Sustainability Report 2024



Alder's why

As the planet faces increasing climate instability and biodiversity loss, humanity's greatest challenge is to drive meaningful change. We have the opportunity and responsibility to amplify impact by scaling solutions that will create a thriving world now and for future generations.

We founded Alder on the conviction that the companies most likely to thrive are those that drive transformation and build resilience within their organisation and in the world. We aim to create opportunities for our portfolio companies to accelerate their growth and strategic development while contributing to a sustainable future.



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About this report

We have been producing our Sustainability Report on an annual basis since 2018. It covers the performance of Alder and its portfolio companies for the financial and calendar year 2024. It is relevant for the legal entities Alder Fund II AB with organisation number 559130-3986, Alder III (D) AB with organisation number 559386-0496 and Alder III (E) AB with organisation number 559386-0488.

This report has not been externally audited. A digital version of this report is available via www.alder.se.

For questions about this report, please contact Alder's Sustainability Officer, Eva Normell, eva.normell@alder.se.

This year, our visual theme is water, without which no living thing can survive.

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Staying ahead: Leadership, growth and meaningful impact

This year was defined by growth and embracing a streamlined and rigorous approach to green investment. For us, this means carving out our own unique and forward-leaning path while at the same time aligning with regulations.

2024 highlights

We made two new platform investments this year that reflect our team's expertise and experience and willingness to explore new frontiers. BFI Automation and Eco Physics are the first in a group of companies under the name Project Measurement, dedicated to monitoring and measurement - a sector where we've witnessed a significant increase in demand. Our venture into new areas like semiconductors and space technologies with Microbas introduces us to a wealth of sub-industries and emerging markets. These companies clearly show our updated Impact Framework in action.

One of the key moments of 2024 for Alder was our recurring Executive Meetup, where we gathered representatives from our team and portfolio companies for two days of learning, exchange of ideas and, of course, some socialising. It was an invaluable chance to renew our collective enthusiasm and emphasise to all our companies how sustainability creates value, increases sales and sets our portfolio companies apart from their competitors.

We strengthened our Impact Framework for Sustainable Investment in 2024, which we will fully roll out in 2025. The Framework combines our four investment themes with our sustainability objectives and is guided by key industry needs in sectors essential for the transition. By enhancing impact evaluation during assessment and onboarding, we can make more strategic investment decisions and influence the companies at an early stage. This approach streamlines our processes and allows us to meet our investors with a more transparent and confident picture of our impact. Read more on page 17.

This year, we strengthened the Alder team by recruiting an Investment Director, Investment Controller and Chief Financial Officer. These roles enhance our ability to invest with impact by strengthening risk management, optimising financial planning and reporting strategic investments.

Navigating a complex world

While 2024 saw many highs, it was not without its hurdles. Ongoing global challenges like economic uncertainty, war and persistent supply chain disruptions created a complex environment and an economic downturn in some markets, which has affected our work.

Greenwashing has become increasingly prevalent in our sector, with countless companies marketing their offerings as sustainable without substantiation. However, our experience, established networks and robust processes allow us to navigate the market and identify which companies genuinely create positive change.

Since we started, the world of green investment funds has exploded, and EU regulations have begun to standardise the criteria for green investments. But being here from the start, we've seen the twists and turns and have stood the test of time with leadership and determination. We remain steadfast in our beliefs; we know what works, what doesn't and what truly creates impact.

We're thrilled to start seeing what began as a Nordicfocused fund now branching out into Europe, with portfolio companies that have a customer base and, therefore, a positive handprint worldwide.

Looking ahead

During 2025, we're looking forward to developing our strategic approach to value chain thinking even further - unlocking opportunities not just in the companies we invest in but also in all the sub-industries within their value chains. We're also keen to see the full rollout of our developed Framework. Fund III investments have already demonstrated the value of this forward-leaning approach, and we are excited to see it fully operational.

As always, we extend a huge thank you to our entire team and all our portfolio companies who continue to show enthusiasm for adaptation and strategic growth.

A snapshot of Alder in 2004







New platform investments

Add-on acquisitions

1200+

Employees across all portfolio companies



CO₂ emissions intensity reduced compared to 2023



For all funds





Alder employees



In revenue

PRI score



Alder at a glance

Sustainable investments

Alder is committed to acquiring, growing and developing companies that contribute to the long-term sustainability of the environment and society and that will remain resilient and thrive within the green transition. As active owners, we offer our portfolio companies experience, capital and a broad network of industrialists and experts who strengthen boards and provide strategic advice, Benefitting the companies and improving their impact on the planet.

We refer to the European Green Deal to guide our investment decisions and ownership governance, including the EU Taxonomy and SFDR. We also refer to the TCFD, Stockholm Resilience Centre's Planetary Boundaries, the UN SDGs, and the Greenhouse Gas Protocol, culminating in the Alder Impact Framework for Investments (read more on 15-17).

What do we mean by the green transition?

The green transition refers to the global shift towards an environmentally sustainable economy for the long term. This means transitioning away from fossil fuels and other non-renewable resources, reducing carbon emissions, mitigating climate change, protecting biodiversity and promoting efficient resource use. The transition requires policy reform, behavioural change, technological innovation, and a shift in how we run our businesses and their supply chains.

Successes since 2010

14+

3

Funds

Years of investing as a team

5.7 bn

SEK raised

Platform investments made

70+ Add-on-acquisitions

10+ Successful exits

Investment criteria

Focus on investments with **substantial** growth potential.

Lower mid-market **focus** with a primary focus on the Nordics.

Majority positions in companies with proven business models and positive cash flows.

Memberships

Principles for Responsible Investment





Our core values

Development

Supporting the prosperity of businesses, people, and the planet is our primary goal.

Collaboration

By working together, we can develop more impactful solutions.

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Years as a PRI member

Persistence

We won't give up until we have reached our goal and we are never satisfied with "almost".

Sustainability

Sustainability and profitable development go hand-in-hand.

A history of sustainability at Alder

2008

Alder founded on the principle of developing and investing in Nordic sustainable technology companies.

2010

Alder I established as one of Sweden's first thematically focused ESG funds.

Systematic screening for ESG companies introduced.

2011

First ESG assessment of Fund I conducted by key investors.

Portfolio companies appoint a Sustainability Ambassador.

2015

Alder company, Dinair selected as "The most socially beneficial investment in Sweden" by PE Association, SVCA.

2016

ESG ambassador network implemented across portfolio companies.

2019

The Alder Way launched – outlining expectations for portfolio companies.

Systematic decision tree and Due Diligence process in place.

SDGs and Paris Agreement goals incorporated into portfolio decision making.

TCFD registered and reported.

Published first Sustainability Report.

Code of Conduct published.

2020

EU Taxonomy used for portfolio decision making.

2021

Alder's funds classified within the EU Sustainable Finance Disclosure Regulation (SFDR) as Article 9.

Selected as one of the Future 40: Impact Investment Funds by RealDeals.

Human Rights Policy published.

EU Taxonomy eligibility assessments started in portfolio companies.

Began measuring full scope GHG Protocol for all portfolio companies.

2022

2012

Signatories of the PRI.

Board Chairperson, CEO and Ambassador of all portfolio companies trained in Resilience Thinking.

Introduced Sustain-Lab's platform to manage ESG data.

TCFD update initiated.

2023

Established Alder III as an SFDR Article 9 Fund.

Aligned all our funds with SFDR templates and reporting.

Rolled out new Toolbox - an update to The Alder Way.

Established a new process to measure portfolio companies' impact KPIs.

Aligned with the EU Taxonomy Taxo4 (biodiversity, water, pollution, and the circular economy).

Vision: No. 1 Green Investor



ESG quarterly updates introduced.

2018

Alder II established, leveraging the same ESG themes as its predecessor.

Sustainable investment policy published.

Sustainability Manager appointed.

Began measuring impact and operational KPIs.

2024

Developed the Alder Impact Framework for Sustainable Investments.

Conducted climate adaptation workshops aligned with the TCFD.

Enhanced impact assessment and onboarding process.

Recruited and appointed a sustainability controller.

Alder: Governance, People, Planet

Like our portfolio companies, Alder strives to continuously improve governance parameters and how we affect people and the planet. We aim to lead by example and build a workplace that reflects our core values: development, company of the presence and suctainability.

The following pages outline the year's developments within Alder, excluding our portfolio companies.

Governance

In 2024, Alder continued to uphold high ethical standards and strengthen our governance processes to meet the expectations of our stakeholders. We remain committed to transparency and measurable impact through strategic investments and active ownership.

Ethical standards and policies

Alder adheres to the UN Guiding Principles on Business and Human Rights and operates under the principles outlined in our Code of Conduct and Human Rights Policy, available at alder.se. We work with our portfolio companies to ensure fair working conditions and respect for human rights across supply chains.

To strengthen awareness, we invited Human Rights Watch to speak at our Executive Meeting. They talked to us about their work defending dignity and equality for all people worldwide and the challenges and importance of creating transparency and accountability for people throughout the business value chain.

Additionally, we maintain an anonymous whistleblowing channel managed externally by WhistleB, with zero incidents reported in 2024.

Governance as a driver of value creation

Alder's approach to governance ensures that we actively contribute to the success of our portfolio companies by:

- Providing expertise in processes and supporting the development of impact-focused strategies
- Collaborating with portfolio companies to define, monitor and refine key performance indicators related to both financial and sustainability goals
- Enhancing capacity building through access to a network of industrial and sustainability experts

As we progress into 2025, these advancements reinforce our dedication to speeding up the green transition, and building resilient companies creating value for all stakeholders.

Strengthening our governance and sustainability team

In 2024, we added two key hires to boost our governance framework: Johanna Strömqvist as Chief Financial Officer and Felicia Jakobsson as Investment Controller.

As CFO, Johanna ensures rigorous financial controls, systematic processes and transparent reporting. Her leadership strengthens risk management and accountability. Felicia's role as Investment Controller focuses on developing robust impact measurement and reporting systems. She enhances transparency, refines metrics and establishes data-driven processes to align financial and sustainability goals.

To in er ar cr

Together, Johanna and Felicia play a pivotal role in integrating financial and sustainability priorities, ensuring Alder's investments are managed with integrity and transparency and aligned with our mission for value creation and measurable outcomes.

People and social impact

Diversity

Diversity and inclusion are central to our culture, enhancing our ability to innovate and collaborate. We foster a dynamic and empowered team by embracing unique perspectives from varied backgrounds, interests, ages, cultures and genders.

In 2024, we improved gender diversity, increasing the percentage of female employees to 31% with the addition of our new CFO, Investment Controller and Investment Director. Our team comprises 14 full-time employees and two interns, reflecting our commitment to building a balanced workforce.

Health and well-being

Supporting health and well-being remains a priority. We continue to offer subsidised training and regular health check-ups, promoting work-life balance. Building on last year's efforts, we have tested and refined our Alder Employee Journey, ensuring a structured and supportive experience for every team member. We've expanded our onboarding program and enhanced our "buddy" and "mentor" initiatives to create a more cohesive integration process for new hires.

Continuous professional development is at the core of our approach. We have strengthened career planning and our performance reviews now tie individual and team contributions closer to Alder's goals.

As we look ahead, we remain committed to fostering an inclusive, healthy and growth-oriented workplace. These ongoing efforts ensure that Alder continues to attract and retain exceptional talent while driving positive impact and delivering on our mission.

Empowering young people to navigate a complex world

In 2024, we were invited to join the ICbility advisory board. This Fryshuset initiative equips young people to better handle adversity, conflicts and diverse perspectives. The program focuses on strengthening self-awareness, social consciousness, relationship skills, self-regulation and responsible decision-making.

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For Alder, it is important to be more than a financial contributor. We aim to engage in initiatives like this where we can play an active role and make a tangible difference to society.



Planet

We are focused on creating a positive environmental impact through our investments, but we also recognise the importance of addressing our own operational footprint. Small actions matter, and we continuously evaluate our choices, from travel to food and waste. We lead by example to inspire our portfolio companies, investors and peers.

Embedding sustainability at every step

In 2024, the development of the Alder Impact Framework was instrumental in integrating sustainability more deeply into every aspect of our work. We also engage employees through training, discussions and insights from external experts. We invited climate offsetting organisation FightCOtwo to speak at our Ambassador Meeting about protecting nature and biodiversity. Their insights highlighted how businesses can actively support ecosystems, inspiring deeper integration of biodiversity considerations within our operations.

Removing emissions

Travel remains essential to discovering new companies, supporting our portfolio and engaging with investors. We continued to compensate for travel emissions at double the amount generated. Through our partnership with FightCOtwo, we supported biodiversity efforts in Swedish forests and wetlands, offsetting 82 tonnes of CO_2e , double our 2024 emissions.

ALDE

Our 2024 emissions

Alder's emissions in 2024 amounted to 41 tCO₂e

(excluding portfolio companies)

CO ₂ e, tonnes	2024**	2023	2022	2021*	2020*	2019
Travel	29	95	98	19	73	156
Energy & Heating	12	12	12	12	12	12
Other	1	15	10	6	5	7
Total	42	122	120	37	90	175
Carbon intensity, tonnes CO ₂ e/employee	3.0	8.1	8.6	4.8	6.4	14.6

Table 1. Alder's emissions in 2024

Lower numbers due to COVID-19

**Our travel emissions have continued to go down, partly because we use a travel agency that provides accurate data on our travel emissions. They also help us choose loweremission modes of transport wherever possible.



Our sustainability strategy

To achieve our mission to contribute to a thriving future, we have established a structured and rigorous approach for investment selection and the governance of our portfolio companies. This year, we have further developed the Alder Impact Framework for Sustainable Investment following recognised external guidelines and regulations. These enhancements strengthen our ability to integrate sustainability at every stage of the investment process – **entry**, **ownership** and **exit** – ensuring long-term value creation and positive impact.

