



Taskforce on Climate-related Financial Disclosures Report

March 2026

Foreword

At TDR Capital, we strive to drive long-term, sustainable growth across our portfolio companies. We recognise that addressing climate-related risks and seizing emerging opportunities are fundamental to building resilient and successful businesses. The past year has seen further progress in our journey to integrate climate considerations into our investment processes and operations, aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

This 2026 disclosure demonstrates our continued efforts to embed climate-related governance, strategy, risk management, and metrics and targets into our decision-making. Over the year, climate scenario analysis has been completed for all 15 portfolio companies¹ - improving coverage to 100%, up from 82% (14 of 17) at March 2025. The number of portfolio companies with emission reduction targets has grown to seven (up from six). David Lloyd Leisure and Applus+ continue to hold science-based targets validated by the SBTi.

Our governance framework has been further strengthened through the Management Committee's quarterly climate reviews, supported by enhanced ESG data collection and analysis. The portfolio composition has evolved during the year, with two exits (Ayvens and NKD Group). We have continued our active contribution to industry initiatives such as the ESG Data Convergence Initiative (EDCI) and Initiative Climat International (iCI), helping shape best practices in private equity.

As part of our broader effort to mitigate our environmental impact, we plan to contribute to Future Trees Trust's Craven Field Research Woodland and continue to support portfolio companies in improving their ESG and sustainability disclosures. Our collaboration with the Private Markets Decarbonisation Roadmap (PMDR) is advancing our efforts to support the transition to a low-carbon economy and to provide our LPs with a comparable, framework-aligned view of portfolio decarbonisation.

As outlined in this report, we remain committed to strengthening our climate resilience and contributing to a sustainable future, in partnership with our investors, portfolio companies, and the wider private capital ecosystem.

Unless otherwise stated, the information contained in this report is current as of 31 March 2026 and is not intended to be updated beyond this date.

The TDR Partners

¹ The analysis incorporated physical and transition risk scenarios based on frameworks from the IPCC (SSP5-8.5 and SSP1-2.6) and the Network for Greening the Financial System (NGFS Current Policies and Net Zero 2050), with third-party consultant support.

Compliance Statement

This disclosure is written with reference to the four pillars of the Task Force on Climate-related Financial Disclosures (TCFD) and includes details of the qualitative outputs of scenario analysis, including our approach. This year's disclosure reports on the findings of the analysis, and we are actively working towards embedding these insights, along with broader climate risks and opportunities, into our business processes. Our goal is to use these results to inform our decision-making and enhance the resilience of our operations and portfolio companies to climate-related challenges.

Blair Thompson, Partner

TDR Capital LLP

Executive Summary

Over the past year, we have continued to make progress in realising and enhancing our understanding of climate-related risks and opportunities. Our commitment to integrating climate considerations into our investment strategy and operations has been demonstrated through further initiatives and achievements. A summary of our progress to date for each of the TCFD pillars is shown below:

Table 1: Summary of our Performance

TCFD Pillar	Progress to date
<p>Governance</p>	<p>Building Awareness and Skills</p> <p>Climate Awareness Training: Completed by the Investment Team and incorporated into the new-joiner induction programme.</p> <p>Governance Enhancements: No significant structural changes during the period. The Management Committee continues to receive a quarterly update on progress against each of the TCFD pillars, which includes mapping portfolio company progress against the PMDR framework.</p>
<p>Strategy</p>	<p>Climate Resilience through Active Engagement</p> <p>Engagement with iCI: Continued active contribution to the Initiative Climat International (iCI) to ensure our approach reflects emerging best practices and promotes climate resilience and adaptation across the private capital ecosystem.</p> <p>Supporting UK Woodland Research: We have contributed to Future Trees Trust's Craven Field Research Woodland in Oxfordshire - a nationally significant initiative developing genetically diverse broadleaved tree populations to enhance climate resilience and carbon sequestration. This contribution reflects TDR Capital's Scope 1, Scope 2 and Scope 3 GHG emissions for the year ending 31 December 2025. We recognise this represents a long-term sequestration and research contribution rather than a verified offset, and we continue to prioritise direct emissions reduction alongside such initiatives.</p>

