AUGUST

RESPONSIBLE INVESTING

Join together.
Succeed together.

April 2024 – March 2025

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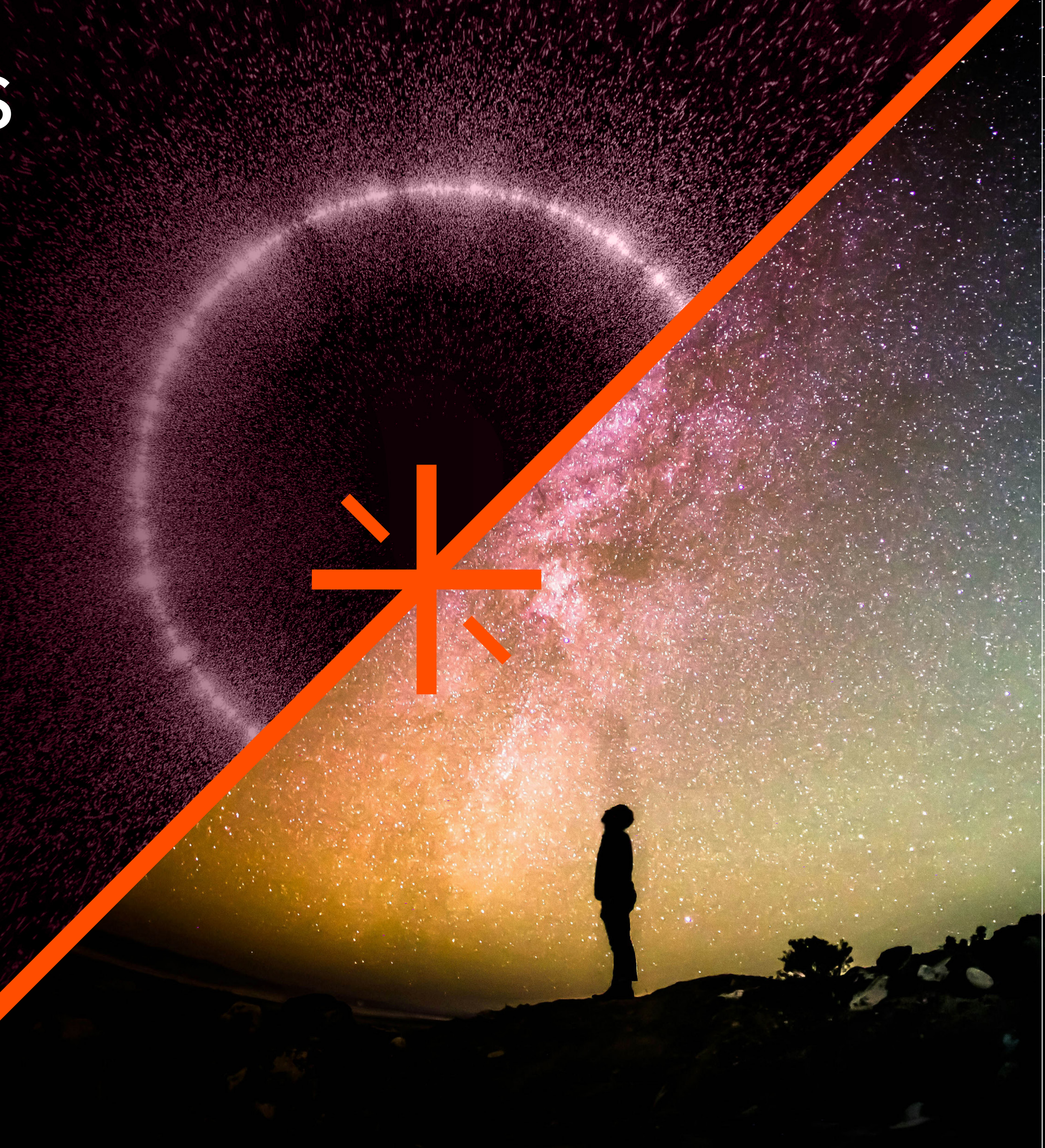


A MESSAGE FROM OUR MANAGING PARTNER

David Lonsdale
Managing Partner

Signatory of:
PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

AUGUST FOUNDATION

Joining forces with passionate entrepreneurs to strategically scale businesses towards sector leadership is what drives us every day. We believe a trusting, respectful and equitable joining of two groups is the crucial foundation for building something that is more valuable than the sum of its parts. By joining together, we succeed together.

Through close collaboration and partnership with our investments, we support them in identifying strategic opportunities, aligning with emerging market dynamics, nurturing sustainable growth and driving forward innovation.

Our partnership approach goes beyond conventional growth strategies, embedding responsible management at its core. Our strategy places a strong emphasis on environmental impact, social responsibility and sound governance to support growth and creativity. We view responsible management practices as essential throughout the investment lifecycle, not as optional add-ons. We see these practices as critical enablers of long-term success.

We believe that requiring our portfolio companies to participate in a rigorous annual ESG management programme is a key driver of growth, value preservation and long-term value creation. Our management programme assists portfolio companies in identifying risks, optimising resources, reducing costs and strengthening competitive positioning whilst in fund and when preparing for exit.