Two dimensions of sustainability

Handprint: The positive impact of our portfolio

We focus on the handprint of our portfolio, i.e. the positive environmental outcomes that our portfolio companies create through their products and services. For example, driving down the consumption of scarce resources and energy, reducing GHG emissions, or improving air quality. At the pre-investment stage, we use our Impact Framework to assess the extent to which each company can have a positive impact. During ownership, we develop measurable KPIs and follow progress using the EU Taxonomy and our Framework. See appendix 1 & 4 for the Impact Assessment results.

Our commitment to green investment

Our focus on communication and customer-centred value will continue during 2025, ensuring that sustainability is not just a goal but a core driver of growth and impact.

Alder strengthens each portfolio company's strategy to boost its environmental impact while keeping financial performance strong. This approach speeds up our overall positive handprint. Over time, the positive handprint of our portfolio shall increase.





Footprint: How we decrease the negative impact of our operations

We are committed to continuously improving all aspects of ESG within our portfolio company operations by implementing the Alder Way – our structured approach to responsible investing. This includes adhering to our shared Code of Conduct, measuring scope 1, 2, and 3 emissions, and addressing material ESG topics beyond regulatory requirements. We ensure meaningful progress and create lasting value by actively reducing environmental impact, enhancing social responsibility, and strengthening governance practices.

We do not require our portfolio to join the Science Based Targets initiative (SBTi). However, we expect our companies to reduce their footprint in line with the UN Race to Zero campaign and the Paris Agreement's 1.5-degree target.

> We believe we will create change by maximising positive environmental impact through growth and development while simultaneously driving down our portfolio companies' negative footprint.

n S

Over time, our negative footprint should decrease.

Alignment with regulations and standards

To ensure that the impact and operations of our business and portfolio companies are robust, we align with several global and EU sustainability regulations and standards, including those that are part of the EU Green Deal.

Portfolio workshops on regulations and climate adaptation

This year, we ran initiatives to help our portfolio companies understand which regulations they need to align with and how. In the spring, we held a workshop on EU regulations, where we presented all the current and upcoming regulations. Representatives from the portfolio companies worked in teams to assess which are relevant to their company and how they will affect their customers and products.



Figure 1. An overview of the key regulations and standards we align with, how they relate to one another, which are mandatory or voluntary and which apply to Alder or our portfolio companies. On the next page, you can see how we have worked with these standards this year

We also developed workshop materials to help our portfolio companies conduct climate risk and adaptation analyses aligned the TCFD and other standards. The materials allow the companies to conduct workshops on value chain mapping and scenario analyses to assess climate risks and identify opportunities and adaptation strategies. They highlight the importance of crossfunctional collaboration and improved supplier data, resulting in actionable strategies and a documented adaptation plan. In 2024, four portfolio companies conducted these workshops, and others will follow in 2025.



Portfolio companies

- **V** Voluntary
- Μ Mandatory
- (M) Mandatory for some of the larger Alder companies

Integrating the regulations and standards

PRI

Principles for Responsible Investment

Alder has been a signatory of the UN PRI since 2012, and we report annually on our commitments and progress. Alder's Responsible Investment Policy and PRI transparency reports are available at alder.se. This year, we received 5-star scores for Policy, Governance and Strategy, Private Equity and Confidence Building Measures.

PAI Indicators

Principle Adverse Impacts

We publish a PAI statement each year in our annual report. See the latest statement on alder.se and the summary of results for 2024 in Appendix 3.

TCFD

Task Force on Climate-Related Financial Disclosures

We see the TCFD as critical to understanding and communicating the risks and opportunities associated with the green transition. We developed workshop materials to help our portfolio companies conduct climate risk assessments aligned with the TCFD and other standards, read more in appendix 6.

TNFD

Taskforce on Nature-related Financial Disclosures

This year, we took further steps to understand if and how our portfolio companies should align with these recommendations through a regulations workshop.

GHG Protocol

Greenhouse Gas Protocol

We use the GHG Protocol to measure and disclose our portfolio companies' carbon emissions. We measure scope 1 and 2 every year since each company has greater control over these emissions. We report scope 3 every three years; you can see the total result for all companies on page 26, and individual company results on pages 28-63.

SFDR

Sustainable Finance Disclosure Regulation

Funds I, II and III are classified as SFDR Article 9, meaning that 100% of our investments actively contribute to climate-change mitigation and address resource scarcity. We follow the SFDR key reporting requirements and include the SFDR Regulatory Technical Standards (RTS), through which we provide disclosures on our sustainability-related financial products

EU Taxonomy

We use the EU Taxonomy to measure and identify positive impacts whilst simultaneously checking for potential risks. We have also used it as the basis for our internal Impact Framework; read more on page 17 and see this year's results in Appendix 4.

Figure 2. How Alder works with regulations and standards.

SDGs

UN Sustainable Development Goals

Our portfolio supports eight of the UN SDGs. See which of the SDGs each portfolio company works towards in Appendix 5.





Corporate Sustainability Reporting Directive

We have started to prepare some of our larger portfolio companies, which will be in the first wave of compliant companies for reporting in 2025, to meet the CSRD requirements. We see the Double Materiality process as a valuable tool for assessing impact regardless of the need to comply, and it is aligned with The Alder Way.

The Alder Impact Framework for Sustainable Investment

During 2024, we further refined our system to ensure investments, ownership and exits support defined sustainability objectives.

The Impact Framework aligns with the EU Taxonomy objectives while expanding to address a broader range of environmental impacts and solutions. It is built around eight key environmental objectives that feed into Alder's four investment themes. The aim is that each portfolio company must contribute to one or more objectives to drive both positive environmental outcomes and longterm value creation, and this is assessed at the investment stage and monitored throughout ownership.

A minimum of 50% of the investment cost for all portfolio companies must be linked to the key environmental objectives in the Alder Impact Framework. This ensures that every investment actively supports environmentally

Carbon sources & sinks

sustainable initiatives. Abiding by this standard means that capital is allocated to drive meaningful environmental impact, with portfolio companies contributing by increasing their handprint and reducing their environmental footprint.

Portfolio level

Every investment must ensure that at least 50% of the sales are linked to green activities, with a goal to increase the sales of green activities by 100%, actively driving more capital towards sustainable initiatives.

Machine learning helps identify investment opportunities

This year, we began testing AI technologies to enhance our deal flow processes and efficiently identify promising new investment opportunities. We use these tools together with other criteria, such as that companies should align with our thematic sectors and objectives. The initiative has proven highly successful, allowing us to effectively identify green, profitable and growing companies while highlighting sectors and initiatives that might have been overlooked.

The next phase involves developing an internal database to rapidly analyse and categorise potential companies using language models to score and cluster potential candidates.

Generating attractive returns by developing companies that improve the long-term sustainability of our environment Objectives \dots Emissions Land-fil Circular Pollution Resource Ecosystem Water Climate avoided Materials avoided protection resilience reduced Saved protection Care of Building Intelligent Sustainable Efficiency Natural Infra-Industry Resource structure Efficient manufacturing Emissions control Urban planning Renewable energy Water management Construction & renovation Energy storage & Green materials distribution Usage & preservation Agriculture & forestry Circular processes Transport & mobility Waste management Digital industry Transportation of goods

Technology solutions

A thematic approach to future-ready investments

During 2024, we proactively explored and developed six key sectors within our four investment themes, utilising market research, a newly developed AI tool and insights from emerging regulations and technological developments. This approach has helped deepen our market understanding, identify key trends and create a focused list of promising prospects for potential outreach.

By staying well-informed on market developments, we have improved our agility and responsiveness to emerging opportunities.

Mission

Themes

Sectors



The integration of tools such as HubSpot and our Al-powered analytics platform has been instrumental in refining our approach, allowing us to assess past initiatives, drive continuous learning and enhance scalability.

As part of our thematic investment work, establishing strong networks and alliances has been a crucial element. Strengthening these partnerships will continue to be a key priority, ensuring we maximise collaboration and collective impact within our prioritised sectors.

Gustaf Folke

Biosphere Intelligence

With a wealth of experience in strategy consulting and business management, Gustaf Folke established Biosphere Intelligence in 2022 with his brother, Peder Folke. The organisation aims to rethink how science is packaged and radically shorten the time it takes for planetary insights to reach people and businesses. Their training is based on vetted sustainability science and is delivered in an engaging and easy-to-consume way tailored for businesses.

Why accounting for nature's value makes business sense

Exploring natural capital with Gustaf Folke

From the minerals in our phones and steel in our buildings to the water required to produce our clothes and soils to grow our food, we rely on nature to fuel our modern world. Otherwise known as natural capital, these resources are essential for the goods and services we rely on and are the basis for our survival, providing clean air, pollination, flood defence, climate regulation – the list goes on. We sat down with Gustaf Folke, co-founder of Biosphere Intelligence, to understand why it's a must for resilient companies to account for natural capital.





"Taking into account the role of nature for well-being will no doubt have a profound impact on regulations, norms, attitudes and company valuations in the coming decades."

Gustaf Folke

Biosphere Intelligence

Can you start by telling us more about where the concept of natural capital comes from?

Since the late 18th century, natural capital has been recognised as one of the three pillars of our economy, alongside human and produced capital. But this concept was conceived for a time when societies were simpler and smaller, and resources felt abundant. But as technology advanced, we began using natural resources faster than they could replenish. Over time, and almost without realising it, we have depleted the stocks of nature at a global scale, risking our own welfare largely because we've failed to account for or measure how we use nature. So, the concept of natural capital is a way to assign value to the services nature provides us as a way to safeguard prosperity.

How did the shift occur from humans being stewards of nature to consumers of nature?

In one sense, we have always been consumers of nature, but for most of human history, we lived off the land. Hunter-gatherers relied on nature for food, shelter, and clothing, and subsequently, farming culture worked with the rhythms of the seasons so the value of nature was evident in day-to-day life. Then, the Industrial Revolution marked a shift from living in nature to living more separately from it. Today, in North America and Europe, we spend 90% of our time indoors – by age 40, that's 36 years inside. Most of us now live in cities, creating the illusion we're independent from nature. For example, we buy food without knowing where it comes from what it takes to produce it. So, it's not strange that we now have difficulty valuing nature when we no longer interact with it intellectually, emotionally or practically.

What are some ways we can make the value of nature a priority?

Nature is complex and multifaceted. Unlike carbon dioxide, where it's relatively easy to understand that we need to measure and reduce it, nature's many functions are harder to quantify. It's also deeply local, so governments need support to make smarter trade-offs between what they extract and what they restore. It's like expenditure versus capital, and right now, the balance sheet doesn't add up – we've overspent.

Valuing nature is tricky because the worth of it is relative, depending on the market and context. We need a new approach to account for nature-based externalities. Over time, this could shift markets and demand, decreasing the value of unsustainable industries while boosting greener ones. Global collaborations like the Natural Capital Coalition and frameworks like the Taskforce on Nature-related Financial Disclosures (TNFD) will help standardise methodologies for valuing nature, much like international accounting standards for financial reporting.



Figure 3: The changing levels of produced, human and natural capital 1992-2014. Source: Managi and Kumar (2018)

Take the fishing industry: without protecting coral reefs, mangroves and aquatic ecosystems, fish populations dec

mangroves and aquatic ecosystems, fish populations decline. Tourism also relies on nature, where the value is in experiencing it – if we don't preserve natural beauty, people stop visiting. In forestry, there is value in avoiding monocultures and preserving ecosystems to secure long-term harvests, especially in the context of a warmer climate. The challenge, though, is getting people to think long-term, beyond the immediate and their lifetime and generation. There's also the classic issue of the common good – who will value something when they don't see an immediate personal benefit and when it's unclear who is responsible for protecting it?

Can you give examples of industries where

accounting for natural capital is paramount?

How can businesses and investors engage in the topic of natural capital?

First of all, so much of the sustainability discourse is outdated, entrenching the debate in environmentalism and activism versus economic development and problemsolving. We need innovative thinking to bridge these divides and move forward.

For businesses and investors, it is important to understand the impact and dependencies on nature in your operations/ portfolio. As nature's values are increasingly taken into account, businesses that don't assign value to nature will no longer no longer create economic value. There are many initiatives out there to simplify nature accounting for businesses, so the field is moving really fast. At Biosphere Intelligence, we help companies to integrate the value of nature through focused discussions, collaboration, and training.

What is the future of natural capital accounting?

My hope is that it evolves much like finance has over the past 50 years – becoming extremely advanced and accounting for risks, trade-offs and opportunities. Taking into account the role of nature for well-being will no doubt have a profound impact on regulations, norms, attitudes, and company valuations in the coming decades. In 50 years, companies might report not only quarterly profits but also quarterly ecosystem contributions – a true integration of financial and natural capital accounting. Businesses that integrate natural capital into their core strategies will lead the way because it's not only ethical but also makes economic sense.



A market price is the price at which a good, service or asset is exchanged for in the market. An accounting (or shadow) price is the price that reflects the true value to society of any good, service or asset.

Source: Dasgupta (2021: 39)

Any final thoughts?

We need more companies that revitalise the planet's ecosystems to secure our prosperity. It's a tough challenge, given today's business preconditions, requiring deep thinking and collaboration – but it's an incredibly meaningful mission to be part of.

Entry Sourcing and acquiring

Identifying, analysing, negotiating with and acquiring new companies is an exciting and critical stage of our ownership journey. The process includes a risk and opportunity assessment and analysis of the company's potential to create a positive impact. We work proactively to find companies that align with our Impact Framework.

This year, we updated our Impact Framework and ESG due diligence process with advanced tools and streamlined processes, enabling us to identify new opportunities earlier in the deal process. This improvement makes comparisons easier and ensures we target green growth opportunities more precisely, increasing our impact.

At the Entry stage, we cover the following steps:

Sourcing

Our team and network constantly look for promising companies who fit our investment criteria, using various tools and processes.

2

Screening

We focus on companies that create solutions for a positive handprint for their customers.

Impact assessment

We use the Alder Environmental Impact Assessment Tool (see Appendix 1) to determine if businesses meet our investment criteria, which includes EU Taxonomy classifications in line with the Alder Impact Framework.