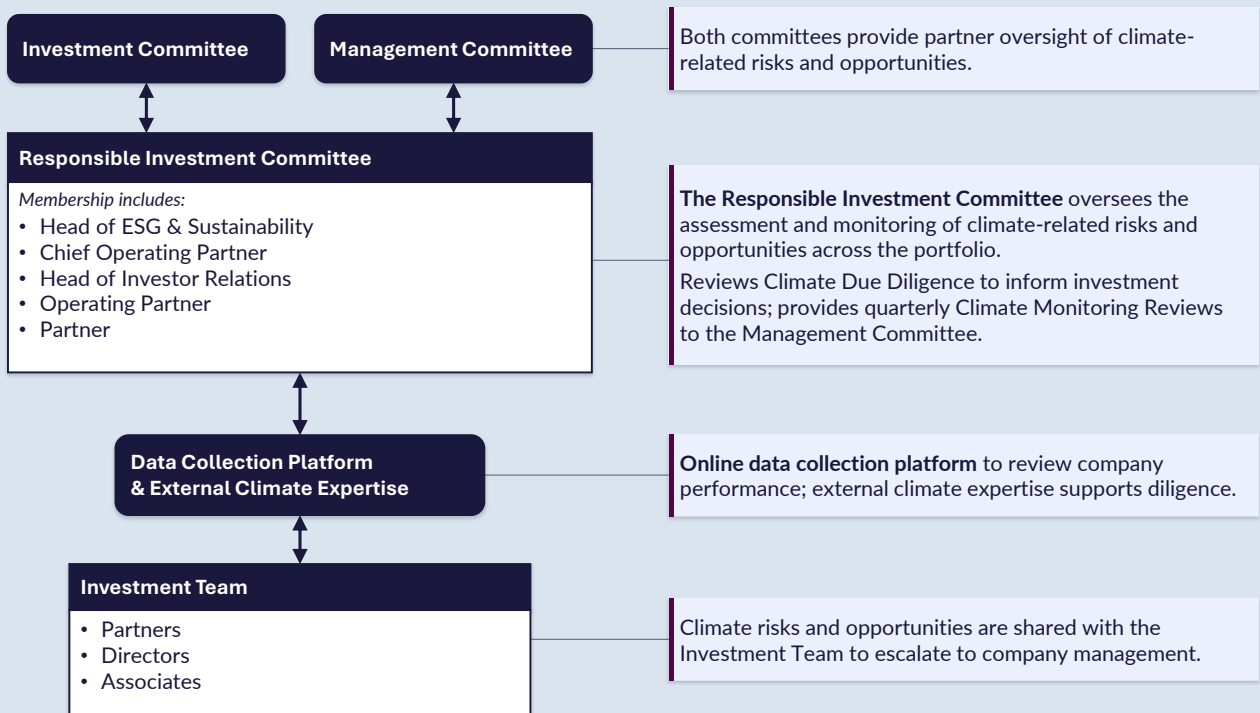
<p>Risk Management</p>	<p>Understanding our Risks</p> <p>Scenario Analysis: Completed climate scenario analysis for all 15 portfolio companies - coverage improved to 100% (from 82% / 14 of 17 at March 2025).</p> <p>Lifecycle Integration: Climate risk findings from pre-acquisition due diligence are reviewed with portfolio company management teams during ownership and, where material, incorporated into the ESG component of vendor due diligence at exit.</p>
<p>Metrics & Targets</p>	<p>Decarbonising to Retain and Grow Market Share</p> <p>Science-based Targets: Two portfolio companies have SBTi-validated science-based targets - David Lloyd Leisure and Applus+ (prior year: 3). Lyceum has set its own net-zero commitment across all scopes. Seven additional portfolio companies have emission reduction targets in place (prior year: 6).</p> <p>Transparency to Build Trust and Accountability</p> <p>Data Collection and Reporting: 13 of 15 portfolio companies now report Scope 1 and 2 emissions (87% coverage, vs 82% / 14 of 17 at March 2025), and 8 of 15 report Scope 1, 2 and 3 emissions (53%, vs 59% / 10 of 17 at March 2025). The Scope 3 coverage rate reflects the relative immaturity of value-chain reporting at our most recent acquisitions.</p> <p>Public Disclosure: 6 portfolio companies now publish their own ESG or sustainability disclosures, with 8 companies publishing TCFD-aligned reports or content in their Strategic Reports.</p>

1. Governance

At TDR, we are committed to a robust governance framework that supports the longevity and sustainability of our business. Climate-related risks and opportunities are a key tenet of this.

Our governance approach is anchored in quarterly climate monitoring reviews presented to the Management Committee, covering each of the four TCFD pillars. Further detail on roles and oversight responsibilities is set out in sections 1.1 and 1.2 below.

Figure 1: Organogram of the governance structure and reporting lines in relation to ESG within TDR Capital as of 31 March 2026.



1.1 Oversight of Climate-related Risks and Opportunities

TDR's Management Committee is responsible for the day-to-day running and administration of TDR including providing oversight of consideration of climate-related risks and opportunities.

The Responsible Investment Committee includes oversight of climate matters. The Committee conducts climate risk and opportunity reviews every quarter which report against the TCFD framework pillars. These include an assessment of progress against climate-related targets and goals, informed by quarterly ESG reports received from portfolio companies. The output from these reviews is reported to the Management Committee for discussion and appropriate action.

The Investment Committee is the formal decision-making body for investments and divestments by TDR Managed Funds. It reviews and discusses climate-related considerations in relation to potential transactions.

For prospective investment opportunities, deal teams are primarily responsible for overseeing due diligence ('DD'). As part of this process, the Head of ESG & Sustainability conducts an internal ESG red flag report and a climate risk and opportunity report, including physical and transition scenario analysis over the short (2030) and long (2050) term. Physical risk is analysed under a high-carbon scenario (IPCC SSP5-8.5) and transition risk under a net-zero scenario. No material climate-related risks were identified through pre-acquisition due diligence during 2025/26. Findings from the DD reviews are reported to the Investment Committee as part of the investment decision-making process.

1.2 Partners' Role in Assessing and Managing Climate-related Risks and Opportunities

There are multiple roles within TDR's governance structure with responsibility for assessing and managing climate risks and opportunities within the firm and across our portfolio companies. Some of these are described below.

