

Report



IK GHG Report

2021

ik

Executive Summary

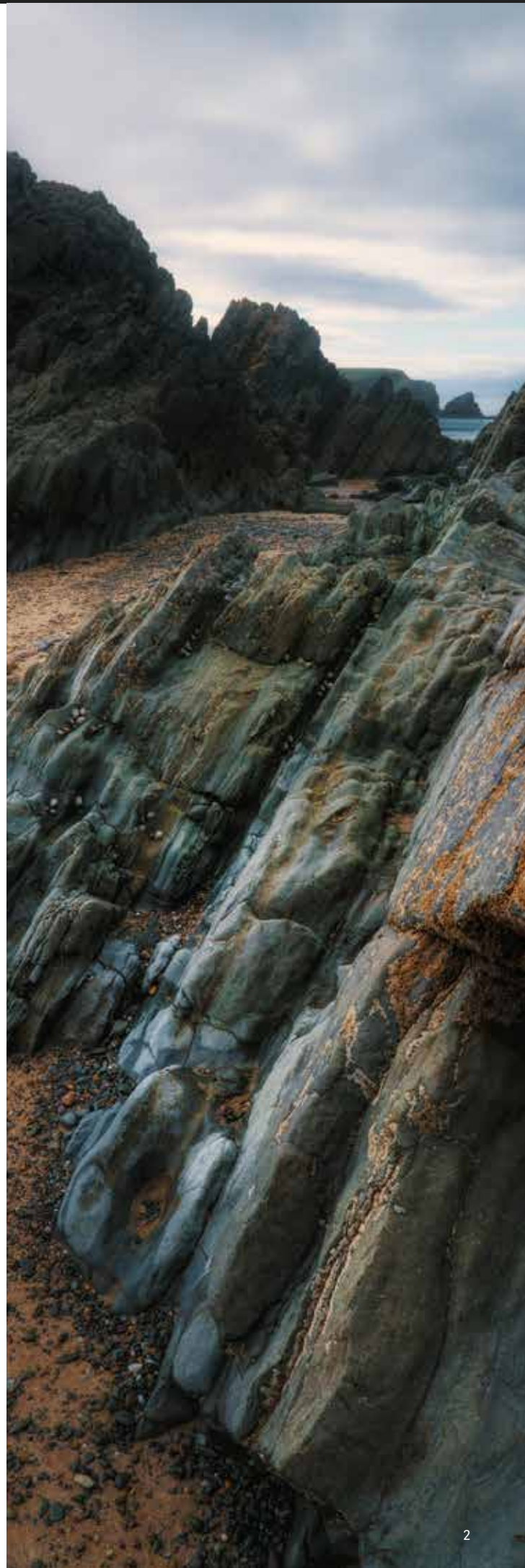
IK Partners (“IK”) is committed to annually measure, reduce and communicate its operational greenhouse gas (“GHG”) emissions, as part of its commitment to address climate change. Our GHG Report provides insight into the annual carbon footprint of IK’s own operations, which is expressed in CO₂ equivalent (“CO₂e”).

IK is committed to continually improving the data collection processes and our carbon footprint calculation methodology to improve the accuracy and this explains why some of the figures in this year’s report vary from those reported previous years. This reporting year, following the GHG Initiative Protocol (GHG Protocol), the revised methodology also includes Scope 3 emissions from procurement of paper and accounts for production and transportation of paper we use at IK throughout the year.