Due Diligence (DD)

We perform Due Diligence following the Alder ESG DD guidelines, including SFDR's PAI indicators, Do No Significant Harm (DNSH) and Organisation for Economic Cooperation and Development (OECD) minimum safeguards for responsible business.

5

Investment decision

Red flags discovered during due diligence must be addressed, and hypotheses for key performance indicators (KPIs) towards the Impact Framework must be established for the investment to move forward.

2024 investments

Autumn 2024 was a busy period for Alder as we completed two new investments that continue to develop Alder III portfolio.

Project Measurement

In September, we invested in Project Measurement (the name of the Group will change once registered), which today consists of two subsidiaries BFI Automation and Eco Physics.

BFI Automation, an industry leader in the manufacturing and development of flame scanners and flame monitoring systems. Right at the end of the year, we also bought Eco Physics into the group, a company offering innovative analytical solutions for measurement tasks in the fields of environment, health and process control.

Project Measurement will grow with more acquisitions and offer monitoring and measuring expertise. Read more on pages 49-51.

Microbas

Shortly after, we announced the acquisition of Microbas, a pioneer in manufacturing the niche, high-precision components required for the global semiconductor, cleantech, display, space and optics industries. Read more on page 52-54.

Executive Meetup: Inspiration for action

In the autumn, we held our recurring Executive Meetup, where we gathered the Alder team and representatives from our portfolio companies for an impactful two-day event. We invited external speakers, including Biosphere Intelligence, SustainLab and Human Rights Watch, to share their expertise, and we held practical sessions to dive into critical strategic priorities.

"The Executive Meetup was a great opportunity to connect with our portfolio companies and industry experts on key strategic challenges. Discussions on sustainability, growth journeys, and the shift from product to service sales sparked new ideas and reinforced our commitment to driving long-term value."



Sessions included:

- Sustainability and business in the next decade
- Board responsibilities in an evolving global context
- Emerging global trends
- The shift from product to service-oriented businesses

Ownership

Alder is an active owner. We invest time, resources and expertise, including board activities, to steward each company to be more resilient, have a positive impact and offer long-term customer value.

During the onboarding period, we focus on creating an infrastructure that includes establishing ESG parameters and implementing systems and data management tools. This year, we have developed and strengthened our onboarding process (read more on the next page). Throughout Alder's ownership, portfolio companies are provided with hands-on tools and support to increase positive impact and create business value while reducing the footprint of their operations.



The Alder way

Our internal guidebook, The Alder Way, helps to guide our portfolio companies in a two-dimensional approach to building resilience, where value is created by increasing our handprint (the positive outcomes of what they do) and decreasing the footprint (the negative impact of their operations). The first part focuses on building the foundation ensuring companies have the right ESG infrastructure, including people, governance systems and data measurement tools.

The second part, the Toolbox, is a practical, strategic approach to driving impact, helping companies measure and enhance their positive contributions while improving business value and reducing their environmental footprint.

You can see how our companies are progressing through the Alder Way on the portfolio pages 28-64.

Enhancing our onboarding process in 2024

We have developed our onboarding processes to ensure that new portfolio companies can fully integrate our sustainability strategy and standards from entry. This includes on-site visits, practical training and real-time support from our team. By equipping our companies with the right tools and know-how, we can accelerate the adoption of ESG principles and directly influence the performance of our funds.



We successfully piloted this approach with two of the new portfolio companies that joined us in 2024, BFI Automation (part of Project Measurement) and Microbas.

Ambassadors help lead the way

Alder asks all portfolio companies to nominate a Sustainability Ambassador responsible for driving the company's work to reduce their footprint and increase their positive handprint. They are the primary contact person for Alder's Sustainability Officer and are responsible for reporting on developments.

To get a better insight into the life of an Ambassador, we spoke to Scanacon's representative, Foluke Ishola.

Hi Foluke, can you tell us a bit about your background?

I'm originally from Nigeria, where I got my bachelor's and master's degrees in chemical engineering. I knew I wanted to continue to the highest level of education to give myself and my family a better future. I also felt I would have a greater chance if I did a PhD abroad, as there are still so many obstacles, especially as a woman, in Nigeria. Then I heard about a new PhD in Resource Recovery at the University of Borås in Sweden, and I knew it was the one for me.

My husband and young children stayed in Nigeria while I pursued my PhD – a tough choice, but it felt necessary to achieve my dream of being an independent woman and changing my life. I then started a postdoc, which was when my family joined me; it was a huge relief after our time apart. After the postdoc, I wanted to find a way to apply my research skills to real-world challenges. I interned at Göteborg Energi, where I was later hired as an Environmental Engineer and discovered my passion for environmental issues. In 2022, Scanacon headhunted me, and I am now a Senior R&D Engineer, Team Lead for Metal Recycling Process Chemistry and Crystallisation, and Sustainability Ambassador.

What's involved in being an Ambassador to Alder?

We attend regular Learn and Share meetings with Ambassadors from the other Alder portfolio companies. This gives us a better understanding of things like the GHG Protocol, engagement, materiality assessments, CSRD, creating management systems, target setting and roadmaps, and customer engagement. We share our experiences and learn from each other.

I'm also responsible for a quarterly report to Alder about our sustainability achievements. Then, once a year, I gather and report on data for our scope 1 and 2 emissions and other ESG parameters, and every three years on our scope 3 emissions. Last year, I also started reporting on our impact - how Scanacon contributes to reduced emissions and a positive handprint for our customers and society.



The information I gather about our impact has helped us understand how our products and services enable customers to have a positive handprint and how this outweighs our operational footprint. This is exciting to see, and it helps other employees and our customers get inspired. Part of my role is taking the learnings into reality and ensuring we continually reduce our footprint and enhance our handprint. This includes organising internal information sharing, delivering workshops on, for example, climate change adaptation, providing strategic input and data to our management team and board as well as planning and creating roadmaps.



What do you enjoy most about your role as **Ambassador?**

Being an Ambassador has opened my eyes and broadened my knowledge about what companies need to do to become truly sustainable. How things like working with our value chain are so important, and what opportunities are created by being more active in this area.

Through the Alder portfolio, I have also met people in different roles and from all over Europe; I've learned so much from them. The Alder team also give a lot of support; their Sustainability Officer is always there to take a call or answer a question. Additionally, this role has allowed me to get my voice heard across our company, from the CEO and CFO to all the employees, which is really empowering. I appreciate this opportunity to make a difference by being Scanacon's Sustainability Ambassador.

Read more about Scanacon on page 58-60.

On our way – Alder's objectives and progress

Handprint: Positive environmental impact

Strategic approach	We actively align our business strategy with positive environmental impact, ensuring that our internal initiatives and portfolio companies contribute to a more sustainable future.	
Our vision	We strive to be the No. 1 green investor, leading sustainable investments and driving measurable environmental impact.	% s
Our ambitions	 During Alder's ownership, our portfolio companies should: Work actively towards aligning their primary business operations with their positive environmental impact. Demonstrate strong efforts in addressing emission reduction within their organisation in line with the UN Race to Zero campaign. 	% 2 Tabl
We measure progress towards these objectives on both a fund and portfolio level:		Su
Fund level	 Green investments: Measure the percentage of investments aligned with the Alder Impact Framework. Growth of green investment: Measure our investments annually based on companies' alignment with the Alder Impact Framework to ensure we allocate more capital to those with the most positive green impact. Growth of green sales: Expand economic activities that drive positive environmental impact. 	40 tCc 34 kW
Portfolio level	 Company-specific environmental goals related to our eight key environmental objectives: Set targets for avoided emissions and recycled materials, aligning them with the portfolio companies' overall environmental impact. Green sales growth: Aim for 100% growth in "green sales" within portfolio companies, focusing on economic activities that drive positive environmental impact. Emission reduction targets: Cut scope 1 and 2 emissions intensity by 50% within five years of ownership. If these emissions are already at a minimal level, no further reductions are required (see company pages 28-64 for progress). Scope 3 emissions reduction: Decrease scope 3 emissions by 15% within five years of ownership by regularly assessing and improving emissions intensity high-impact activities. Company-specific social goals: Promote diversity, employee health and job satisfaction across portfolio companies. 	Pe Ala In 2 Mic Inv tow wit Gr Ou

	Emissions reduced	Resources saved	Land-fill avoided	Circular materials	Pollution	Ecosystem protection	Water protection	Climate resilience	Total deployment
% since inception	28.9%	22.6%	10.0%	6.8%	24.9%	0.0%	0.0%	6.9%	~1,750 MSEK
% 2024	44.1%	14.0%	0.3%	0.2%	41.1%	0.0%	0.0%	0.3%	~520 MSEK

Table 2. Deployment of capital in Alder II and Alder III towards green initatives in line with the Alder Impact Framework.

Summary of company portfolio handprint in total

1.266

reported EV cars

40,889 tCo₂ avoided

1,392,692 litres oil saved

34 kWh saved/m²

9,441 sites visit for climate adaptation 5,830 tonnes waste refined

Percentage of investments aligned with the Alder Impact Framework

In 2024, Alder made two new platform investments in Microbas and Project Measurement. Of the two new Investments (321.2 MSEK), 89% of the sales were directed toward green initiatives (i.e. products or services that align with the Alder Impact Framework) within the companies.

Green sales growth

Our portfolio companies had an average increase of 8% in green sales during 2024.







recycled



tonnes food saved



tonnes of landfill avoided

6,560 tonnes of reduced nitrate discharge

Our portfolio and the green transition

The percentage of our portfolio companies that have a direct impact (their solutions create change firsthand), are enablers (their solutions enable their customers to create change) or that support the transition (where they provide services such as measuring and emissions data).



Footprint: Reducing our environmental impact



When a portfolio company's scope 1 & 2 emissions reach a minimum level, we do not anticipate the need for further reduction efforts.

While we measure scope 1 & 2 emissions yearly for all portfolio companies, we have longer-term data (starting 2019/20) for four companies in Alder II. This illustrates (in the following graphs) how our portfolio companies can work towards Race to Zero, a UN-backed campaign to halve global emissions by 2030.

Figures may vary significantly depending on whether a group has acquired add-on companies over the years or if growth has occurred organically.

The potential and pace of reducing Scope 1 & 2 emissions vary depending on the company's business model and operational structure.

Scanacon





Sustainable

Intelligence

Safe Monitoring

Group

Briab





26

Exit

Each company should leave Alder with a more attractive, competitive and sustainable proposition than when they joined us. Impact and operational KPIs are core components for enhancing the company's value. During the exit process, we highlight the company's sustainability progress and potential so prospective buyers can assess risks and opportunities.

To date, we have successfully completed ten exits In Ale Fre bre

Alder Fund I comes to a close with final exit

In late 2024, Alder are in the process of exiting the final investment in Alder Fund I. Alder Partner Henrik Flygar shares his reflections on the evolution from Fund I to Fund III:

When we launched Fund I in 2010, the landscape was unrecognisable. There was no Article 9, no EU Taxonomy, and few commonly used reporting frameworks. At the time, the investment world doubted that combining sustainability and returns could succeed. We even had to convince companies that their more sustainable products offered a competitive edge. But we were determined.

Today, sustainability drives everything – from fundraising and dealmaking to company development, recruitment and exits. Investor interest in green funds has grown significantly, as have investment teams – once, there was just one climate specialist; now, entire teams focus on it.

Despite all the developments, both externally and in our internal processes, our mission remains steadfast: to invest in companies accelerating the green transition.

We are proud to see that our original thesis holds true – sustainable companies grow faster.



Alder Partner



In 2024, we partly divested one company, Umia, from Alder I, and Centriair became part of 3nine.

From water treatment and air filters to circular car parts, our past (and current) companies show the breadth of industries that can help speed up the green transition.

centriair •	Dinair Bolanced clean air solutions
NORDICWATER	P R B X
umia artly divested	

27

Portfolio companies



Our geographical reach

From the beginning, we focused on investments in the Nordic region. Over the past couple of years, we have extended into Europe, with Insort in Austria and, in 2024, Project Measurement in Germany.

Our portfolio companies have a reach beyond where they are headquartered, with customers spanning the globe.



AB Inventech - Ikast, Denmark

Scanacon - Stockholm, Sweden 3nine - Nacka, Sweden **EWGroup** - Norrköping, Sweden

SI - Varberg, Sweden • Microbas - Hässleholm, Sweden Safe Monitoring Group - Malmö, Sweden

Project Measurement - Heiligenhaus, Germany

sort - Graz, Austria

Countries where Alder's portfolio companies' head office are located



Countries where Alder's portfolio companies have an impact

Understanding the portfolio company data

On the following pages, you can see the progress of each of our portfolio companies. The amount of data and progress varies depending on factors like time in the portfolio, size, and business status.

Planet

This section shows each company's environmental impact, both positive (handprint) and negative (footprint).

Handprint

Each company's handprint is represented by a different metric related to their industry, for example, energy reduced or food saved. This makes the data for each company more relevant but more complex to compare.

Footprint

The same metrics (if available) are presented for all companies: scope 1, 2 and 3 emissions ($kgCO_2e/mSEK$ turnover), energy consumption (kWh), renewable energy consumption (%), water consumption (m³) and hazardous waste produced (kg).

Scope 1, 2 & 3 explained

Scope 1:

Direct emissions from anything the company can influence, e.g. their own operations, car fleet, offices and owned factories etc.

Scope 2:

Indirect emissions from the energy a company purchases.

Scope 3:

Indirect emissions from the rest of the company's value chain, purchased materials, services, transport, etc. Often, the majority of a company's emissions are here.

Governance

How far each company has come in implementing the governance requirements Alder outlines.

Materiality analysis

Defining the most significant sustainability issues for the company and stakeholders.

Risk management process

Evaluating current and future risks and opportunities, including climate-related and supply chain risks, to guide decisions.

Value chain mapping

Creating a clear picture of the entire value chain, enabling materiality assessments, risk management and action.

Sustainability policy

Outlining the company's sustainability vision, goals and practical steps for implementation.