The Chief Operating Officer and the Head of Investor Relations sit on both the Responsible Investment Committee and the Management Committee. As members of the Responsible Investment Committee, they receive reports on relevant climate-related issues as part of portfolio company reviews. They provide updates to the Management Committee alongside a quarterly climate monitoring report. This process includes contributing to discussions on climate opportunities, risks, and incidents that have arisen during the previous quarter.

The Head of ESG & Sustainability ensures climate-related risks and opportunities are considered across the investment lifecycle. This involves close collaboration with the Investment Team, ensuring completion of the ESG red flag report and climate risk analysis which are mandatory components of pre-acquisition DD.

Throughout the ownership period, the Head of ESG & Sustainability engages with portfolio companies to assess and respond to ESG risks and explore opportunities. Any concerns are communicated to the Investment Team, ensuring they are escalated to the company management team for their attention and action.

Additionally, TDR Capital holds board positions within its portfolio companies, with the Head of ESG & Sustainability sitting on multiple portfolio-level ESG Committees, and contributing to the development of net-zero strategies for portfolio companies including Lyceum and NKD Group (the latter of which was exited 31 March 2026).

2. Strategy

2.1 Conducting Scenario Analysis to Identify Current and Future Climate Risks and Opportunities

TDR Capital employs scenario analysis to assess risks and opportunities for its portfolio companies. As at 31 March 2026, climate-related analysis has been completed for all 15 companies - representing 100% of our portfolio - focusing on physical and transition risks. This analysis reflects a combination of company-led activity, TDR analysis and external consultancy support. To support the ongoing development of our scenario analysis, TDR has created an interactive climate risk dashboard, enabling us to capture, update and build on our findings in real time as new analyses are completed and portfolio conditions evolve.

We consider the following time horizons to be relevant for our portfolio companies:

- Short-term: Within the next three to five years.
- Medium-term: Between five to ten years into the future.
- Long-term: Ten to twenty years into the future.

Using these time horizons, we identified and assessed how various climate-related risks and opportunities could impact our portfolio's business, strategy, and financial position, focusing on the most critical assets. With the support of third-party consultants and through engagement with key stakeholders, we identified several potentially relevant physical and transition risks and opportunities to assess under different climate scenarios. Our approach to scenario analysis aligns with best practice and includes two physical and two transition scenarios. Additional details are provided in Table 2 below.

Table 2: Description of the physical and transition scenarios used in scenario analysis.

Physical Scenarios

Scenario	Description
IPCC SSP5-8.5: 4.4°C mean warming by 2100	Continued high emissions without new climate policies, driven by economic and social development, abundant fossil fuel use, and resource-intensive lifestyles globally. CO ₂ levels may double by 2050, with numerous mitigation challenges but few adaptation challenges. Energy demand to triple by 2100, primarily from fossil fuels.
IPCC SSP1-2.6: 1.8°C mean warming by 2100	Aligns with the Paris Agreement, aiming for net-zero emissions by the late century through sustainable practices and inclusive development. By 2050, renewables comprise over half of the energy supply, with minimal challenges to climate mitigation and adaptation.
Time Horizons	2030 and 2050

Transition Scenarios

Scenario	Description
NGFS Current Policies: 3°C mean warming by 2100	Indicates that maintaining current policies will result in emissions growth until 2080, causing approximately 3°C of warming and significant physical risks.
NGFS Net Zero 2050: 1.5°C mean warming by 2100	Envisions a comprehensive transition across all economic sectors, highlighting the need to decarbonise electricity, boost electricity usage, enhance energy efficiency, and achieve net-zero by 2050. Offers at least a 50% chance of keeping global warming under 1.5°C by century's end, with minimal overshoot. While physical risks remain low, transition risks are significant.
Time Horizons	2030 and 2050

2.2 Scenario Analysis Findings

This disclosure is organised by sector cluster, using TDR Capital's sector taxonomy. Climate-related analysis combines TDR-led work at fund level with analysis undertaken by portfolio companies themselves. We consider it important that portfolio companies take ownership of climate-related risks and opportunities where these are likely to be material to their business, and we actively encourage this responsibility - supported by company-level disclosure in their own reporting.

Table 3 sets out the four most material transition opportunities and four most material transition risks for each sector cluster, assessed under the NGFS Net Zero 2050 scenario.

Table 4 sets out the four most material physical risks for each cluster, assessed under the IPCC SSP5-8.5 high-impact pathway. Both tables reflect the relative significance of each cluster within the portfolio.

Embracing these opportunities helps mitigate risks and leverage the advantages of a low-carbon transition, informing our strategy to protect and create value during ownership and at exit. More detailed information on the climate-related risks and opportunities identified across the portfolio can also be found within the disclosures of the portfolio companies themselves.