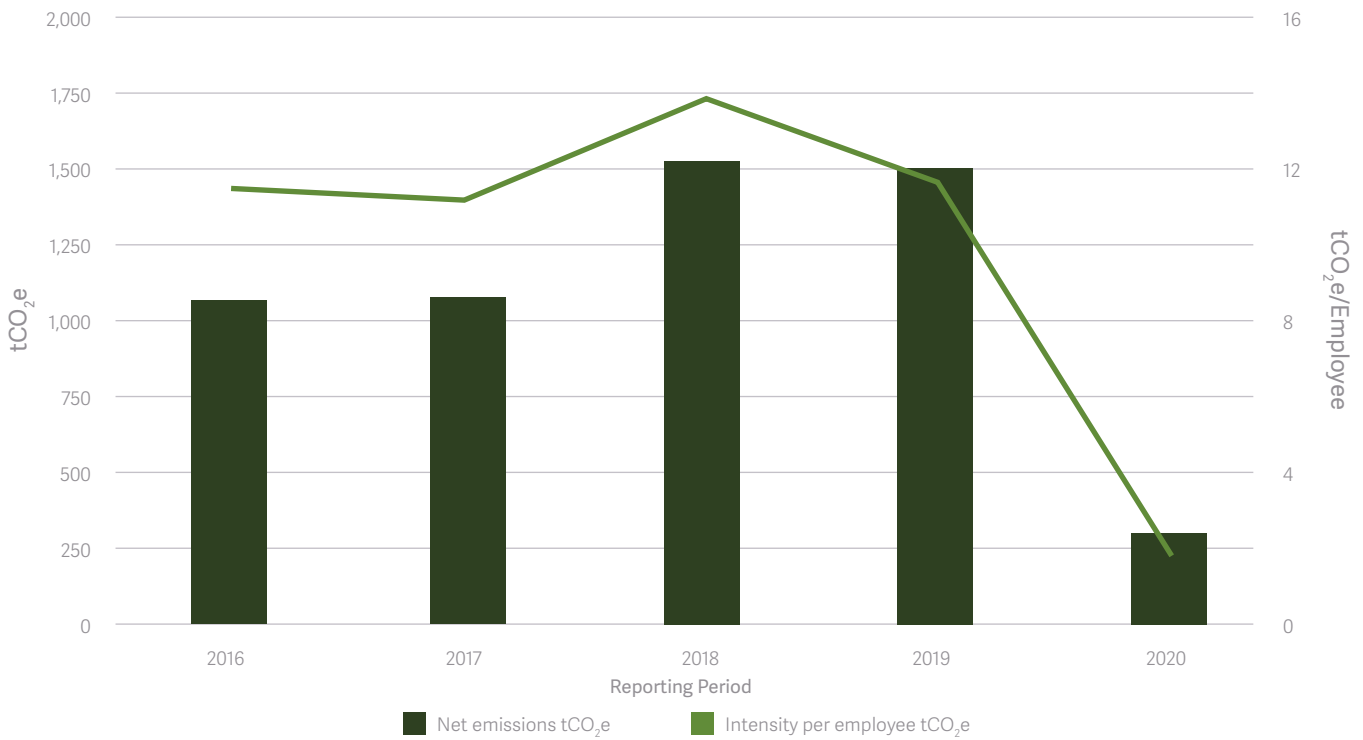
This report focuses on Scope 2 and Scope 3 emissions, by measuring emissions from electricity consumption, business travel activities, procurement of paper and waste disposal across IK’s London, Paris, Hamburg, Amsterdam, Luxembourg and Copenhagen offices. As before, Scope 1 emissions were not identified and therefore not reported.

Given that the lockdown and travel restrictions had a major impact on IK’s carbon footprint limiting our ability to travel and resulting in a significant fall of emissions, it still remained the biggest emission factor for IK. Therefore, results from this reporting year do not reflect IK’s business-as-usual operations.

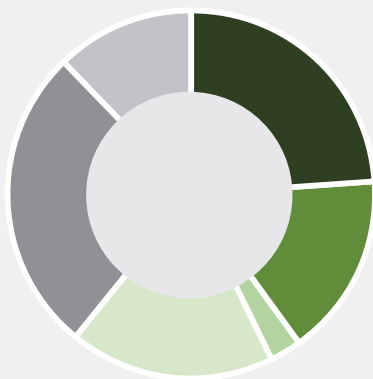
GHG emissions emitted from operations and activities of portfolio companies in the IK funds were not calculated and therefore not reported. Climate change and environmental impact are considered key focus areas for our portfolio companies and a number of IK portfolio companies already measure and reduce GHG emissions independently. In 2021, our Firm has taken steps to launch a project aimed at supporting portfolio companies to calculate and report GHG emissions emitted from their operations and activities in the upcoming years.



Our GHG Emissions

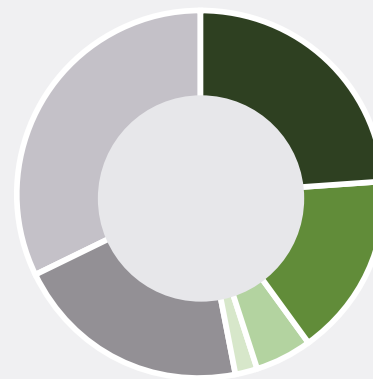


Geographical Analysis



Scope 2
Emissions in tCO₂e per IK Office

- London 24%
- Copenhagen 16%
- Amsterdam 3%
- Luxembourg 18%
- Stockholm N/A
- Paris 27%
- Hamburg 12%



Scope 3
Emissions in tCO₂e per IK Office

- London 24%
- Copenhagen 16%
- Amsterdam 5%
- Luxembourg 1%
- Stockholm N/A
- Paris 22%
- Hamburg 32%

Performance Summary

This report covers the period from 1 January 2020 to 31 December 2020. The calculations are based on available activity data obtained from IK offices and current suppliers; some data was not available for every office. The baseline year for the purpose of measuring carbon footprint progress is FY16 (1 January 2016 to 31 December 2016).