Code of conduct

Developing a code of conduct aligned with Alder's ethical and sustainability standards.

Whistleblowing channel

Ensuring a secure, anonymous platform for employees and stakeholders to report concerns, fostering transparency and trust.

Management system

Establishing systems for tracking and improving sustainability performance.

Board accountability

Sustainability should be integrated into the board's responsibility and addressed in board meetings.

People

Here, we show details about each company's employees and gender balance. We also show customer and employee satisfaction results, which each company measures differently.

Portfolio companies

3nine	31
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Briab	. 37
EcoMobility Group	40
EWGroup	43
Insort	46
Microbas	49
Project Measurement	52
Safe Monitoring Group	55
Scanacon	58
Sustainable Intelligence	61

3nine

FundAcquiredOwnershipTurnover 2024Alder II202279,6%104.9 mSEK

Innovating for clean air in industrial environments

The various production processes in the metalworking industry produce dangerous particles and aerosols that create indoor industrial air pollution. The particles and aerosols can be extremely dangerous to human health and contribute to poor air quality, contaminated water and soil and emissions that drive climate change.

3nine's products focus on handling and eliminating dangerous oil mist, the byproduct of metalworking processes. Their products use patented disk stack technology to pass the oil-air mix over a rotating stack of permanent filter media elements, creating a centrifugal force that separates 99.9% of the oil particulates from the air. The result is fewer oil particulates in the filter, meaning fewer filter changes. The separated oil is recaptured and reused, lowering the consumption of metalworking fluids and ultimately resulting in cleaner air and workplaces.



3nine

Data, circularity and tighter regulations define our 2024



What were the highlights of 2024 for 3nine?

It's been a busy year with a lot of great highlights. We focused on building our sustainability infrastructure, including reporting on scope 1, 2, and 3 data for the first time. In 2025 we can set meaningful targets and commitments to reduce our emissions.

While we've been gathering data on our positive contributions for some time, this year, we began to develop a more precise infrastructure to provide data directly to end users based on the use of our products. This includes analysing the number of filters saved and the amount of cutting fluid recaptured. We are also calculating the total quantity of clean air delivered for individual customers and 3nine as a whole, using data on the number and size of machines sold, working hours and other parameters. We are proud to be able to provide these measures of positive contributions in 2025.

We've also expanded our remanufacturing and refurbishment program. Right now, it's a small part of our business - about 1% of revenue - but we've set a target to double that year on year. It's a long-term opportunity to become more circular.

What is 3nine's long-term sustainability vision?

Our vision is to guarantee clean air at the lowest cost through innovative technology. We have aligned our longterm target with Alder's goals for their portfolio companies, including measuring and increasing our positive

handprint and a 50% reduction in our overall emissions within the next five years. Our aim is that the positive impact of our products should outweigh the adverse effects of our operations, and we're on our way there.

How do you contribute to reduced climate impact for your customers and society?

The biggest benefit of our products is the ability to provide clean air without relying solely on disposable filters.

Most solutions in the oil mist care industry collect oil particulates using disposable filters, which then become hazardous waste and need to be disposed of, often ending up in landfill. 3nine's patented separation technology ensures that 99.9% of the oil particulates are separated from the air before it passes over the last phase of HEPA filter. This means less accumulation, longer filter lifetimes and ultimately less waste. It feels good to not only provide clean air to people working in industrial environments, which we consider to be a fundamental human right but also to do so while making a positive environmental contribution.

On top of that, because we are separating the oil particulates from the air, we can recapture and reuse the cutting fluid by draining it back into the machine reservoir; this recovery process allows our customers to dramatically reduce their consumption of cutting fluid so they can maintain up to 80-90% of their oil levels over a year.

What were your organisation's biggest challenges this year, and how were they addressed?

One of our biggest challenges was around metrics. Our historical data - like filter avoidance and cutting fluid recapture - was poorly documented, so we had to revalidate and rebuild those models. That said, we've made great progress, and by the end of the year, most of the groundwork was done, which puts us in a strong position for the future.

Are there any global trends or shifts that have impacted the demand for your product/service positively or negatively?

The rolling back of some regulations in the US, like the industrial air quality standard, can potentially impact us, but we will continue to deliver the same high standards despite this.

Another positive trend is our customers' increasing interest in sustainability, particularly larger companies. Smaller companies are a bit slower in adopting these discussions, but the mindset shift is happening across the board.

the company in 2025? An exciting initiative we aim to pilot in 2025 is a circular business model for filter disposal. Despite the highly effective separation of the oil particulates, some particles still hit the HEPA filter, so the filter must be changed, generating waste. We are exploring partnerships in Northern Europe for the sustainable disposal of used filters - turning them into energy through clean incineration instead of seeing these filters end up in hazardous waste collection and landfill. It's a longer-term project, but I'm excited about the potential impact it could have.

Overall, I see 2025 as the year we take all our preparatory work so far and put it into action.

Brad Eicher CEO

What are you looking forward to most for

Planet

Handprint

3nine products eliminate dangerous oil mist from industrial environments, reduce use of filters and recapture oil for reuse.



	2024	2023
Green sales (mSEK)	105	130
Growth of green sales compared to previous year (%)	-19	-

1,392,692

litres oil saved 2024

The quantity of oil that 3nine solutions purified in 2024, based on data from 2003-2016 and if assumed to be consistent every year. This means that there is approximately 0.8g oil/m3 air in all the air measured.

1,612,728,000

m³ air/year

Quantity of air that 3nine's solution has handled and cleaned in 2024.

Ecotorint

Footprint		
	2024	2023
Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	823	386
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	92,846	-
Energy consumption (kWh)	71,838	77,769
Renewable energy consumption (%)	23	22
Water consumption (m ³)	92	110
Hazardous waste produced (kg)	0	0

Governance

	Completed 🧹
	In progress 🗸
Materiality analysis	V
Risk management process	
Value chain mapping	V
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	V
Whistleblowing channel	
Management system	V
Board accountability	

People

umber of employees



AB Inventech

FundAcquiredOwnershipTurnover 2024Alder II202168.1%237.0 mSEK

Automation drives the transition to clean energy

3

Much of the world still relies on fossil fuels for energy, accelerating climate change. We need to make the switch to renewable energy, such as wind power, which provides a clean alternative. However, the production of large-scale renewable energy systems comes with its own challenges, from resource efficiency to reducing waste during manufacturing.

AB Inventech is driving the transition to clean energy by enabling the scale-up of wind power. Their advanced automation and manufacturing solutions increase precision, reduce waste, and lower energy consumption when producing turbine components. They empower their customers to meet the growing demand for renewable energy efficiently.



AB Inventech

Increasing circularity and growth despite industry setbacks



What were the highlights of 2024 for **AB Inventech?**

One standout development this year was commercialising the refurbishment and life extension of existing equipment. This started as a pilot project in 2023 with one major client. In 2024, approximately 20% of our revenue came from these projects, a significant jump considering it was zero just a year ago.

Other highlights included achieving ISO 14000 certification, electrifying parts of our car fleet, and having the first full year of operations for our solar panel installation, contributing 50 MWh of energy. Additionally, we grew with a 55% increase in revenue compared to 2023, and we added 20 new employees. It's been a year of significant progress on all fronts.

What is the company's long-term sustainability vision?

We strive to innovate and speed up the green energy transition through automation technology within wind power. Our vision is to go beyond addressing our own carbon footprint and help drive change and increase the positive impact of our entire value chain.

How do you contribute to reduced climate impact for your customers and society?

Our work in the wind turbine industry enables renewable energy development, contributing to global emission reduction.

We are also constantly refining our products and operations to help our customers reduce their emissions through life-extension of equipment, circularity, electrification and modular designs that minimise waste and engineering costs. We're supporting customers with data for their emissions reporting and ensuring our products meet new EU regulations.

What were your biggest challenges this year, and how were they addressed?

One challenge has been adapting to delays in major offshore wind projects, both in Denmark and abroad, due to unfavourable business conditions and regulatory hurdles. These delays have raised concerns about meeting global carbon emissions reduction targets. While we can't directly influence these decisions, we're focused on maintaining flexibility and readiness for when things get back on track.

On a more operational level, our rapid growth this year has required adjustments. Upgrading our planning system is one way we've addressed this, ensuring we can handle the needs of a larger, more complex organisation.

Are there any global trends or shifts that have impacted the demand for your product positively or negatively?

Yes, we've seen both positive and negative impacts. On the positive side, increasing pressure on our clients to meet EU regulations has boosted demand for our products.

As mentioned, the slowdown in the renewable energy sector has created uncertainties that we're closely monitoring.

In 2025, we're keen to strengthen our sustainability reporting further. We're piloting monthly emissions tracking to give us better insights into our environmental performance. This data will help us pinpoint areas for improvement in our operations and supply chain. We're also looking forward to advancements in green

Niels Kirkegaard CEO

What are you looking forward to most for the company in 2025?

steel and battery technology, which could open up new opportunities for us. Whether it's through refurbishing equipment, reducing emissions, or supporting the green transitions, we focus on making a lasting impact.

AB Inventech

Planet

Handprint

AB Inventech enables the scale-up of wind power through advanced automation and manufacturing solutions.



	2024	2023	2022
Green sales (mSEK)	237	152	121
Growth of green sales compared to previous year (%)	55	27	_

264

tCO₂ saved in 2024 through upgrades

The company has upgraded nine machines for their customers in 2024. Upgrading a 40 ft container uses 11 tonnes of steel, which averages 40.7 tonnes CO_2 saved. Upgrading a 20 ft has not been calculated, but it can be assumed that it is 40% of the larger machine, which amounts to 16 tonnes CO_2 saved.

Footprint

Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)
Scope 3 emissions (kgCO ₂ e/mSEK turnover)
Energy consumption (kWh)
Renewable energy consumption (%)
Water consumption (m ³)
Hazardous waste produced (kg)

Governance

	Completed 🗸	
	In progress	
Materiality analysis	V	
Risk management process	 	
Value chain mapping	 	
Sustainability policy	 	
Code of Conduct	 	
Supply chain risk assessment	 	
Whistleblowing channel	~	
Management system	 	
Board accountability	 	

2022	2023	2024
751	183	152
14,389	-	4,815
-	505	649,666
-	91	66
-	521	300
-	0	0

People

lumber of employees


Briab

Fund Alder II

Ownership

70.8%

Acquired

2020

Turnover 2024 151.7 mSEK

A second second

Minimising risks and improving resilience

Risk is a part of everyday life, but today, more than ever, climate change poses significant risks to our communities and properties. Flooding, natural disasters and fire are all exacerbated by the warming climate. Fire also poses environmental risks through the release of toxic particles, chemicals and carbon dioxide.

Briab helps prevent these consequences by offering tailored risk management for the building industry that considers both safety

and sustainability. Through innovative technology, meticulous assessment, adaptation strategies and modern fire protection solutions, Briab ensures that each project minimises risk and its impact on people and the environment.



Briab

Sustainability integration becomes a matter of course



What were the highlights of 2024 for Briab?

This year was filled with inspiring milestones. Despite our industry seeing widespread budget cuts and pulling back on sustainability ambitions, we've secured several significant fire and risk management projects in the green space. These successes are a clear sign of progress and link strongly to our long-term strategy to enable the green transition.

We partnered with external research institutes on cutting-edge projects - one focusing on tracking and reducing building materials and another on designing garages for today's electric vehicles. These projects are incredibly rewarding for our team, allowing them to dive into innovative, impactful work that pushes the boundaries of what's possible.

What is Briab's long-term sustainability vision?

Our vision is 'lead, don't follow', which also goes for sustainability. However, it's really important for us to eliminate the distinction between our company vision and sustainability vision - they should be one and the same. We're making great strides in this direction, and regulations like the EU Taxonomy are accelerating the shift and setting new standards; businesses must embed planetand people-friendly practices into their core strategies.

How do you contribute to reduced climate impact for your customers and society?

It all starts with prevention, and in our field, that means protecting buildings from fire and other risks. When a building burns, it's not just a safety issue - it's an environmental one. In Sweden alone, over 10,000 fires become out of control each year. By implementing robust fire protection systems, we make buildings safer and more sustainable.

Climate change adaptation is an integral part of our offer, and our risk assessments are increasingly influenced by climate change. For example, we help clients adapt by identifying risks like flood-prone basements and suggesting practical solutions to protect their operations and equipment.

We're also adopting circular principles in our work, like reusing fire doors with years of life left in them. It's a simple yet effective way to reduce waste and extend the value of materials.

What were your biggest challenges this year, and how were they addressed?

This year presented some hurdles for our organisation, particularly with the absence of key leaders for various reasons, including parental leave, staff departures and role transitions. But since the final quarter of the year, we returned to full capacity, and I can feel the difference; things are moving, and we are getting closer to our goals.

Are there any global trends or shifts that have impacted the demand for your service positively or negatively?

The new EU reporting regulations have been a doubleedged sword. While they create additional pressure, they're also a great opportunity. Some of our larger clients are already asking for scope 3 emissions data, which has pushed us to get ahead on our own reporting. Another shift in which our products have a significant impact is the need for better climate change adaptation, where our risk services will play a crucial role.

These regulations are sparking more open and collaborative discussions around sustainability with our partners, which helps accelerate change.

SUSTAINABILITY REPORT 2024

Håkan Danielsson CEO

What are you looking forward to most for the company in 2025?

I'm excited to see our Sustainability Ambassador refocus on driving our strategy forward. He's been tied up with project work this year, but with his expertise and passion, I'm confident he'll help us reach new heights.

Collaboration will also be a key theme in 2025. I'm eager to strengthen partnerships across industries for example, working more closely with insurance brokers for the building industry to bridge the gap between our risk engineers and the end clients.

Planet

Handprint

Briab's solutions minimise risk from fire and other hazards and their impacts on people and the environment.