OPPORTUNITY IMPACT RATING:

Low
Medium
High

RISK IMPACT RATING:

Low
Medium
High

Transition Risks and Opportunities

Table 3: Sector cluster-level heatmap of top four transition risks and opportunities under the NGFS Net Zero 2050 scenario

Sector Cluster	Opportunities				Risks			
	Resource Efficiency	Energy Sources	Products & Services	Markets	Policy & Legal	Technology	Market	Reputation
Retail	High	Medium	High	Low	High	Low	Medium	High
Consumer Services	Medium	Medium	High	Medium	High	Medium	High	Medium
Business Services	High	High	High	High	Medium	Medium	Medium	Medium
Leisure	High	Medium	Low	Low	Medium	Low	Low	Medium
Education	Low	Low	High	Medium	Low	Low	Low	Low
Financial services	Low	Low	Medium	Medium	Medium	Low	Medium	Low

Transition risk across the portfolio is most acute in the consumer services cluster, which carries High policy and market risk driven by ICE phase-out regulation and ZEV mandate volatility. Elsewhere, transition risk is low to moderate, with the most common exposures being energy efficiency and packaging regulation in retail, and indirect policy risk in financial services through tightening climate disclosure requirements. Business services carries Medium ratings across all four transition risk categories, reflecting regulatory exposure from the reduction of combustion vehicles on vehicle inspection revenue, residual concentration in oil and gas sectors, and the structural transition of the temporary power market away from fossil diesel generation.

The opportunity picture is broadly positive. The business services cluster presents both the strongest opportunity concentration and the most material absolute opportunity set across the portfolio. Applus's structural demand growth in testing, inspection and certification - spanning EV, hydrogen, and ESG verification - is complemented by Aggreko's High ratings across all four transition opportunity categories: electrification and grid balancing demand, renewable fuel compatibility, hybrid energy products, and developing geography market access. Analysis in Table 3 was conducted under NGFS Net Zero (1.5°C); under this more ambitious pathway, transition risks crystallise faster but the commercial opportunity for portfolio constituents already positioned in transition-aligned services is correspondingly larger.

Physical Risks

Table 4: Sector cluster-level heatmap of top four physical risks under the IPCC SSP5-8.5 high-impact scenario

Sector Cluster	Increased Severity of Extreme Weather Events	Changes in Precipitation & Extreme Weather Variability	Rising Mean Temperatures	Rising Sea Levels
Retail	High	High	Medium	Low
Consumer Services	Medium	Medium	Low	Low
Business Services	Low	Medium	Medium	Low
Leisure	High	High	Medium	Low
Education	Low	Low	Low	Low
Financial services	Medium	Medium	Low	Medium

Physical risk across the portfolio is generally low to moderate, with two exceptions: the leisure cluster faces High ratings on extreme weather and precipitation variability given the direct sensitivity of outdoor trading revenues to adverse weather, and the retail cluster carries a High precipitation risk rating driven by acute flood exposure at major distribution centres. Elsewhere, the dominant physical risk channel is indirect, either through supply chain disruption in food-sourcing sectors or through property collateral impairment in the financial services cluster.

Analysis was conducted under the SSP5-8.5 scenario (4.4°C mean warming by 2100). Under this higher-emissions pathway, chronic risks - coastal and fluvial property value impairment, sustained heat stress on equipment and infrastructure, and progressive supply chain disruption - become materially more pronounced in the medium to long term, though short-term impacts across the portfolio remain manageable.

2.3 Impact of Climate-related Risks on our Strategy and Portfolio Company Engagement

We recognise that, in some instances, climate-related risks and opportunities may result in a material impact on portfolio companies.

We continue to make progress in enhancing our climate risk management capabilities. The third-party climate risk modelling tool implemented during 2024/25 is now embedded in our DD and portfolio management workflows. This tool enables us to better assess and quantify climate-related risks and opportunities, ensuring more informed decision-making and strategies across our portfolio.

Climate Awareness Training for Investment Professionals: Following the launch with Sustainability Unlocked in alignment with London Climate Action Week (June 2025), the climate awareness training programme is now fully embedded in TDR's induction process for new joiners.

Transition Planning and Regulatory Compliance: The UK Sustainability Reporting Standards (UK SRS S1 and S2) were finalised in February 2026, with FCA rules expected in Autumn 2026 requiring listed companies to report against UK SRS S2 from 1 January 2027. Further detail is set out in Section 2.5.

Anti-greenwashing: We have continued to engage with our portfolio companies on anti-greenwashing through ongoing workshops with the support of external advisers. This aims to promote transparency, support genuine sustainability efforts and reduce associated risks across our portfolio.

Nature and Biodiversity: We recognise that nature and biodiversity are increasingly relevant to climate-related risk and opportunity assessment for our portfolio. We are flagging nature and biodiversity as a forward-looking area of focus and will monitor developments in the TNFD framework and related peer disclosures to inform our future approach.

2.4 Enhancing Resilience through Direct Engagement

Scenario analysis conducted across our portfolio indicates that the portfolio carries a low-to-moderate overall climate risk profile. Analysis is presented under severe scenarios - an accelerated transition pathway (NGFS Net Zero 2050) for transition risk and a high-emissions pathway (IPCC SSP5-8.5) for physical risk - to stress-test the portfolio against the most challenging plausible outcomes in each domain.

Across the two heatmaps, High risk ratings account for just 7 of 72 assessed cells - 4 on transition risk (concentrated in Consumer Services and Retail) and 3 on physical risk (Leisure and Retail only) - with four of six clusters carrying no High physical risk rating and four of six carrying no High transition risk rating. Transition risk profiles are most pronounced in Consumer Services, while the strongest transition opportunity set sits in Business Services, where structural demand growth in testing, inspection and certification combines with Aggreko's High ratings across all four opportunity categories to create the portfolio's broadest commercial exposure to the energy transition.

