Fund advised by Equip.

Very often the ESG improvement areas and opportunities coincide with the general value creation plan. At Makeup Mekka for example, the customers are extremely cautious of animal testing and any ingredients from animals. Consequently, it is a core part of the company's value creation plan to further improve its products by taking the last step from 98% to 100% vegan products, and not only be 100% cruelty-free (no animal testing). Another example is Bastard Burger and Holy Greens, where the general wellbeing and satisfaction of employees together with food quality and taste is the most important success factors for attracting guests to the restaurants.

For further details on Equip's active ownership, stewardship activities and incorporation of ESG issues into our ownership policies and practices across our portfolio companies, please see page 24-39.

Equip Capital AS

Equip Capital AS was founded in 2018 by five senior investment professionals with extensive private equity experience. The Equip team combines its experience, energy and dedication in building better companies and generating strong returns. Being a young team that wants to contribute to making the world a better place, we have also set some internal ESG goals for the Investment Advisor in addition to delivering responsible investment advice and setting ambitious ESG goals together with the management teams of the portfolio companies through our board representation.

Minimise environmental impact

Being a newly established firm with relatively few employees, we have put great emphasis on efficient use of our resources by using available technology and focus on digitalisation and automation where possible.

Equip Capital has implemented fully digital and cloud-based CRM, accounting, and board intelligence systems to save paper and increase the efficiency of our operation. Another example is that we only hold digital newspaper subscriptions to minimise our paper waste.

One of our largest source of scope 3 emissions are related to business travels. In 2019, we did five platform investments and were in fundraise with our first fund, and close to 35% of our total emissions came from business travel.

Due to travel restrictions from March 2020, our emissions related to business travels went down by 85%. Post covid-19 we will aim to hold at least 30% of board meetings virtually to transition to a more environmentally sustainable operation.

Fun Fact
In 2020 Equip Capital AS spent less than NOK 150 on printer paper!

Equip Capital AS	2020	2019	Variance
Scope 1	-	-	n.m
Scope 2	5	4	17 %
Scope 3	54	77	-30 %
Total emission (tCO2e)	59	81	-27 %
Total revenues (MNOK)	47	14	228 %
Carbon intensity (kg CO2e per NOK revenue)	0.00	0.01	-78 %
Investment sector benchmark ⁸	0.02		

⁸Source: Normative and World Input-Output Database

Measure - Reduce - Offset

Equip Capital AS has made the decision offset our carbon footprint for all scope 1, 2 and 3 emissions as a recognition to the fact that net zero is a highly collaborative effort where Equip wants to contribute beyond our own efforts to build environmentally sustainable businesses.

Based on our total emissions of 81 tCO2e in 2019 and 59 tCO2e in 2020, we have offset at total of 141 tCO2e in May 2021 by supporting the Fairtrade project “Cookstoves for coffee farmers in Ethiopia”.

According to the Drawdown Review⁹, clean cookstoves are an important solution to consider when reducing emissions. Around 17% of the world’s black carbon, the second most impactful climate pollutant, comes from biomass-based cooking, and reducing this value to almost zero by replacing solid fuel-burning stoves with renewable fuel stoves is a huge step towards the future point in time when levels of greenhouse gases in the atmosphere start to decline. Around the world, 3 billion people cook over open fires or on rudimentary stoves. The cooking fuels used by 40% of humanity are wood, charcoal, animal dung, crop residues, and coal. As these burn inside homes or in areas with limited ventilation, they release plumes of smoke and soot liable for 4.3 million premature deaths each year.

Deforestation and climate change are threatening the coffee sector in Ethiopia¹⁰. Coffee is extremely sensitive to rising temperatures. An increase of just one degree already results in a loss of quality of the coffee beans, two degrees means a loss of productivity and at three degrees the coffee plant has difficulty surviving. If current trends continue, coffee could become a scarce commodity in the coming decades. Small-scale farmers are particularly hit hard. Coffee farmers (often women) that depend on the income that their land generates and are financially unable to bear the consequences of the changing climate.

In this project, nearly 20,000 households are benefitting from a more efficient cookstove, the Tikikil, for general use and a Mirt, to bake. The Tikikil replaces the much-used traditional way of cooking on an open fire. The participating households own the cookstoves and pay for these stoves partly in cash and partly with the CO2 credits that the use yields. By cooking with the Tikikil and Mirt, the coffee farmers in Ethiopia reduces the use of wood and CO2 emissions by 40%. In addition to climate impacts, the health impacts of this solution are significant.

SDG alignment



Main impacts and benefits

Health
Clean cooking prevents the inhalation of harmful smoke. Less physical strain because less wood has to be collected for cooking

Climate and environment
Decrease in deforestation and improved biodiversity.
Decrease in CO2 emissions.

Social
Time saved can be spent on family and education. Women are less exposed to forms of harassment while collecting wood.

Economic
Time saved can be used to generate more income. Local employment through production and maintenance of cookstoves.

⁹www.drawdown.org
¹⁰www.goldstandard.org

Experienced and diversified team

Equip is committed to developing modern firms with a highly competent and diverse work force. This applies both to the Investment Advisor and the portfolio companies.

The Investment Advisor has actively been seeking to build a diverse team and screening of new hires has therefore been made across various professional backgrounds and tenures. Equip is committed to offer equal opportunities to all potential candidates, irrespective of gender, sexual orientation or ethnical background. In February 2019, Equip strengthened the team with a CFO and Compliance Officer, who also has the overall responsibility for ESG and sustainability. In March 2021, Equip further strengthened the investment team with a senior associate.