	2024	2023	2022	2021	2020
Green sales (mSEK)	97	113	135	94	105
Growth of green sales compared to previous year (%)	14	-16	43	-10	-



Site visits

The amount of customer site visits means that the risk of, for example, fire is reduced. Example: During a large fire of an office building with an area of 400 m², it can be assumed that the fire would cause 1417 tonnes CO₂ emissions.

Ecotorint

Footprint					
	2024	2023	2022	2021	2020
Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	449	467	489	311	127
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	1,094	•	-	670	-
Energy consumption (kWh)	83,504	93,392	124,000	73,000	82,400
Renewable energy consumption (%)	65	70	-	_	-
Water consumption (m³)	0	0	-	_	-
Hazardous waste produced (kg)	0	0	-	_	-

See graph for scope 1 & 2 on page 26.

Governance

	Completed 🧹
	In progress
Materiality analysis	
Risk management process	
Value chain mapping	V
Sustainability policy	
Code of Conduct	 ✓
Supply chain risk assessment	\checkmark
Whistleblowing channel	 ✓
Management system	
Board accountability	

People

lumber of employees





EcoMobility Group

Fund Alder II

Ownership

93.2%

Acquired

2022

Turnover 2024 116.0 mSEK

Environment and safety first in fleet management

The transport sector significantly contributes to climate change, particularly those vehicles still reliant on fossil fuels. To address this challenge, regulation requires that many companies reliant on transportation must accurately measure and report their emissions.

EcoMobility specialises in vehicle intelligence solutions for more efficient driving. They provide technology and services to optimise driving behaviour, reduce fuel consumption, minimise pollution from tyre wear and tear, and improve vehicle management. They aim to help businesses reduce their environmental impact through smarter and more energyefficient transportation systems. ch-sur-Sûre Boursch

Tandal

Diekircl

Ettelbruck Client A

Colmar-Berg

/ La

tte

Mersch

Junglin

Walferdande

Luxe Al 24 02 - Lux Gare U Lux depo

Thionville



Device-free tracking helps drive greener fleets



What were the highlights of 2024 for **EcoMobility?**

This year, we launched our device-free solution, EcoLink. We've transitioned from a hardware-heavy model to a fully device-free setup, which has been a massive leap. It's not just about innovation but also sustainability. It allows us to deliver more accurate data directly from the vehicles while eliminating the need for hardware installations, saving significant amounts of plastic, cobalt, and other resources, and reducing waste and customer downtime

We conducted a soft launch in November, and the feedback from early customers has been fantastic.

What is the company's long-term sustainability vision?

Our vision is to enable our customers to drive in a more sustainable way, reducing fuel consumption and emissions, improving safety, and reducing business costs.

We're also helping customers transition to electric vehicles with our Electrification Report, which analyses their fleet's driving history and identifies which vehicles are ready to switch to EVs. This is all about making sustainability accessible and actionable for our customers, from SMEs to large fleets.

How do you contribute to reduced climate impact for your customers and society?

Our focus is on making fleet management more efficient. Our software provides detailed data on driving behaviours, such as harsh braking or acceleration, helping customers reduce wear and tear on vehicles and fuel consumption from those activities whilst ensuring they have the correct data to enable and power their business for smarter operational decisions, which benefit their bottom line. This not only lowers costs but also decreases emissions. With accurate CO₂ reporting and geofencing capabilities, we're making it easier for companies to comply with EU regulations and manage emissions effectively.

With our device-free approach, we can now ensure a reduction in resources like plastic and avoid replacing hardware, which can be costly and wasteful.

What were your biggest challenges this year, and how were they addressed?

One of the biggest challenges was merging three separate software platforms in Denmark into one cohesive system. Also, the shift to hardware-free has posed challenges in some markets where insurance has long relied on physical tracking devices, and convincing stakeholders to shift to a device-free model required significant effort. But we managed to overcome these issues and are now back on track.

Are there any global trends or shifts that have impacted the demand for your product positively or negatively?

On the positive side, the shift towards sustainability and the need for accurate CO₂ reporting has driven an element of demand for our services. Our ability to help customers manage mixed fleets and comply with EU regulations has been a key differentiator.

On a broader level, the slowdown in electrification projects across Europe has been concerning, especially as it impacts the overall transition to greener fleets. Despite this, we remain committed to supporting our customers in making this shift.

David Norton Group CEO

What are you looking forward to most for the company in 2025?

In 2025, we're looking forward to scaling our device-free solution. Long-term, we're excited about the potential of Al and data analytics. We're also hiring a data scientist who will enable us to offer even deeper insights to our customers, such as live CO₂ savings and fleet efficiency comparisons. Our educational tools will help drivers improve driving behaviours, creating a holistic solution for fleet sustainability.

EcoMobility Group

Planet

Handprint

Ecomobility enables businesses to reduce the environmental impact of their transport fleets through efficient monitoring and reporting of emissions.



Emissions reduced

	2024	2023
Green sales (mSEK)	116	119
Growth of green sales compared to previous year (%)	-2	-

1,266

Number of electric vehicles reporting data 2023-2024

Footprint

Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	
Energy consumption (kWh)	
Renewable energy consumption (%)	
Water consumption (m ³)	
Hazardous waste produced (kg)	

Governance

In progress
V

V
~
~
V

2023	2024
1,264	476
11,555	14,746
67,173	66,709
30%	61%
150	355
0	0

People

lumber of employees



EWGroup

Fund Acquired Acquired 2023

Ownership 65.1% Turnover 2024 127.9 mSEK

Creating value from waste

Waste is both a logistical and environmental problem. Landfill contributes to greenhouse gas emissions, including methane and carbon dioxide, which drive climate change. Contaminated masses and hazardous substances also cause long-term damage to ecosystems, acidify soil and water and threaten biodiversity if they leak.

EWGroup addresses these challenges by combining advanced technology with circular thinking. They transform waste into valuable resources while minimising the quantity of material sent to landfill. They operate modern recycling facilities that handle everything from contaminated soil and metal residues to construction and demolition materials. One of their key principles is to prioritise local recycling, which reduces transport emissions and optimises logistics.



EWGroup

Setting the foundations for future growth



What were the highlights of 2024 for **EWGroup?**

2024 was a rollercoaster; it started off slowly but then accelerated in the second half of the year.

One significant achievement was securing a new longterm contract to run and develop a major recycling and landfill site. It's a game-changer for us, giving us a strong foundation for further expansion and allowing us to set up more satellite hubs nationwide. We won the tender against two of the biggest players in our industry in Sweden - which is a great boost.

We've also significantly advanced the development of our soil-washing plant. We've spent two years working on permits and fine-tuning the technology to clean and wash contaminated soils, and now we're ready to be up and running in spring 2025. That will be a turning point for us in terms of increasing recycling rates.

An important focus for us this year was developing our mobile water treatment plants. These small container units can remove PFAS and other contaminants like metals and oils, which is a major issue across Europe. We've had some fantastic results, treating water to levels below even the stricter regulations coming in 2026.

And finally, we've been preparing for growth - investing in new technology, hiring highly experienced new colleagues and expanding our capabilities.

What is the company's long-term sustainability vision?

For us, waste is a valuable resource. We aim to move towards an "end-of-waste" approach, where we can recycle as much as possible instead of relying on new raw materials. For example, with our new plant, we aim to recycle 70% of the waste we collect and return it to the market. That means less strain on natural resources and a circular approach.

Ultimately, we want to challenge industry norms. Right now, it's still too easy for companies to just dump waste in landfills.

How do you contribute to reduced climate impact for your customers and society?

It's about ensuring that waste gets put back into circulation in a way that benefits both the environment and our customers.

By processing and recycling waste, whether it's contaminated soil, industrial byproducts, or water treatment, we help reduce the need to extract new materials. We're also working on reducing transportation emissions. The closer our processing facilities are to our customers, the less waste needs to be transported long distances. That's why we've been expanding our network of treatment sites.

What were your biggest challenges this year, and how were they addressed?

Our biggest customers are in the construction sector, which was hit by inflation and slowed down significantly at the beginning of the year. But instead of just waiting for things to improve, we focused on what we could control - investing in new technology, securing permits and strengthening our expertise.

I always try to see challenges as opportunities. If an obstacle comes up, the question is, how do we turn it to our advantage? That mindset has helped us navigate this year and come out stronger on the other side.

Are there any global trends that have impacted the demand for your product/service positively or negatively?

We're seeing stricter regulations around waste and recycling, which works in our favour. The government is working to speed up the permitting process, making it easier to start new projects. Another big shift is the crackdown on companies that operate without proper permits. That's good news for us because it levels the playing field and ensures serious companies like ours aren't undercut by those cutting corners.

Looking ahead to 2025, we expect a lot of postponed projects from 2023 and 2024 to kick off, so we've been making sure we're ready to handle that surge in demand. The soil-washing plant is one of the most exciting projects, and it will massively increase the amount of recycled material we can return to the market.

I'm looking forward to seeing all our hard work pay off. We've built a strong foundation and now it's about execution - scaling up our operations, increasing recycling rates and proving that real environmental solutions are possible.

It's going to be a big year, and we're ready for it.

Max Lindqvist CEO

On the flip side, uncertainty in the economy and high interest rates have slowed down some investments. But overall, the trend is moving in the right direction towards more sustainable waste management and higher environmental standards.

What are you looking forward to most for the company in 2025?

44

Planet

Handprint

EWGroup transforms waste into valuable resources while minimising the quantity of material sent to landfill.



	2024	2023
Green sales (mSEK)	125	194
Growth of green sales compared to previous year (%)	-35	_





Tonnes waste recycled 2024

Footprint

	2024	2023
Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	5,404	12,888
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	11,512	27,530
Energy consumption (kWh)	1,861,434	750,000
Renewable energy consumption (%)	58	26
Water consumption (m ³)	14,739	13,873
Hazardous waste produced (kg)	5,520,000	4,200,000

Governance

	Completed 🧹
	In progress 🗸
Materiality analysis	
Risk management process	
Value chain mapping	
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	
Whistleblowing channel	
Management system	
Board accountability	

People

umber of employees



Insort

Fund Alder III Ρ.

Acquired

2023

Turnover 2024 236.6 mSEK

Smart imaging to reduce food waste

Ownership

73.7%

Every year, millions of tons of edible food is discarded, leading to unnecessary waste of resources such as water, energy and labour. Beyond the lost opportunity to feed communities, food waste generates greenhouse gas emissions like methane when it decomposes in landfills, accelerating climate change.

Insort has developed food sorting systems powered by cutting-edge imaging and analysis to precisely identify and separate edible food from contaminants in products, including nuts and potatoes. This ensures that only what is inedible is removed, reducing waste and environmental impact.

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Insort

2024 Q&A

Switching to LED makes food-waste prevention more efficient



What were the highlights of 2024 for Insort?

This has been an exciting year of growth for Insort. I was thrilled to take over as CEO at the beginning of the year, with our founder and former CEO, Matthias Jeindl, stepping into a more strategic role to drive our vision.

A major milestone in 2024 was introducing chemical imaging LED technology to replace halogen lighting in our machines. We calculated that it reduces energy use by 80%, saving costs and reducing emissions. This advancement developed from a real customer demand. The interest is there, and customers are prepared to pay for something that offers savings and improves sustainability in the long run.

What is the company's long-term sustainability vision?

At Insort, we're deeply committed to reducing food waste and optimising yield in food production. Our long-term goal is to expand our reach into new market segments and broader food safety industries and to ensure that as little food as possible is wasted during production. We aim to support our customers in making their processes more efficient by providing tools that reduce waste and energy use while ensuring superior food sorting capabilities.

How do you contribute to reduced climate impact for your customers and society?

Food waste is a huge issue that contributes to greenhouse gas emissions and resource wastage. Our machines and technologies drive down climate impact by improving efficiency, reducing energy use and by ensuring that edible food is not thrown away and discards like shells from nuts can be redirected for alternative uses. For example, a single potato-sorting machine saves around 2,000-3,000 tons of potatoes annually - equivalent to feeding 20,000 people annually.

What were your biggest challenges this year, and how were they addressed?

We've observed growing concerns about over-sorting in food production from our customers. This requires a delicate balance of precision – catching all contaminants without discarding good products. This is not a challenge for us since our machines are extremely precise at distinguishing what's spoilt and what's not. It's a case of continuous innovation and helping our customers understand the accuracy of our machines.

Are there any global trends or shifts that have impacted the demand for your product positively or negatively?

Energy costs in Europe have been rising, which has created a stronger demand for energy-efficient technologies like our new LED-based sorting systems. An increasing emphasis on sustainability in food production has also highlighted the importance of reducing food waste, further boosting demand for our solutions.

Global inflation has also meant that many customers have held back on spending. However, this trend is now recovering, and we're seeing an uptick in orders and investment again.

Next year, we're excited to introduce a new french fry sorting machine that will allow our customers to achieve the same sorting efficiency with one machine where they previously needed two or three, dramatically cutting energy use and costs. We expect the first machines to roll out by the end of 2025.

Markus Schlagbauer CEO

What are you looking forward to most for the company in 2025?



Insort

2024 Data

Planet

Handprint

Insort enables their customers to precisely and accurately reduce waste in food production.



	2024	2023
Green sales (mSEK)	220	152
Growth of green sales compared to previous year (%)	45	



Tonnes food saved 2024

Data is based on actual figures. A median of 2% of the total potatoes handled represents the amount that can be saved instead of going to waste.

GHG avoidance of c. 33,628 tonnes CO_2e is based on the assumption that the carbon footprint for producing 1kg of potatoes is estimated to be around 0.46kg of CO_2e . (Source: Our world in data)

The calculated saved potatoes in 2024 could feed approx. 1,334,907 people for an entire year (based on the assumption of 150g of potatoes per person per day).

2025 target: 94,372 tonnes food saved.