To equip ourselves to maintain resilience towards climate-related risks and capitalise on the identified opportunities from the scenario analysis, we continue to work with portfolio companies to assist in managing their identified risks and opportunities. Details, including a case study on effective engagement, can be found in the 'Risk Management' section.

We recognise the importance of continually strengthening how we assess climate-related risks and opportunities. Financial quantification at portfolio level remains an area we are developing; while we have not yet undertaken a formal quantification exercise, we have continued to engage with portfolio companies during ownership to build a clearer qualitative picture of exposure and opportunity. We will continue to develop our approach as data quality, modelling capability and methodology mature across the industry.

Summary of Portfolio Company Resilience Measures

Sustainable Market Solutions

BPP and Sustainability Unlocked: BPP University has partnered with Sustainability Unlocked (xUnlocked), investing to enhance sustainability and ESG education for professionals. This collaboration has resulted in "BPP Powered by Sustainability Unlocked," an on-demand video platform offering diverse courses from leading experts. This initiative supports the net-zero transition by embedding sustainability knowledge in organisations.

Aggreko: Aggreko's commercial strategy is built around customer decarbonisation, offering battery energy storage, solar and hybrid solutions, and lower-carbon fuels under its "Energising Change" sustainability framework. In 2025, 48% of revenue (\$1,130m+) came from energy-transition-aligned solutions, with over \$500m invested in supporting equipment. Specialist subsidiaries - including RenEnergy, Resalta and Krill Generadores - broaden the range of sustainable services available to customers. Notable recent projects include a 12 MW solar and 9 MW battery storage system at Rio Tinto's Amrun mine in Australia, and a 24% reduction in temporary power-related carbon emissions at the Abu Dhabi Formula 1 Grand Prix. Aggreko has reduced emissions intensity by 11% on a capacity basis and 8% on a production basis since 2021, targeting 30% by 2030 alongside an absolute Net Zero commitment for Scope 1 and 2 by 2035. More details on the climate strategy are in section 3.1.

Applus+: During 2025, Applus+ continued to reshape its commercial platform around the environmental and energy transition, where regulation and renewables build-out are driving structural demand for testing, inspection and certification services. The company announced the acquisition of APEM Group in September 2025 - an independent environmental consultancy operating across the UK, Ireland, Australia and North America serving water, renewable energy, infrastructure, utilities, ports and regulatory clients - and integrated it with its renewable technical advisory teams into a new Environmental Services Division, materially deepening Applus+'s sustainability-aligned revenue base.

Decarbonisation Measures

Aggreko: Aggreko's flare-gas-to-power programme - which converts associated petroleum gas otherwise routinely flared into reliable on-site electricity - has continued through 2025 following the completion of its initial May 2021 – December 2024 phase. A flagship 2025 deployment was a flare-gas-to-power solution delivered for CC Energy Development (CCED) in Oman, capturing previously flared associated gas to replace diesel-fired generators on site and delivering an approximate 30% reduction in CCED's site emissions alongside lower total energy costs. Comparable flare-to-energy opportunities continue to be developed across the Middle East, including under Saudi Arabia's Vision 2030 framework, where the transition from diesel-heavy operations to gas, hybrid and flare-to-energy solutions is a strategic growth pillar for Aggreko.

David Lloyd Leisure: David Lloyd Leisure's near-term and long-term science-based emissions reduction targets have been validated by the SBTi. The business sources 100% renewable grid electricity in the UK and has materially advanced its capital decarbonisation programme during 2025. A £30 million solar photovoltaic rollout across more than 40 club roofs in the UK and Europe was completed during the year, with each installation designed to generate 20–30% of the club's electricity on-site, reducing both operational emissions and exposure to grid power-price volatility. Sitting alongside this is a separate £20 million estate-wide energy efficiency programme, covering the conversion of tennis-court lighting to LED, the overhaul of heating and cooling systems in older clubs, and upgrades to Building Management Systems for real-time energy control.

Applus+: Applus+ continues to advance its SBTi-validated decarbonisation pathway, delivering a 37% reduction in absolute Scope 1 and 2 emissions and a 9% reduction in Scope 3 emissions against its 2019 baseline - material progress towards 2030 targets of 46.5% and 27.5% respectively, and a 90% Scope 1+2 reduction by 2050. 90% of electricity consumed is now from renewables, with continued fleet renewal and the rollout of EV charging across facilities. Applus+ also generates revenue from the energy transition itself - inspecting and certifying large-scale renewables projects and testing electric and hybrid vehicles. Sustainability performance is externally validated by S&P Global, MSCI (AA), Sustainalytics, CDP (B) and FT/Statista (Europe's Climate Leaders, third consecutive year).