In 2020, IK's GHG emissions totalled 303 tonnes of CO₂e ("tCO₂e"), where 74% of total emissions come from air business travel in Scope 3. Overall, there was a 80% decrease in total GHG emissions from 2019 and 71% compared to 2016 baseline. The emissions intensity per full-time employee was only 2.2 tCO₂e, which is a reduction by 82% compared to 2019 and 81% to 2016 respectively. The results reflect a dramatic fall in business travel activities due to the pandemic and additionally an increased number of employees as IK continues to grow.

GHG emissions generated from IK's offices – where data is missing for Stockholm office - electricity consumption totalled 60.36 tCO₂e, which is an

increase from the previous year by 11%, given that information for more offices was available this reporting period, with no further activity data identified in Scope 2. GHG emissions generated from IK's business travel, paper use and waste disposal totalled 243 tCO₂e which is a 83% fall compared to 2019 and 77% compared to 2016, with no further activity data identified in Scope 3. Business travel is an unavoidable part of IK business and air travel accounts for 93% of business travel emissions.

As previously mentioned, the reported findings are not a good representation of IK's business-as-usual GHG emissions due to the pandemic. Firstly, in Scope 2 electricity consumption for employees working from home was not considered, as based on location, different lockdown regulations applied and data was not available to track and account for every individual. Secondly, due to the pandemic, in Scope 3 our business travel activities, which form the biggest share of IK's GHG emissions, fell dramatically which resulted in significantly lower emissions in the reporting year.

Environmental Statistics

	2020	2019	2018	2017	2016
Electricity Consumption (kWh)	258,618.42	213,351.33	216,783.83	53,931.05	-
Passenger Business Travel (km)	1,311,065.93	3,705,922.01	3,693,106.00	2,663,364.14	2,741,861.00
Air	1,105,804.18	3,571,288.27	3,587,305.00	2,586,962.00	2,641,354.00
Rail	130,922.42	62,709.70	58,249.00	49,453.13	68,764.00
Taxi	74,269.33	71,924.04	47,552.00	26,949.00	31,743.00
Paper Usage (t)	2.13	8.25	2.44	5.10	3.35
Number of Employees	139	126	108	93	90

Greenhouse Gas Emissions Footprint

	2020	%	% YoY	2019	2018	2017	2016
Scope 2							
Electricity Consumption (tCO ₂ e)	60.36	100%		54.53	61.37	18.96	-
TOTAL Scope 2	60.36	19.91%	10.7%	54.53	61.37	18.96	-
Scope 3							
Business Travel (tCO₂e)	241.23	79.56%	-83.3%	1,445.42	1,464.10	1,040.20	1,056.30
Air	224.79	93%	-84%	1,433.84	1,456.10	1,035.40	1,050.30
Rail	1.76	1%	376%	0.37	0.70	0.60	0.80
Taxi	14.68	6%	31%	11.21	7.30	4.20	5.20
Purchased Goods (tCO₂e)	1.57	0.52%	-74.2%	6.10	1.80	3.77	2.48
Paper Usage	1.57	100%		6.10	1.80	3.77	2.48
Waste Disposal (tCO₂e)	0.05	0.01%	-74.2%	0.18	0.05	0.11	0.07
Paper Usage	0.05	100%		0.18	0.05	0.11	0.07
TOTAL Scope 3	242.85	80.09%	-83.3%	1,451.70	1,465.95	1,044.08	1,058.85
TOTAL Scope 2 & Scope 3	303.22	100%	-79.9%	1,506.23	1,527.32	1,063.04	1,058.85
TOTAL PER EMPLOYEE	2.18	100%	-81.8%	11.95	14.14	11.43	11.76

Methodology Overview

Following the GHG Protocol, IK measures GHG emissions of own operations across its offices in London, Paris, Stockholm, Hamburg, Amsterdam, Luxembourg and Copenhagen. The GHG protocol framework divides emissions into three scopes: direct emissions from company's own facilities and transport are in Scope 1; indirect emissions from grid energy consumed are included in Scope 2; and all other indirect upstream and downstream activities are in Scope 3.

IK reports on Scopes 2 and 3 emissions, generated from purchased electricity, business travel, purchased paper and waste disposal.