Footprint

Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)
Scope 3 emissions (kgCO ₂ e/mSEK turnover)
Energy consumption (kWh)
Renewable energy consumption (%)
Water consumption (m³)
Hazardous waste produced (kg)

Governance

	Completed 🧹
	In progress
Materiality analysis	
Risk management process	
Value chain mapping	
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	
Whistleblowing channel	V
Management system	
Board accountability	

2023	2024
251	104
30,376	9,351
82,610	177,137
100	100
244	312
0	17

People

umber of employees



Microbas

Acquired

2024

Fund Alder III Ownership **75.0%** Turnover 2024 58.3 mSEK*

Precision is the key to more efficient industries

Industry has a huge potential and responsibility to reduce its impact on climate change by, for example minimising resource consumption, reducing waste and carbon emissions, optimising resource use and realising a circular economy. Producing more with less while maintaining the highest quality is part of the solution for a greener industry.

Microbas enables this transition by delivering high-precision components and smart material choices that make their customers' processes more efficient. Their work often begins in the product development phase, where they collaborate to optimise the functionality and sustainability of end products, focusing on energy efficiency, waste reduction and enhanced durability.

* Full 2024 turnover precedes Alder ownership



Microbas

Entering the Alder portfolio with new ways to support the green transition



What were the highlights of 2024 for Microbas?

The major highlight was becoming part of Alder, which brings not just resources but a clearer sustainability focus. We've also made significant progress supporting cutting-edge green technologies, like ceramic membranes for hydrogen production and ultra-precise nozzles for solar panel coatings. These innovations allow us to enable advancements in renewable energy generation and storage, from improving solar efficiency to advancing battery manufacturing.

Internally, we started a more structured sustainability program with the support of Alder. This has been critical for understanding and reducing our footprint and enhancing our handprint.

What is the company's long-term sustainability vision?

We see ourselves as enablers of the green transition. We focus on supporting industries where high precision is critical for creating more sustainable solutions. This includes sectors like renewable energy, semiconductors and next-gen battery manufacturing.

For instance, our precision manufacturing allows our customers to use less material and achieve better yields. Looking ahead, we aim to deepen our role in enabling green technologies while continuing to grow and support innovation globally.

How do you contribute to reduced climate impact for your customers and society?

Our most significant contribution lies in precision. By manufacturing ultra-high precision components, we enable clients to minimise material use and achieve higher efficiencies. For example, our nozzles help research institutions coat solar panels with advanced materials, increasing energy conversion rates from 18-20% to as high as 34%. These products will soon be available on the market. Similarly, our work supports precise battery cell manufacturing and various power-to-X applications, which are crucial for advancing electric vehicles and energy storage.

Beyond products, we're part of groundbreaking projects like turning methane into hydrogen with ceramic membranes. While our work is often behind the scenes, it's integral to making green innovations possible.

What were your biggest challenges this year, and how were they addressed?

Of course, the transition of ownership comes with the need for adjustment and adaptation, but this experience has been overwhelmingly positive for us. Aligning with Alder's initiatives and goals has been an intense and rewarding experience.

Are there any global trends or shifts that have impacted the demand for your product positively or negatively?

Green technologies continue to evolve, and our precision work remains essential for innovations in the solar, hydrogen and battery industries. However, the broader economic environment, particularly high interest rates and geopolitical uncertainty, has stalled some of our customers' projects. Despite this, we're optimistic about rebounding in 2025.

Magnus Lindvall Managing Director

What are you looking forward to most for the company in 2025?

In 2025, we're eager to expand our role in enabling green technologies. This includes supporting projects like ceramic membrane reactors for hydrogen production and scaling the use of advanced solar coatings. We're also excited to uncover more companies needing our precision capabilities to bring their green innovations to life.

Internally, we'll continue refining our sustainability practices, focusing on footprint reduction and measuring our handprint - how we help others achieve their sustainability goals. With Alder's backing, we're better positioned to make a bigger impact and grow in the green transition space.

Microbas

2024 Data

Planet

Handprint

Microbas uses high-precision components and smart materials to make their customers' processes more efficient.



	2024
Green sales (mSEK)	29
Growth of green sales compared to previous year (%)	N/A

No handprint data available for 2024 since Microbas is a new acquisition. We will report on handprint data for Microbas in 2025.

Footprint

Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	
Energy consumption (kWh)	
Renewable energy consumption (%)	
Water consumption (m³)	
Hazardous waste produced (kg)	

Governance

	Completed 🧹
	In progress 🗸
Materiality analysis	
Risk management process	
Value chain mapping	V
Sustainability policy	
Code of Conduct	\checkmark
Supply chain risk assessment	V
Whistleblowing channel	V
Management system	V
Board accountability	

2024	
0	
29,072	
1,015,839	
100	
632	
7,119	

People

umber of employees



Project Measurement

Ownership

92.7%

Fund Alder III

S.R.

Acquired

2024

Turnover 2024 171.2 mSEK*

Monitoring to improve combustion

Inefficient and incomplete combustion processes can release harmful pollutants like carbon monoxide, nitrogen oxides and particulate matter. These emissions contribute to air pollution, climate change, acidification of soil and water, biodiversity loss and the prevalence of respiratory diseases.

Project Measurement help combat these challenges by enabling the green transition in combustion-heavy industries. By leveraging monitoring technologies, the group allows companies to optimise combustion processes, minimising emissions, improving efficiency and ensuring complete combustion.

* Full 2024 turnover precedes Alder ownership



A new group signals leadership in optimising gas combustion



What were the highlights of 2024 for **Project Measurement?**

This was Project Measurement's founding year - we finalised the structure towards the end of the year, but it has been exciting to see things coming together. We acquired the first company in the group, Flamonitec, which specialises in turbine flame detectors. Their advanced monitoring technology optimises combustion processes to minimise emissions and gas build-ups. This directly addresses key environmental concerns and ensures efficient energy use.

We've also laid out an ambitious growth pipeline for Project Measurement, with plans to bring on 5-10 companies in the next 12 to 18 months. The idea is to create an integrated ecosystem of complementary technologies, all focused on gas measurement and combustion optimisation. This year, we've been building the groundwork to scale and achieve that vision.

What is the company's long-term sustainability vision?

Our vision is rooted in reducing the environmental impact of gas usage. The goal is to optimise combustion processes to minimise emissions and improve energy efficiency across the entire value chain. This will enable a green transition in the industry, increase renewable gas R&D and enable pollution control through the whole process. In the long term, we see our group as a global leader in the gas monitoring space, enabling our customers to significantly reduce their footprint.

How do you contribute to reduced climate impact for your customers and society?

By providing data-driven solutions, we help companies achieve better combustion quality, which leads to lower emissions and less energy waste. This not only reduces our customers' environmental impact but also improves profitability by lowering energy costs.

Are there any global trends or shifts that have impacted the demand for your product/service positively or negatively?

One trend, or necessity, is the increased focus on measuring and reducing emissions. Many companies are under pressure to report their CO₂ outputs accurately, and our solutions play a key role in helping them achieve this.

What are you looking forward to most for the company in 2025?

In 2025, I'm looking forward to joining forces with talented entrepreneurs and their teams to build a global leader in gas monitoring. We will focus on creating a collaborative culture where people can thrive while contributing to a more sustainable industry. We also aim to continue our ambitious acquisition strategy, expanding the group and integrating new technologies.

Fredrik Ullman Chairman

Planet

Handprint

All figures on this page are for BFI, Project Measurement's add-on company.

Project Measurement enables companies to optimise combustion processes and so minimise emissions.



Saved

Emissions reduced

Pollution Resources avoided



tCO₂ saved/year

Potential savings for all customers with flame monitoring systems.

	2024
Green sales (mSEK)	171
Growth of green sales compared to previous year (%)	N/A

NOx emissions in Europe 1990–2021

Reducing nitrogen oxides is essential to protect both ecosystems and human health. The graph above shows the trend in Europe of these emissions decreasing over time, which is largely due to precise measurement. Project Measurement accurately measures, amongst other things, NOx emissions thereby supporting clean air initiatives, regulatory compliance, and sustainable industrial practices.



Note: In (a), the right-hand axis shows values for '1A3bii - Road transport: Light duty vehicles' and '3Da1 -Inorganic N fertilisers (also includes urea application)'. Source: European Union emission inventory report 1990-2021

Footprint

Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	
Energy consumption (kWh)	
Renewable energy consumption (%)	
Water consumption (m ³)	
Hazardous waste produced (kg)	

Governance

	Completed 🧹
	In progress 🗸
Materiality analysis	
Risk management process	
Value chain mapping	V
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	V
Whistleblowing channel	
Management system	
Board accountability	

2024
278
30,898
56,800
100
259
0

People

lumber of employees



Safe Monitoring Group

Fund Alder II Ownership 62.8%

Acquired

2020

Turnover 2024 384.8 mSEK

Detection prevents harmful gas leaks

Gas emissions are more than just a risk to human health and safety; they are a significant environmental challenge. Greenhouse gas emissions, such as methane and carbon dioxide, contribute to climate change, while hazardous gases like ammonia and hydrogen sulphide pollute the air, acidify soil and water and threaten biodiversity.

Safe Monitoring Group (SMG) works to combat this by offering advanced gas detection and monitoring solutions designed for safety and sustainability. Combining innovative technology with precise analysis and reliable monitoring systems enables customers to detect and manage gas leaks swiftly and drive down their environmental impact.



Three acquisitions strengthen our position as a leader in gas detection



What were the highlights of 2024 for SMG?

This year has marked a significant chapter in Safe Monitoring Group's journey with three new acquisitions: MEMS AG, which specialises in advanced gas analysers; Confined Space Entry Tools GmbH, focusing on portable gas detectors; and Eurotron Instruments UK Ltd, which has strengthened our presence in the bio-gas and gas engine markets in the UK. These strategic additions reinforce our position as one of the leading groups of gas detector and analyser companies, supporting industries as they transition toward renewable energy and embrace safer practices.

On top of that, we introduced Glacier Micro, a compact gas detector for heat pumps. It's a product developed collaboratively by several of our companies to detect leaking refrigerant gases, which have a global warming potential. We're proud of its potential to support the widespread adoption of heat pumps across Europe.

What is the company's long-term sustainability vision?

Our vision centres on supporting the safe and efficient use of gases in critical areas like energy storage, biogas and refrigeration. While the world must electrify, we see gas playing an essential role in supporting the green transition, and our role is to help customers use it efficiently and safely - whether that's through detecting leaks, optimising processes or supporting the shift to greener alternatives like hydrogen and biogas.

We also believe in fostering collaboration across our group. By sharing resources and expertise between our companies, we aim to accelerate innovation and create solutions that have a genuine impact.

How do you contribute to reduced climate impact for your customers and society?

Our contributions can be grouped into three main areas: Leak detection to prevent harmful gas leakage, improving safety and reducing emissions; process optimisation, providing tools to enhance efficiency, from industrial processes to ventilation systems; and supporting gas blends, for example by helping industries measure and manage blends of hydrogen and biogas in natural gas networks.

What were your biggest challenges this year, and how were they addressed?

One of our biggest challenges was navigating rapid growth. Expanding from €4 million to €35 million in turnover in three years has required us to rethink our structures and processes. To address this, we created three new group functions - finance, operations, and R&D – to provide the backbone for strategic collaboration within the group. To support the commonalities, we have also implemented a group management system to align our thinking and ways of working where it creates value.

We faced significant disruptions in 2024, including a fire and a cyberattack at one of our production facilities. The resilience and dedication of our team were truly inspiring; everyone came together to ensure we could continue operations despite the setbacks.

Alexander Larsson CEO

Are there any global trends or shifts that have impacted the demand for your product/service positively or negatively?

We've been fortunate to see strong alignment with global trends. The shift from natural gas to blends of hydrogen and biogas has created significant interest in our solutions. Similarly, the transition from synthetic refrigerants to natural refrigerants like propane and CO₂ is driving demand for gas detection systems, especially in Europe and now increasingly in the U.S.

What are you looking forward to most for the company in 2025?

Looking ahead, we're excited to continue our growth trajectory. Our acquisition strategy has seen us add one company in the first year, two in the second and three in the third - so we're eager to see if we can keep that momentum going.

Another key goal is rolling out sustainability reporting and handprint assessments across all our companies. We've started this process, but the aim for 2025 is to quantify our positive impact more comprehensively and ensure it exceeds our footprint.

Planet

Handprint

SMG detects and manages gas leaks to drive down their customer's environmental impact.



	2024	2023	2022	2021	2020
Green sales (mSEK)	269	257	125	28.2	28
Growth of green sales compared to previous year (%)	5	105	345	1	_



tCO₂ saved 2024

By using SMG's applications, customers can save approximately this amount of CO₂ per year.

Footprint	SMG's figures fluctuate as new companies join the group and their operations evolve.				
	2024	2023	2022	2021	2020
Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	555	83	352	571	405
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	15,421	-	-	38,387	-
Energy consumption (kWh)	392,315	112,621	57,000	50,000	50,000
Renewable energy consumption (%)	56	81	-	-	-
Water consumption (m ³)	869	100	-	-	-
Hazardous waste produced (kg)	0	0	-	-	-

See graph for scope 1 & 2 on page 26.

Governance

	Completed 🧹
	In progress
Materiality analysis	
Risk management process	
Value chain mapping	
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	
Whistleblowing channel	
Management system	
Board accountability	

People





Scanacon

Fund Alder II Acquired 2018

Ownership **86.3%** Turnover 2024 148.3 mSEK

A unique approaction of the second and metal recycling

Industrial processes like pickling are essential for cleaning and refining metal surfaces, but they also pose significant environmental challenges. The acids used – such as nitric, sulfuric, and hydrofluoric acid – are effective but, if released, can lead to acidification of soil and water, release toxic heavy metals and threaten both ecosystems and human health.

Scanacon eliminates these risks through innovative acid and metal recycling, drastically reducing waste and chemicals, the need for lime and reducing landfill. This also reduces transport and energy outputs for customers. Scanacon helps its customers reduce their impact by closing the loop and optimising resources.



Scanacon





What were the highlights of 2024 for Scanacon?

One of the biggest highlights this year was a major project with a stainless steel producer in China. We installed an acid treatment system with remarkable positive environmental impacts – recycling over 5,000 tonnes of nitrates, 400 tonnes of waste to landfill and nearly 14,000 tonnes of CO₂ emissions annually.