As each of our investments is a partnership, we work side by side with our portfolio companies to successfully complete the annual management programme. We also work hard to ensure we, ourselves, are operating in a responsible, ethical and sustainable manner.

While we're confident in our partnership-driven approach and established responsible management strategy, we recognise that there is always room for improvement. We continue to seek ways to enhance how we engage with our investments, improve data collection, monitor progress, and strengthen our own responsible business practices. Over the course of the past year, we have made improvements to both our own business operations and the way in which we manage our portfolio.

Most notably, this past year saw the launch of the August Foundation, a charitable initiative spearheaded by the August community. The August Foundation will support four, carefully selected, charitable partners whose missions and values reflect our own.

We have maintained our UN Principles for Responsible Investment (PRI) membership, with our 2024 assessment continuing to corroborate our high-scoring, responsible investment practices. Additionally, we have recently undertaken a private equity-focused assessment of our responsible management practices for the second year in a row. This assessment monitored progress made, and set us increasingly challenging targets for the year ahead.

We continued to focus on increasing the number of investments within our AEP VI Article 8 fund, concentrating on investments with measurable environmental and social impacts. In our 2025 financial year (1 April 2024 to 31 March 2025), we successfully supported both portfolio companies within the AEP VI Article 8 fund in reporting on all required Principle Adverse Impact (PAI) indicators (as well as two additional indicators of our choosing).

Delivering strong returns to our investors remains a top priority. We believe that integrating ESG considerations into both responsible management and everyday business practices can enhance value creation while supporting long-term, sustainable progress. Each year, we aim to strengthen our partnerships, as well as our approach to responsible management. With that in mind, we are proud to share highlights from our efforts over the past year.

AUGUST

WHO WE ARE

SECTORS IN WHICH WE INVEST:

- Technology
- Governance, Risk & Compliance
- Healthcare
- Education

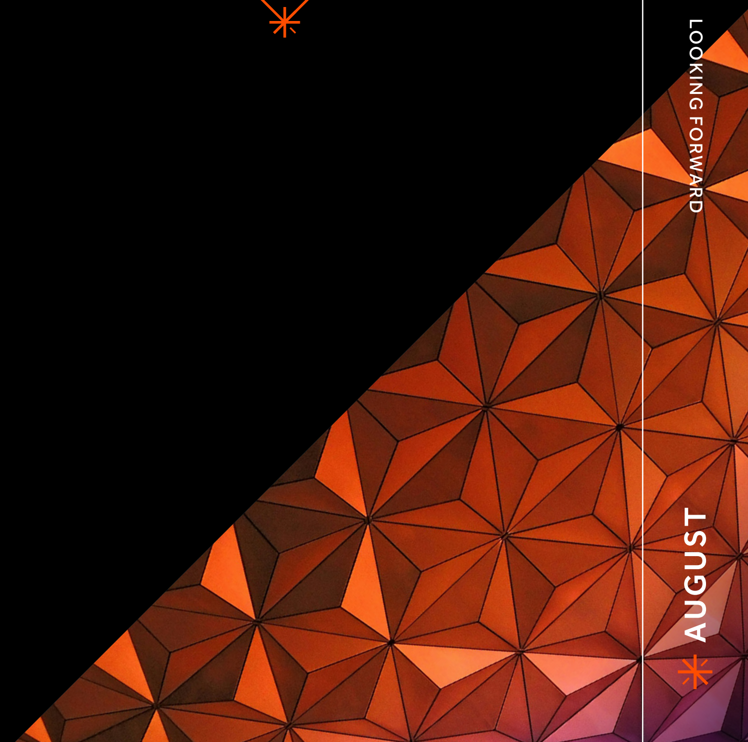
GROWTH-FOCUSED AND PARTNERSHIP LED

We believe that strong partnership generates strong returns. Combining our decades of experience in investing and growing businesses with the passion and ambition of founder-led, service-oriented companies creates a powerful recipe for success.