Stonegate Group: Having measured Scope 1, 2 and 3 emissions for two consecutive years, Stonegate has identified that 72% of its footprint sits in Scope 3 Purchased Goods & Services - and has built its decarbonisation programme around supplier collaboration accordingly. FY25 initiatives include the rollout of Diageo's ecoTOTE closed-loop refillable format (designed for 150+ uses) across all Slug and Lettuce sites for Gordon's, Smirnoff and Captain Morgan, eliminating 10,723 single-use bottles and 4,490 kg of packaging waste; a switch of seven branded soft drinks and pre-mixes from glass to sleek cans (with Coca-Cola, Diageo and SHS); and a Net Zero Now pilot with Coca-Cola delivering site-level carbon footprints across 20 sites. ESG criteria are now being embedded in supplier tenders, and Stonegate has been a Zero Carbon Forum member since 2021. The complementary operational programme has delivered energy use down 18% since FY23, water down 14% since FY21, and 99%+ of waste diverted from landfill.

2.5 Entity-Level Climate-Related Risks and Opportunities

At TDR Capital we acknowledge that climate-related risks and opportunities affect our operations at the firm level, as well as those of our portfolio companies. Key risks include new regulations and reporting requirements, which impact resilience and our transition to a low-carbon economy.

Given that our business is primarily people-based, the physical risk associated with climate change is considered low. Our ability to operate virtually, supported by robust Business Continuity Plans (BCPs), further mitigates these risks. However, we recognise the need to continually evolve transition risk analysis to align with our strategic objectives.

Climate-related Risks

Regulatory Changes: The UK Sustainability Reporting Standards (UK SRS S1 and S2) were finalised in February 2026, with FCA rules expected in Autumn 2026 to require UK-listed companies to report against UK SRS S2 climate disclosures from 1 January 2027 (Scope 3 on a comply-or-explain basis). While TDR Capital LLP is not directly in scope, the rules will affect any listed portfolio companies and IPO-route exits. We are monitoring developments and supporting portfolio companies in building disclosure-ready data, helping to close existing gaps in their climate transition.

Policy Changes: Public awareness of the need for climate action remains high, resulting in continued scrutiny of the actions of the private equity industry. The establishment of decarbonisation industry frameworks, such as the Private Markets Decarbonisation Roadmap (PMDR) and Initiative Climat International (iCI), is shaping expectations of how firms and their funds engage on emissions.

Reporting Requirements: Increased reporting requirements from initiatives like TCFD and PRI assessments necessitate thorough documentation and transparency in our climate-related activities. This includes updating our TCFD statement for the year ending 31 March 2026 and maintaining our internal Climate Policy.

Climate-related Opportunities

Net Zero Drivers:

- **Net-Zero Frameworks:** Rising awareness of climate action is increasing LP and co-investor appetite for funds with demonstrable decarbonisation progress. Industry frameworks such as the PMDR provide a common language that allows TDR to communicate portfolio-level progress clearly and comparably – strengthening LP relationships and supporting exit positioning.
- **Portfolio Companies:** An increasing number of portfolio companies view decarbonisation as an opportunity for strategic differentiation within their markets and are actively engaging with TDR to support their decarbonisation journeys.

Case Study: Private Markets Decarbonisation Roadmap (PMDR)

TDR Capital participates in the Private Markets Decarbonisation Roadmap (PMDR), an initiative developed by the Initiative Climat International (iCI) and the Sustainable Markets Initiative's Private Equity Task Force. The PMDR provides a common language for private equity firms to disclose portfolio decarbonisation efforts; TDR uses it to accelerate progress on emissions disclosure and to support portfolio companies in balancing decarbonisation priorities with fiduciary duties.

Initiative Climat International (iCI): TDR Capital is a member of iCI and has been involved in various consultations historically, although no new iCI consultations, working groups or roundtables were participated in over the past 12 months. TDR Capital previously acted as an interviewee for the recently launched guidance for private markets on the voluntary carbon markets, which encourages a responsible approach to carbon credit procurement and investment in technology and nature-based solutions.

3. Risk Management

3.1 Embedding Climate Risk

TDR Capital's approach to risk management at the firmwide level ensures that climate-related risks are effectively identified, assessed, and managed. This approach is embedded within our wider risk management policies and frameworks, with clearly defined roles and responsibilities to address climate-related risks.

Climate-related risks identified through scenario analysis or due diligence are reviewed alongside other material risks within TDR's Investment Committee process. Material climate findings - including those that could affect investment thesis, valuation or exit positioning - are escalated to the Investment Committee through the deal team's IC paper and, post-acquisition, surfaced via quarterly ESG reporting from portfolio companies. The Responsible Investment Committee receives quarterly summaries of climate risk findings across the active portfolio and reports onward to the Management Committee for discussion.

This year we have placed particular emphasis on bridging pre-acquisition climate diligence and ongoing stewardship. Climate risk findings from pre-acquisition due diligence are reviewed with portfolio company management teams during ownership and, where material, incorporated into the ESG component of vendor due diligence at exit. These findings sit outside the formal value-creation plan but inform ongoing engagement with management teams across the holding period.

Risk Management Policies & Frameworks

Due Diligence: As part of our pre-acquisition due diligence, we assess physical and transition climate risks and opportunities. Results are shared with our Investment Committee to consider the potential impact on the financial valuation of the target, and compatibility with TDR's climate and sustainability strategy.