With regards to gender balance within the team, Equip Capital AS started off on the wrong foot in 2018, but through actively ensuring that recruitment firms have been able to provide a diversified pool of potential candidates for our new hires, the gender balance has improved. The Equip team has had no turnover among its permanent employees so far.

Each investment team is responsible for the follow-up and implementation in each investment given their proximity to the portfolio company through their board positions and hands-on experience with the value creation plan and due diligence of the company. Each investment team typically consists of one Lead Partner and one or two investment professionals to ensure extensive private equity and investment experience as well as a track record of raising ESG standards through active ownership in portfolio companies.

In total, the Equip team has 57 years of combined private equity experience across the sectors consumer, business services and industrials, in addition to 34 years of combined operational experience across the consumer, media and telecom sectors as well as management consulting across a variety of sectors and also political work across areas like finance, energy, trade, industry and climate.

No of FTEs As of May 2021	Male	Female	Gender balance % female
Equip Capital	5	2	29 %
of which Investment professionals	5	1	17 %
of which Operations	0	1	100 %
Management (C-suite and Partners)	3	1	25 %
New hires since inception	0	2	100 %

At the forefront of good corporate governance

Equip Capital acts as an investment advisor to Equip Capital Fund I GP LP, the general partner and manager of the alternative investment fund Equip Capital Fund I LP. Equip Capital further provides certain ancillary advisory services to Equip Capital Fund I GP LP related to the risk management of the Fund and the valuation of the assets of the Fund.

With the ambition of being a leading private equity player in the Nordics, Equip Capital AS has adopted a comprehensive set of internal routines to ensure that its operations are conducted in a manner compliant with the company's contractual obligations with its clients and withing relevant legislation. In addition, the internal routines are developed to promote sound business judgement and be at the forefront of corporate governance.

All employees are required to have knowledge of the procedures relevant to their tasks and perform their duties in compliance with these in their daily operations for the company. Employees are required to inform the compliance function of any suspicion of violation or breach of the internal procedures, or if the internal procedures are inadequate or should be amended. The internal procedures are reviewed annually by the Board of Directors of Equip Capital AS.




The internal routines of Equip Capital AS consist of the following documents:

- Rules of procedure for the board of directors
- Instructions regarding the Company's compliance function
- Procedures for internal control
- Procedures for safekeeping of documentation
- Procedures for the advisory function of the Company
- Procedures for due diligence of potential investments
- Environmental, Social and Governance policy
- Procedures for ancillary services
- Procedures for marketing
- Anti-corruption policy
- Conflicts of interest policy
- Personal transactions policy
- Procedures concerning confidentiality
- Privacy protection policy
- Whistle-blowing policy
- Workplace harassment policy
- Procedures relating to listed instruments
- Declaration of confidentiality and knowledge of internal instructions

Limited Partners of Equip Capital Fund I LP can obtain the current internal procedures by contacting the Company's CFO and Compliance Officer, Ms. Charlotte Ekanger.

Summary Equip portfolio

ESG KPIs and SDG alignment

Company	Revenues		FTEs		Sick leave		Share of women employees				Share of women (in mngt positions*)	GHG emissions tCO2e						Carbon intensity				
	(In local curr mill)		2020	2019	2020	2019	(total workforce)					2020	2019	Scope 1		Scope 2		Scope 3		Total		kg CO2e per unit revenue
	2020	2019					2020	2019			2020			2019	2020	2019	2020	2019	2020	2019	2020	2019
Makeup Mekka Online retailer of coloured cosmetics	NOK 92m	NOK 77.4m	25	18	4.6%	6.2%	92%	91%			75%	-	-	1	1	7,391	4,494	7,391	4,495	0.08	0.06	
Rush Operator of indoor trampoline parks	NOK 150.3m	NOK 207.5m pro forma NOK 118.6m reported	76	83**	3.0%	4.0%	46%	57%			78%	5	5	634	606	3,719	6,294	4,358	6,905	0.03	0.03	
Holy Greens Chain of salad restaurants in Sweden	SEK 100.6m	SEK 111.9m	82	70	5.7%***	3.8%	95%	84%			88%	-	-	12	12	5,082	5,545	5,094	5,558	0.05	0.05	
Busfabriken Operator of indoor play centres in the Nordics	SEK 87.9m	SEK 144.3m	41	73	2.2%	0.7%	71%	71%			62%	90	103	970	1,366	2,307	3,718	3,367	5,187	0.04	0.04	
Bastard Burgers Chain of fast-casual burger restaurants	SEK 409.7m	SEK 228.2m	297	215	3.3%	2.8%	32%	38%			22%	14	3	46	24	19,941	11,892	20,001	11,920	0.05	0.05	
Mimir IT service provider	NOK 451.0m	NOK 416.7m pro forma NOK 170.2m reported	174	139 70	2.6%	3.9%	8%	4%			13%	55	63	211	362	18,292	23,891	18,558	24,316	0.04	0.06	
Total portfolio (sum / average)	NOK 1,317,5m	NOK 1,208.3m pro forma NOK 872.9 reported	695	598 529	3.6%	3.6%	40%	49%			55%	164	175	1,873	2,372	56,732	55,834	58,769	58,381	0.04	0.05	
Miles IT consultancy firm	NOK 282.2m		175		2.4%		23%				33%	To be reported from 2021							To be reported from 2021			
SDG alignment																						

*) KPI introduced in sustainability reporting from 2020
**) FTEs excl. add-ons completed during 2020
***) Q4 2020



EquipCapital

We build better companies

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