For Scope 2 and selected Scope 3 emissions, IK follows the most common approach to calculating

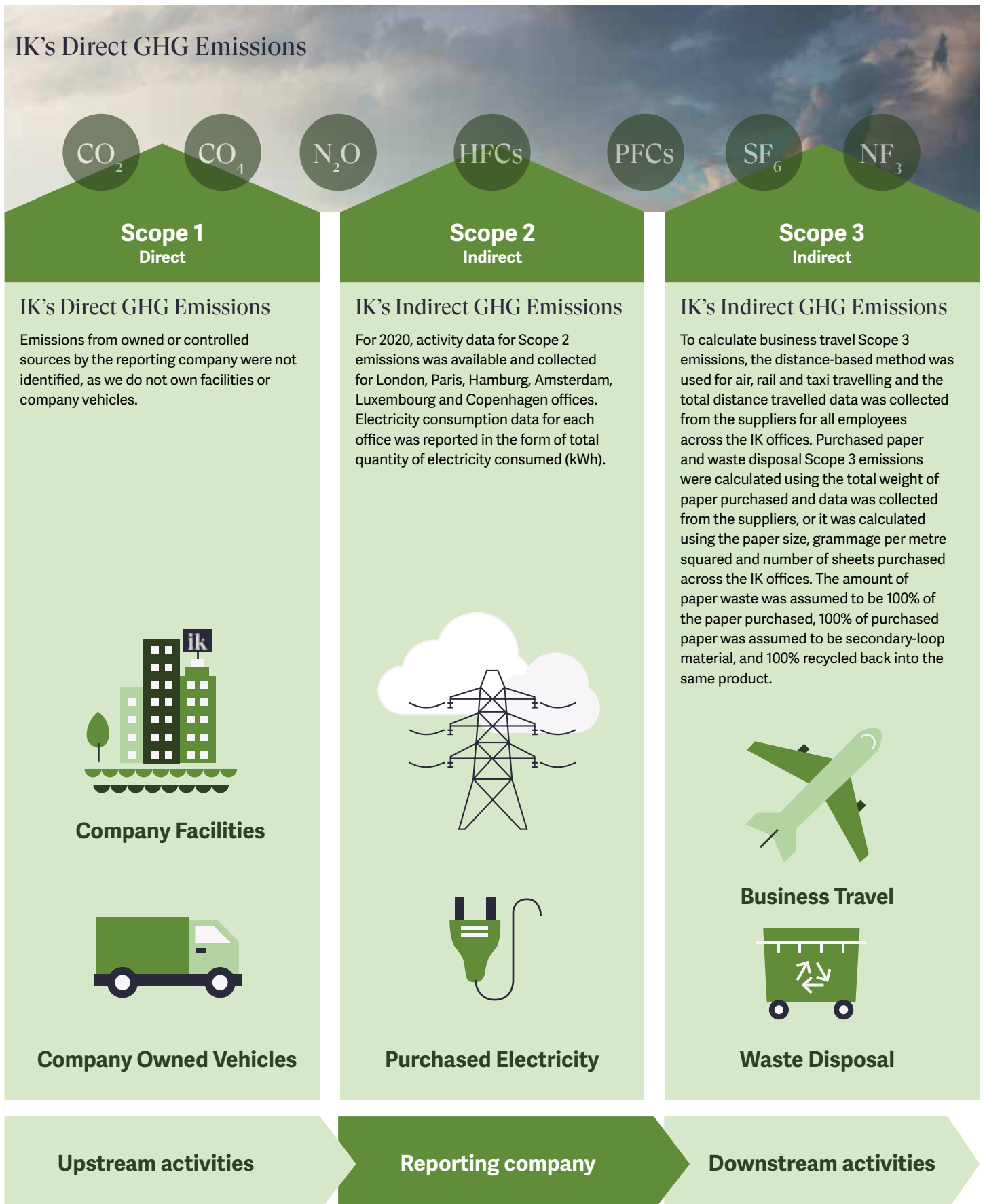
GHG emissions from emissions sources, which is to take activity data and multiply it by an emission factor for each emission source to convert data to the GHG emissions figure ($tCO_2e = \text{Activity Data} \times \text{Emission Factor}$).

Activity data is obtained or provided by the suppliers through purchase records and direct monitoring from energy consumption in IK's value chain.

Emission factors for electricity, travel, paper material and waste have been derived from the UK Department for Environment, Food and Rural Affairs. These are updated annually and for the current reporting period the 2020 emission factors have been used. The location-based emissions factors were not identified for emissions sources.



IK Reporting Scope





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