GHG Reporting: During the ownership period, all portfolio companies are expected to move towards collecting and reporting Scope 1 and Scope 2 carbon emissions. As at 31 March 2026, 13 of 15 portfolio companies report Scope 1 and 2 emissions. We also support management teams in collecting and reporting Scope 3 emissions data, with eight portfolio companies now reporting Scope 1, 2 and 3.

Climate Governance: We address climate risks and opportunities by collaborating with portfolio company management to develop mitigation plans and, where opportunities are identified, work to ensure these are captured during ownership. This includes setting science-based carbon reduction targets with SBTi validation. We establish reporting mechanisms for quarterly ESG reporting, reviewed by our Responsible Investment Committee, with any concerns escalated to the Investment Teams or Management Committee. To enhance portfolio company skills in managing climate-related issues, we conduct annual ESG Forums and webinars for discussion and knowledge sharing.

Exit Stage: At the exit stage, we address the climate-related risks and opportunities identified during the hold period. Where appropriate, this includes the integration of climate risk analysis into vendor due diligence to support exit value.

NKD Group (March 2026 exit): As an example, NKD Group - which was exited at the close of the reporting period on 31 March 2026 - had progressed a comprehensive decarbonisation programme during ownership which formed part of the value-creation narrative at exit. In December 2024, the Board signed a decarbonisation strategy aligned to science-based principles, with absolute Scope 1 and 2 GHG reduction targets of 42% by 2033 and Scope 3 of 25% by 2033 (against a 2023 baseline), and a long-term net-zero ambition by 2050 (at least 90% absolute reduction). ISO 50001 energy-management implementation progressed across 2024/25, and an LED lighting rollout across 821 stores delivered material energy and cost savings. These initiatives were reflected in vendor due diligence to support exit value.

Case Study 1: Embedding an ESG Strategy for Portfolio Company: Aggreko

Aggreko, a global provider of engineered energy and temperature solutions, is committed to helping customers lower carbon emissions and accelerate their journeys to net zero. Aggreko's Energising Change strategy, launched in early 2024, continues to guide its ambition to support the energy transition while creating positive long-term outcomes for customers, colleagues and communities.

In 2025, this translated into more than \$500 million invested in energy-transition-aligned equipment and the integration of newly consolidated businesses (Mobil-in-Time and Krill Generadores, plus RenEnergy's South African operations) into Aggreko's sustainability reporting boundary.

Table 5: Summary of engagement work conducted to support a portfolio company with its ESG and climate strategy.

Key Pillar	Support offered by TDR during ownership
<p>Transition to Cleaner Technologies</p>	<p>In 2025, Aggreko invested over \$500 million in energy-transition-aligned equipment, building on prior investment in solar technologies, battery energy storage systems (BESS), gas solutions and lower-emission diesel generators (Stage V and Tier 4 Final). Aggreko's customer decarbonisation offering spans efficient technologies, alternative fuels, renewables and energy storage designed to reduce emissions and improve fuel efficiency. In 2025, 48% of Aggreko's revenue was generated from energy and temperature solutions that support the energy transition.</p>

Key Pillar	Support offered by TDR during ownership
Strategic Collaborations	<p>Aggreko continued to expand its renewable energy footprint through partnerships and the integration of recent acquisitions. RenEnergy's South African operations were brought into the consolidated reporting boundary in 2025, alongside Mobil-in-Time and Krill Generadores. Customer partnerships included a hybrid 12 MW solar and 9 MW battery storage solution delivered with Rio Tinto at the Amrun bauxite mine in Far North Queensland, providing reliable lower-carbon power in a remote operating environment, and continued collaboration with ITV and Film & TV Services on lower-carbon broadcast power for major productions including Love Island 2025.</p>
Net Zero	<p>Aggreko reaffirmed its commitment to net-zero Scope 1 and 2 emissions by 2035 (against a 2021 baseline). Against this target, Aggreko has delivered a 29% reduction in absolute Scope 1 and 2 emissions versus 2021 - comprising a 26% reduction in Scope 1 and a 66% market-based reduction in Scope 2 - supported by a transition to lower-GWP refrigerants, increased use of HVO and lower-carbon fuels, and the early electrification of company vehicles. The company is also on track to deliver a 30% reduction in the emissions intensity of its energy and temperature solutions by 2030, having achieved an 11% reduction in emissions intensity by capacity from a 2021 baseline of 1,480 tCO₂e/MW hired, and an 8% reduction by production from a baseline of 496 kgCO₂e/MWh. 63% of facility electricity is now sourced from renewables, supporting Aggreko's target of 100% renewable electricity by 2035.</p>

4. Metrics and Targets

4.1 Climate-Related Metrics

We have collaborated with a third-party provider to introduce an ESG data platform that enhances the collection and analysis of ESG data from our portfolio companies. This platform enables consistent ESG data collection, analysis and stakeholder reporting across the portfolio.

The platform captures annual data on core ESG KPIs across our portfolio companies. Climate-related metrics include Scope 1, 2 and 3 carbon emissions, energy consumption, and biodiversity metrics. This data collection allows us to monitor decarbonisation progress from one year to the next, ensuring continuous improvement and accountability. During 2025/26 we have continued to improve the completeness and accuracy of data received from portfolio companies.