This year, we've also seen a significant shift in how much we use sustainability arguments in our sales. This is a significant change because the discussion with our clients is moving from focusing predominantly on financial values and productivity increases to environmental impact. And that's coming from them – the demand is there and our expertise is increasingly highly valued.

We've introduced our new and groundbreaking metal recycling system to the market, which takes hazardous waste – metals, fluorides, and other materials – and recycles it into reusable resources, completely closing the loop.

What is the company's long-term sustainability vision?

Our vision is to grow the business significantly while providing exceptional economic and environmental value to our customers. A key part of this involves expanding our acid and metal recycling systems. These technologies help customers drastically reduce waste and emissions while improving the efficiency of their material use.

We are committed to being at the forefront of sustainable industrial processes. By replacing outdated, energyintensive methods like pyrolytic processes (where high temperatures are used to alter a material) with cleaner, chemical-based systems, we aim to set a new standard for sustainability in the steel industry.

How do you contribute to reduced climate impact for your customers and society?

Our technologies provide substantial environmental benefits by enabling our customers to minimise waste and emissions. For example, our acid treatment systems reduce hazardous landfill, nitrates, and CO₂ emissions at impressive scales.

The new metal recycling system is transformative, turning hundreds of tonnes of landfill materials into recyclable materials. This not only reduces our customers' environmental footprint but also provides economic value by allowing them to reuse or sell recovered materials, such as nickel and other precious metals.

What were your biggest challenges this year, and how were they addressed?

One of the main challenges has been navigating a difficult global economic climate, with some parts of the world having still not fully bounced back after COVID, making them more cautious about investing. Despite these challenges, we've had a record year in order intake, thanks to strong regulatory drivers and sustainability trends aligning with our offer.

Are there any global trends or shifts that have impacted the demand for your product/service positively or negatively?

The global push for sustainability and tighter environmental regulations creates greater demand for what we do. Companies are becoming much more aware of the need to ensure a sustainable supply chain, and our technologies provide a clear path for them to meet their goals and comply with new standards.

Karl Holmqvist CEO

What are you looking forward to most for the company in 2025?

In the coming year, we'll be rolling out our metal recycling system, which I have high hopes for. I've worked in the industrial equipment sector for almost 25 years and have never seen a case with such a clear customer value.

Many years of effort are now coming together, making the outlook for the year ahead very positive and exciting.

Planet

Handprint

Scanacon delivers acid and metal recycling, reducing waste, and chemicals and reducing landfill.



	2024	2023	2022	2021	2020	2019
Green sales (mSEK)	148	143	159	100	111	156
Growth of green sales compared to previous year (%)	3	-10	59	-10	-29	-

18,386

tCO₂ saved 2024 through waste handling



tonnes of landfill avoided



tonnes of reduced nitrate discharge

.

Footprint						
	2024	2023	2022	2021	2020	2019
Scope 1 & 2 emissions	169	153	317	160	477	340
(kgCO ₂ e/mSEK turnover)						
Scope 3 emissions	24,103	-	-	4,060	-	_
(kgCO ₂ e/mSEK turnover)						
Energy consumption (kWh)	200,882	143,891	162,000	87,000	96,000	84,000
Renewable energy consumption (%)	80	75	-	-	-	-
Water consumption (m ³)	370	370	-	-	-	-
Hazardous waste produced (kg)	0	0	-	-	-	-

See graph for scope 1 & 2 on page 26.

Governance

	Completed 🤘
	In progress
Materiality analysis	~
Risk management process	
Value chain mapping	
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	
Whistleblowing channel	
Management system	
Board accountability	

People

umber of employees



Sustainable Intelligence

Fund Alder II Ownership **48.0**%

Acquired

2021

Turnover 2024 832.0 mSEK

Automating energy efficiency in buildings

According to the World Economic Forum, buildings account for nearly 40% of global energy consumption, placing immense pressure on the construction and property sectors to reduce their carbon footprint. Outdated systems and inefficient energy management not only waste energy but contribute to greenhouse gas emissions, accelerating climate change, increasing operating expenses, and weakening the resilience of urban communities.

SI works to transform this narrative using advanced property automation and AI-driven solutions to create smarter, more efficient buildings. Their systems optimise energy consumption, enhance performance and reduce waste – ensuring properties meet regulatory demands and set new standards for sustainability.

AI DER



A year of expansion and consolidation



What were the highlights of 2024 for SI?

This year has been incredibly busy and rewarding. One milestone was our entry into the Norwegian market with a significant acquisition. The company we partnered with has been around since 1998 and has built a strong reputation for its innovative software solutions. Their local roots, combined with development capabilities, make them a perfect fit for our group.

We've also taken a big step in consolidating our software and subscription services. This enables us to offer and market a unified package from all our subsidiaries under the SI brand.

What is the company's long-term sustainability vision?

Our vision is to be a trusted partner for our customers in their green transition. We've built decades of expertise in making buildings more energy-efficient using proven automation tools and technologies.

We aim to guide property owners and developers to make informed decisions that lead to immediate energy savings and long-term sustainability. By doing so, we strive to close the gap in meeting climate targets.

How do you contribute to reduced climate impact for your customers and society?

Our primary contribution is helping customers reduce energy consumption in buildings through automation and optimisation. By implementing proven systems and continuously monitoring them, we can achieve up to 30% energy savings in the first phase alone. When we add emerging technologies like AI to the mix, the savings can increase by another 10-12%.

One standout success story this year involved two nearly identical buildings where the owner contracted SI to optimise energy use in one. Using the other building as a comparison, we can see that our solution can reduce energy consumption by 30%. These results demonstrate the significant impact our solutions can have on energy efficiency and climate goals.

We also help customers save money by buying energy at the optimal times, which allows them to reinvest in further improvements like window upgrades or insulation.

What were your biggest challenges this year, and how were they addressed?

The global economic environment posed challenges, particularly with high interest rates and inflation affecting property owners and the construction market. However, this also brought opportunities as more customers focused on renovations and improvements to increase their energy efficiency classification.

Are there any global trends or shifts that have impacted the demand for your product/service positively or negatively?

The global push for sustainability and tighter environmental regulations like the Energy Performance of Buildings Directive (EPBD) and Corporate Sustainability Reporting Directive (CSRD) have positively impacted demand for our solutions. These regulations push property owners to improve energy efficiency, making our offerings even more essential.

The broader push for green financing has also increased opportunities for energy-saving projects. Conversely, supply chain vulnerabilities and economic uncertainties have required us to consider long-term risk management and adaptability carefully.

Mikael Norlander CEO

What are you looking forward to most for the company in 2025?

In 2025, we will focus on intensifying our efforts to help customers meet new regulations, improve energy efficiency and free up capital in the long run. One exciting area is integrating data from multiple systems to provide actionable insights. Many customers are overwhelmed by the sheer amount of data generated today, so our role will be to streamline and simplify this for better decisionmaking.

We're also continuing to innovate with AI and other technologies to further optimise building operations together with our proven tools. With our ongoing expansion and improved organisational structure, these developments make the year ahead look promising.

Planet

Handprint

SI's systems optimise energy consumption in the construction sector by enhancing performance and reducing energy waste.



Emissions reduced

	2024	2023	2022	2021	2020
Green sales (mSEK)	832	595	388	251	251
Growth of green sales compared to previous year (%)	40	53	55	0	_



tCO₂ saved 2024

The CO₂ emissions SI's customers have saved by using their solutions.



kWh saved/m²

The properties SI manages are 32% more energy efficient than the average in Sweden (according to Boverket). The average consumption for premises is 106kWh/m², while for SI the average consumption is 72kWh/m².

Footprint					
	2024	2023	2022	2021	2020
Scope 1 & 2 emissions (kgCO ₂ e/mSEK turnover)	122	160	376	295	591
Scope 3 emissions (kgCO ₂ e/mSEK turnover)	21,652	-	-	11,365	-
Energy consumption (kWh)	420,158	543,887	328,000	213,000	
Renewable energy consumption (%)	85	72	-	-	_
Water consumption (m³)	700	1,016	-	-	_
Hazardous waste produced (kg)	0	5,467	-	-	-

See graph for scope 1 & 2 on page 26.

Governance

	Completed 🧹
	In progress 🗸
Materiality analysis	
Risk management process	
Value chain mapping	
Sustainability policy	
Code of Conduct	
Supply chain risk assessment	
Whistleblowing channel	
Management system	
Board accountability	

People

mber of employees





Enhancing our impact assessment process

We have strengthened our impact assessment and ESG due diligence by integrating new tools and streamlining processes. This enables earlier identification of opportunities, more efficient comparisons, and stronger support for a green growth strategy.

Impact Assessment Process

Aligned with the Alder Impact Framework, our structured process ensures investments contribute to long-term sustainability:

1. Preliminary assessment

- · Identify ESG themes and sector impact potential
- Formulate key impact KPIs and due diligence questions

2. Company-level assessment

- Conduct research, site visits and interviews
- Use an ESG due diligence questionnaire for add-ons and document findings

3. Sectoral and market research

- · Analyse industry trends, environmental risks and best practices
- Benchmark against industry leaders and identify emerging technologies

4. Final impact assessment

- Integrate insights, align with the Alder Framework's key impact objectives and consolidate sustainability KPIs
- · Present findings for investment decision-making

Impact Assessment Tool

Our Excel-based tool evaluates potential investments across key sustainability areas, including:

- Environmental impact: Emissions reduction, resource efficiency, circular economy potential and biodiversity impact
- Customer value: Cost savings, regulatory compliance advantages and market demand for sustainable solutions
- Operational improvements: Energy efficiency, waste reduction and sustainability integration in supply chains
- Regulatory alignment: Compliance with the Alder Impact Framework, EU Taxonomy and other relevant environmental standards

Appendix 2

Material sustainability topics

Stakeholders	С
	m
When assessing material topics, we consider the	re
following stakeholders:	te
Investors	m
Portfolio company boards	ex
Portfolio company employees	
 Regulators and policymakers 	0
 Customers of portfolio companies 	te
	a
	in
Process and topics	01
•	Ca

We have engaged our stakeholders through interviews and an external workshop. We have researched and benchmarked, allowing us to identify three sustainability priorities for Alder: climate change, resource scarcity and biodiversity. These areas are where we can create impact and value for our stakeholders while supporting our longterm strategy by guiding our investments and helping our portfolio companies grow.

Value to stakeholder

Very Important

Stakeholder expectations

- Sustainable investment leadership
- · Top rated for financial & EU standards
- Good governance

Building trust

- Code of conduct
- Transparency
- Supplier control
- Management systems
- · Whistleblowing system

Important

limate change covers the energy transition, climate nitigation and climate adaptation. Resource scarcity efers to the natural capital that our companies ultimaely depend on, including energy, water, nature-derived naterials and land. We identified biodiversity for further xploration and focus in the coming years.

Our enabling sustainability topics are: building compeence, diversity in teams and strategic communications across our portfolio companies' value chains. We are ncreasingly focused on understanding the sectors where our companies make their impact. This sector analysis can be seen in the Alder Impact Framework on page X.

Creating most value

- Climate change
- Resource scarcity
- Biodiversity

Enables strategy

- Building competence
- Diversity in teams
- Strategic communication

Very Important

Value to strategy

PAI Indicators

The SFDR requires financial market participants and financial advisers to publish a Principal Adverse Impact (PAI) statement on their website. Alder complies with this.

PAI refers to any consequence of investment decisions that have a negative impact on the environment, people, society or employees and compromise their sustainability.

Alder considers the principle adverse impacts of its investment decisions on sustainability factors a central part of its extensive investment due diligence process.





1 GHG emissions	1 Scope 1 995 357 639 tonnes CO ₂ e	1 Scope 2 78 69 9 tonnes CO ₂ e	1 Scope 3 19,581 14,939 4,642 tonnes CO ₂ e	1 Total 20,654 15,365 5,290 tonnes CO ₂ e
2 Carbon footprint 14 15 13 tonnes CO ₂ e/mSEK invested	3 GHG intensity of investee companies 91 73 18 tonnes CO ₂ e/ mSEK revenue invested	4 Exposure of companies active in fossil fuel sector 6 0 18 % share	5 Non-renewable energy consumption 28 32 32 % of total	6 Energy intensity of investee companies 0.12 0.02 0.1 GWh/mSEK invested
 7 Activities negatively affecting biodiversity 0 0 0 % sensitive areas 	8 Emissions to water 0.05 0 0.05 tonnes/mSEK invested	9 Hazardous waste 29 0 29 tonnes/mSEK invested	6 Additional 59 7 206 m³/mSEK revenue	Social
10 Violations 0 0 0 %	11 Lack of compliance mechanisms 78 45 58 %	12 Unadjusted gender pay-gap 28 34 6 % difference	13 Board gender diversity 12 9 17 % women	14 Exposure to controversial weapons 0 0 0 %
Additional 2 Rate of accidents 4,230 1,927 2,303 accidents per 100,000FTE	Additional 3 Number of days lost to sick Leave, injuries etc. 5,649 4,746 903 workdays	Additional 4 Lack of supplier code of conduct 61 61 58 % share	Additional 6 Insufficient whistle blower protection 12 0 50 % share	Additional 15 Lack of anti-corrup- tion and anti-bribery policies 9 0 25 % share

Appendix 4

Alder EU Taxonomy results 2024

The EU Taxonomy is a classification system to help companies and investors identify economic activities that make a significant contribution to at least one of the EU's six climate and environmental objectives without harming others and while complying with social safeguards.

Alder's environmentally focused investment strategy, and the structured development journey for portfolio companies, called The Alder Way, both predate the EU Taxonomy legislation.

We support the EU Taxonomy and recognise that its focus does not directly align with Alder's investments. Our investments are in companies that develop and deliver products and services at the core of industrial value chains. For this reason, we developed the Alder Impact Framework (see page 17), which allows us to use the EU Taxonomy criteria when appropriate but also look more closely at different sectors and the innovations needed to create sustainable value chains.