At the firm level, in relation to TDR Capital LLP as a standalone entity, we disclose our Scope 1, 2 and 3 (including water, waste, business travel and commuting) emissions within our Annual ESG & Sustainability Report. We also work with our landlord to support improvements in the energy and environmental performance of our occupied premises. We continue to engage constructively with our landlord and remain open to measures that would improve the energy performance of our occupied space.

4.2 Climate-Related Targets

At the firm-level, we have committed to:

- Climate awareness training following the June 2025 roll-out to Investment professionals and incorporated into the new-joiner induction programme. (Governance)
- Maintain active membership of Initiative Climat International (iCI) and contribute where consultations or working groups align with TDR's portfolio context. (Strategy)

We established near-term targets to expand scenario analyses across our portfolio companies. As at 31 March 2026, all portfolio companies have completed scenario analysis (prior year: 14 of 17). The percentage coverage has improved from 82% to 100%, reflecting both the consistent completion of 15 analyses and the reduction in portfolio size from 17 to 15 companies.

As at 31 March 2026, two portfolio companies - David Lloyd Leisure and Applus+ - have science-based targets validated by the SBTi. Wider portfolio adoption of SBTi-validated targets is expected to resume later in 2026 under the SBTi's FINZ standard, which entered a transition period in July 2025 (running to December 2026).

We facilitate scenario analyses for portfolio companies and have established internal objectives for managing climate-related risks at the group level. Long-term goals include disclosing historical climate data and calculating GHG efficiency ratios.

Ongoing efforts and assigned KPIs for tracking progress are detailed below:

Table 6: KPI Tracking

	Internal Action	Progress 2024/25	Progress 2025/26
Internal Training and Upskilling	Conduct climate awareness training for all our professionals.	Rolled out from end-June '25	Completed by Investment professionals
	Refresh new joiner induction by introducing a new mandatory climate awareness training module.	Rolled out from end-June '25	Completed for new Investment professionals
Portfolio Company Engagement	Deliver annual portfolio company ESG forums to discuss climate risk amongst portfolio companies.	Delivered annual PC ESG Forum	Delivered; climate analysis was a key theme in one of the sessions
	Increase the number of portfolio companies that have completed scenario analysis.	14/17 portfolio companies completed scenario analysis	15/15 portfolio companies completed scenario analysis
	Work with portfolio companies to improve the accuracy and coverage of reported GHG emissions data, including Scope 1, 2 and 3 emissions.	14/17 portfolio companies reporting Scope 1&2 emissions 10/17 portfolio companies reporting Scope 1, 2 & 3 emissions	13/15 portfolio companies reporting Scope 1 & 2 emissions 8/15 portfolio companies reporting Scope 1, 2 & 3 emissions
	Increase the proportion of portfolio companies with action plans to reduce their Scope 1 and 2 emissions.	12/17 portfolio companies have action plans	10/15 portfolio companies have action plans (67% coverage)

	Internal Action	Progress 2024/25	Progress 2025/26
Portfolio Company Engagement	Explore the setting of carbon reduction targets across our wider portfolio.	3/17 companies have set science-based targets 6/17 portfolio companies have set emission reduction targets	2/15 companies have set science-based targets, 7/15 portfolio companies have set emission reduction targets
	Number of portfolio companies with carbon reduction targets (including net-zero commitments), tracked by TDR Capital.	9/17 portfolio companies have set informal carbon reduction targets	7/15 with emission reduction targets 3/15 with net-zero commitments
	Apply a decarbonisation roadmap to portfolio company performance, encouraging and documenting progress throughout the year.	Quarterly reporting of roadmap to Management Committee	Quarterly reporting completed and shared with the Management Committee

5. Focus Areas

Over the last year, we have made further progress towards our climate-related ambitions and continued to enhance our understanding of climate-related risks and opportunities. This includes extending climate scenario analysis across the portfolio, embedding climate findings into our portfolio engagement, and supporting portfolio companies in their decarbonisation journeys.

TDR Capital is committed to building on the progress achieved in 2025/26. Below, we present an action plan designed to further enhance internal alignment with the TCFD, with the goal of delivering this plan by 31 March 2027:

- **Scenario Analysis Coverage:** Integrate refreshed analysis for new acquisitions as they are added to the portfolio.
- **Financial Quantification of Climate Risk:** Build on resilience assessment work to pilot financial quantification of material climate risks and opportunities on selected portfolio companies, with the aim of informing value-creation planning and exit positioning.
- **Strengthen Engagement with Portfolio Companies:** Continue to provide training and support for setting science-based targets, including under the SBTi FINZ standard introduced in July 2025, and improving climate-related data collection and reporting.
- **Climate and Sustainability Regulation Tracker:** Maintain and expand the tracker for key regulatory changes (e.g. UK SRS, ISSB, EU Omnibus, CSRD, SFDR, FCA transition plan requirements, EU ECGT Directive/UCPD green claims rules) to help the firm and portfolio companies stay informed and prepared.
- **Continued Embedding of Climate into DD Templates:** Iterate the climate-specific section in the ESG red flag template used during due diligence, reflecting lessons learned from the most recent scenario analyses and DD findings.
- **Portfolio-Wide Climate Data Workshop:** Continue to host data quality workshops for ESG leads at portfolio companies to share best practices for collecting Scope 1, 2 and 3 emissions data.