In 2024, Alder developed a Climate Assessment process to help portfolio companies map risks and opportunities (see appendix 6). By year-end, three portfolio companies completed assessments, leading to them being fully aligned with the EU Taxonomy with all or a high percentage of their economic activities. Four others are eligible and finalising assessments and metrics.

The table below shows the percentage of Alder investments that can be disclosed as aligned with the EU Taxonomy.







Climate Change Mitigation

Climate Change Adaptation

Circular Economy

The six EU Taxonomy focus areas

Eligible vs aligned activities

An eligible activity is an economic activity that is described and has technical screening criteria set out in the Taxonomy. These have been identified by the EU as having the greatest impact on the six objectives of the Taxonomy.

Once identified as eligible and to be considered aligned, an activity must meet all the criteria outlined in the Taxonomy regarding technical screening (TSC), do-no-significant-harm (DNSH) in relation to the other environmental objectives and comply with minimum social safeguards as described in the Taxonomy.

A comparison showing how companies align with the EU Taxonomy and the Alder Impact Framework can be seen on the following page.



Pollution



Ecosystem & Biodiversity



Marine Resources & Fresh Water

Alder EU Taxonomy Overview, 2024

Company name	3nine	ABI	Project Mossurement	Briab	EMG	EWG	Insort	Microbas	Scanacon	SI	SMG
			Measurement								
Company turnover (MSEK)	104.9	237	171.2	151.7	116	127.9	236.6	58.3	148.3	832.0	384.8
% of total turnover eligible according to the EU Taxonomy	0	100	0	65	0	92	0	7	100	94	0
% of total turnover aligned according to the EU Taxonomy						95			100	94	
% Eligible of Alder's funds	'					43					
% Aligned of Alder's funds						27					

Results per company

	а	b	с	d	е	f	g	h	j	k		m	n	0	р	q	r	S	t	U	v	w	x	У	Z
			Clir	c d e f Climate Change Mitigation (CCM) Of which assets covered by the EU Taxonomy (%) (Taxonomy-eligible) 1 Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned) 1 Of which linked to activities aligned with the EU Taxonomy (%) 1 Of which here EU Taxonomy (%) 0 Of which linked to activities aligned with the EU Taxonomy (%) 1 V(M) 0 1 V(M) 0 1 V(M) 1 1 49% 30% 1	Climate Change Adaptation (CCA)		daptation	ation Water and I		nd Marine Resources (WTR)		Circular Economy (CE)		Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			+ WTR))		
	Total (Million	Of which		Of whic by the l (Taxc Of wh	th assets cov EU Taxonomy nomy-eligibl	ered / (%) e)	Of v by t (T	which assets he EU Taxon axonomy-e	s covered nomy (%) ligible) linked to	Of v by t (⁻	which asset he EU Taxo Taxonomy-e Of which	s covered nomy (%) eligible)	Of by (which asset the EU Taxo Taxonomy-e Of which	s covered nomy (%) eligible)	Of by (which asset the EU Taxo (Taxonomy-e Of which	ts covered pnomy (%) eligible)	Of by	f which asse the EU Taxe (Taxonomy-	ets covered onomy (%) eligible)	-	Of wh by the (Ta	iich assets co e EU Taxonor xonomy-eligi hich linked to	overed ny (%) ble)
	EUR)	the KPI (Million EUR)		Of which linked to activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)			activities a the EU Tax (Taxonom	ligned with conomy (%) y-aligned)		activities aligned with the EU Taxonomy (%) (Taxonomy-aligned)			activities a the EU Tax (Taxonom	aligned with xonomy (%) ny-aligned)		activities a the EU Tax (Taxonom	ligned with conomy (%) y-aligned)		activities a the EU Tax (Taxonom	aligned with xonomy (%) ny-aligned)		tł (aligned w ne EU Taxono Taxonomy-a	ith omy (%) ligned)	
					Of which transitional (%)	Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which enabling (%)			Of which transitional (%)	Of which enabling (%)
Total assets invested under investment firms' activities dealing on own account (as per Section A of Annex I of Directive 2014/65/EU)	223,6		49%	30%		18%							5%		1%	1%	1%					56%	31%		19%
Of which: on own behalf			50%	31%		18%							5%		1%	1%	1%					56%	32%		19%
Of which: on behalf of clients	0	0	0	0	0	0	0	0	0	0	0		0	0	0	0	0	0	0	0	0	0	0	0	0

KPI IF – Dealing on own account services

How the Alder Impact Framework builds on the EU Taxonomy

		Aligned Eligible								 Yes TBD Partial 								 Primary delivery Secondary activity 										
Company	Alder Theme		Т	Taxonomy	/ Objecti	ve				Th	e Alder V	Vay					Alder Impact Framework Objective											
		Climate Mitigation	Climate Adaptation	Pollution prevention	Water: Fresh and Marine	Biodiversity	Circular Economy	% Eligible	Impact Metrics	Climate Assessment	PAI or DNSH metrics	Social / governance compliance	GHG Scope 1, 2 & 3	🔬 Aligned with Taxomony	% Aligned with Alder Framework	Emissions Reduced	Resources Saved	Circular materials	Landfill avoided	Pollutants avoided	Ecosystems Preserved	Water Protected	Climate Resilience	% Green sales				
SI	Building efficiency	94						94						YES	100									100				
EWG	Natural resources			22.8			69	92						YES	100									98				
Scanacon	Sustainable industry	100						100						YES	100									100				
AB Inventech	Intelligent infrastructure	100						100							90									100				
EMG	Intelligent infrastructure							0							90									100				
Microbas	Sustainable industry	7						7							60									50				
SMG	Natural resources							0							90									70				
Briab	Building efficiency	50					15	65							90									65				
Insort	Natural resources							0							95									93				
3Nine	Natural resources							0							80									100				
Flamonitec	Natural resources							0							60									100				



Sustainable Development Goals

In 2015, world leaders adopted the 17 Sustainable Development Goals (SDGs) at a historic UN summit in Paris. Countries, businesses and organisations can use them as a guide to meet the objectives of ending poverty, fighting inequalities and tackling climate change.

The table below shows which SDGs each company is working towards and the numbers in the table refer to the specific SDG targets they align with.

	2 ZERO HUMGER	3 GOOD HEALTH AND WELL-BEING	6 CLEAN WATER AND SAMUATION	7 AFFERDARIE AND CLEAR EXERCY	9 MOUSTRY, INNOVATION AND INFRUSTRUCTURE		12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 rlimate
AB Inventech				7				13.1
Briab							12.2 12,5 12.6	13.1
EcoMobility						11.6	12.6	13.3
EWG			6.3			11.6	12.4 12.5	
Insort	2.4					11.6	12.3 12.5	
SMG		3.9						13.2
Scanacon		3.9					12.4 12.5	13.2
SI		3.9		7.3				13.2
3nine		3.9					12.5	13.2
Project Measurement				7.3				13.2
Microbas					9.4			13.2

Climate-related financial risks

The Task Force on Climate-Related Financial Disclosures (TCFD) is a framework to help companies disclose climaterelated risks and opportunities. Alder has integrated a climate-adaptation module into the Alder Way, developed during 2024, called the Climate Assessment. All portfolio companies will be expected to have completed their baseline Climate Assessment, identifying the principle climate risks and opportunities in their value chains, within two years of ownership.

Climate assessments

Climate assessments are increasingly important to help small companies navigate future market conditions and comply with evolving EU regulations. These assessments help businesses identify risks such as supply chain disruptions, energy price volatility and regulatory challenges while revealing opportunities for innovation and competitive advantage.

During 2024, all Alder Fund Managers joined a training session on the climate assessment process to inform their role as representatives on the portfolio company boards. Portfolio company CEOs must now carry out a full climate assessment within two years of ownership. So far, six portfolio companies have performed climate assessments. Others are in the planning phase.

The portfolio companies that have performed climate assessments are already seeing benefits. The results demonstrate that even small companies can turn potential risks into strategic opportunities through proactive climate analysis.



The Climate Assessment process, which Alder portfolio companies are guided to complete, serves multiple compliance purposes, including the EU Taxonomy, SFDR, TCFD and the Alder Due Diligence process. However, its primary goal is to equip company leadership with the latest insights on climate change impacts and to foster a strategic approach to managing risks and capturing future market opportunities.

The TCFD remains useful for Alder, and the following is a summary of the risk and opportunity assessment for 2024.

Key insights:

• Workshop Format: The climate assessment workshop generates dynamic conversation and works best when more function leads are present, from procurement to marketing.

• Supplier Information: More data is needed from suppliers on how physical and transitional risks may affect medium-term supply.

• In-House Expertise: Building internal climate adaptation expertise will be crucial for product development and customer support.

· Market and Regulatory Trends: Staying ahead of competitors will be essential to anticipate new legislation and evolving market dynamics.

Risk analysis results

Our first review was conducted in 2019, updated in 2022, and partially update in 2024, as it has become part of the Alder Way.

Area	Relevant risk	Relevant opportunity	Result	Meas
Policy & legal	Increasing operational costs due to the rising price of emitting GHG. Change in regulation on products and services to penalise or ban high emitters.	Energy efficiency and control of emissions will face increasing demand for solutions. Market regulation favours innovative actors delivering solution throughout value chains.		Alder report ted po suppl
Technology	Innovative market entrants will compete with lower-emissions alternatives to existing products and services or lower-cost solutions. R&D costs in new and alternate technologies.	Alder technologies are already at the forefront and anticipate increasing demand.		Alder busin in the
Market	Awareness of the need to respond to climate change increases demand and costs for low-carbon raw materials and energy. The costs of transport and any remaining embedded carbon in the supply chain also increase.			Alder chain
Reputation	Companies not clearly part of climate solutions may miss out on opportunities or not be associated with the "green economy". Any products that are not consistent with a strong climate-friendly identity may risk confusion or even cause brand dissonance.	Companies clearly positioning themselves and their products and services will be rewarded as the economy shifts increasingly to climate solutions.		Throu marke produ
Acute Physical Increased severity of extreme weather events such as storms and floods, including wildfires.	Reduced revenue from decreased production capacity (e.g. transport difficulties, supply chain interruptions).	Working conditions become more challenging, smart products that improve the capacity to measure the status of equipment or real estate will be increasingly needed.		Alder for vu
Chronic Physical Changes in Precipitation patterns and extreme variability in weather patterns, rising mean tem- peratures and rising sea levels.	Weather events and changes such as rising temperatures and sea levels may impact value chains in the short and long term, for example, due to workforce health issues, suppliers or transport solutions impacted by such risks. It is likely that, especially in a warmer scenario, value chain disruptions will become more frequent in the coming years.	As weather becomes more unpredictable, smart products that improve the capacity to measure the status of equipment or real estate will be increasingly needed.		Alder chain and c



ures taken

r portfolio companies are working to increase their capacity to rt on the benefits they provide to customers related to expecpolicy impacts and to reduce exposure to any elements in their ply chains that will not benefit from future policy.

r portfolio companies are sharpening their climate-related ness environment analyses to ensure that they remain leaders eir sectors.

r encourages its portfolio companies to explore their supply ns to identify risks of this nature.

ugh the work with Alder, portfolio companies work on their ket messaging and ensure that their metrics identify those ucts that might not match this market position.

r encourages portfolio companies to assess their supply chains ulnerabilities related to extreme weather.

r encourages its portfolio companies to assess their supply ns for vulnerabilities related to changes in weather patterns, climate changes such as rising temperatures and sea levels.

Alder disclosure on climate-related risks and opportunities (following the TCFD framework)

Key questions	Metrics & indicators	Alder's Approach	Targets & commitments
Governance Does Alder's governance enable oversight, assessment and management of climate risks and opportunities?	 % of portfolio companies with climate governance structures. % of board meetings addressing climate risks. 	 Climate-related risks and opportunities are integrated into investment decision-making. Alder's board representatives actively engage with port- folio companies on climate strategy. In 2024, Alder's board representative and company chair led climate assessment planning. 	 100% of portfolio companies to have climate governance structure within two years of investment.
Strategy Does Alder align its business strategy and financial planning with climate risks and oppor- tunities?	 % of assets, investments and financing aligned with climate opportunities. % of portfolio companies integrating climate risk assessments in financial planning. Greenhouse gas (GHG) emissions across scope 1, 2 and 3. Carbon footprint per € invested. % of portfolio companies setting climate-related KPIs. 	 Focus on four key investment themes, each of which contribute to addressing climate change from different angles: Climate impact considered in all investment decisions. ESG due diligence evaluates risk. Alder tracks emissions at both firm and portfolio levels. Portfolio companies are required to disclose GHG emissions and climate risks. 	 100% of investments aligned with climate-positive opportunities. Every new investment undergoes ESG due diligence, including climate risk evaluation. 50% reduction in scope 1 & 2 emissions within five years of ownership. 15% reduction in scope 3 emissions within five years of ownership.
Risk management How does Alder assess and manage exposure to climate risks?	 % of portfolio companies that have conducted a Climate Risk Assessment. % of companies implementing risk mitigation strategies. 	 Climate-related financial risks assessed for each portfolio company, covering transition risks (e.g., regula- tory changes, carbon pricing) and physical risks (e.g., extreme weather events). ESG due diligence identifies climate risks at investment entry. 	 100% of portfolio companies to conduct a Climate Risk Assessment within two years of ownership.

Appendix 7

Upcoming regulations

The EU's upcoming Omnibus legislation, part of the European Green Deal, aims to simplify and streamline existing sustainability regulations, including the CSRD, CS3D, and the EU Taxonomy. Scheduled for release in 2025, the initiative seeks to reduce administrative burdens on businesses while maintaining climate and environmental objectives.

Alder will not be significantly affected by these changes and will continue its highly ambitious goals to invest in companies that have the potential to transform their value chains and ensure that their operations maximise their positive contribution to sustainability and minimise any negative impacts, regardless.



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