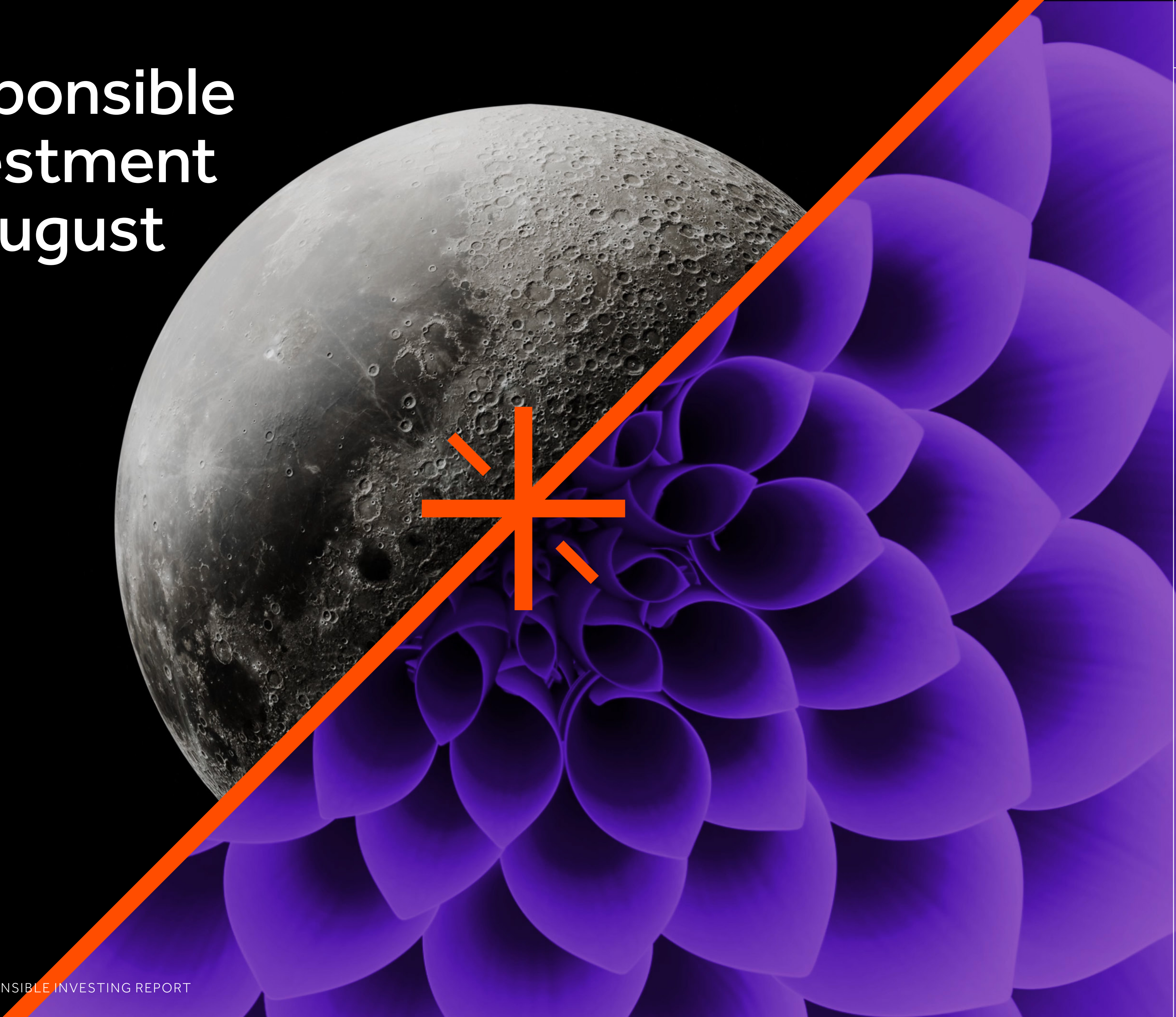
At August, we prioritise quality over quantity, focusing on primary buyouts of high-potential businesses in specialised sub-sectors and markets with high degrees of fragmentation. Our can do, entrepreneurial attitude towards investing, coupled with our expertise and successful track record, demonstrate our value to both investors and management teams.

We look to partner with businesses that are leaders in their sector and whose founders demonstrate a strong ambition for growth.

Our adjacency model and our years of experience growing essential services and B2B companies enables us to build trusted relationships with the businesses in which we invest.



Responsible Investment at August



AUGUST'S ESG HIGHLIGHTS

At August, we take great pride in our established and wide ranging ESG-related business practices, and we endeavour to constantly evolve and expand our efforts. Working to maintain and improve our current habits alongside implementing new initiatives requires time and energy but, in our opinion, is something that is well worth the effort. Below are a few examples of August's ESG improvements and highlights from the past year (1 April 2024 to 31 March 2025).

Signatory of:
PRI Principles for Responsible Investment

Signatory since 2021, with most recent assessment in 2025

Require all portcos to work towards

ESG Excellence

Continue to engage in Annual PE ESG scoring exercise

4th

Responsible Investing Report published

Dedicate a substantial annual budget to support employees in pursuing professional development opportunities

Received a combination of

4 & 5 star

scores for 2024 UN PRI reporting

August's office location uses

100%

green energy

Encourage ESG engagement and discussion between portcos

Formally launched the

AUGUST FOUNDATION

Continue to align and support

4

chosen UN SDGs

Disclose information on ESG in quarterly investor reports

2

investments

within our Article 8 fund

Report portfolio ESG progress to investors quarterly

Calculate

Scope 1, 2 & 3

emissions and continue carbon reduction efforts

CONTINUOUS COMMITMENT, CONTINUOUS IMPROVEMENT

2017

FORMAL IMPLEMENTATION OF OUR SRI POLICY

In 2017, we formalised our Socially Responsible Investment policy, guided by UN Global Compact principles and the UN PRI.

2018

DEVELOPMENT OF OUR ESG PROGRAMME

In 2018, we launched our first ESG survey across 14 categories, analysed the results, and held workshops to identify best practices and improvement areas.

2019-2020

TRACKING, MONITORING AND IMPROVING ESG PERFORMANCE

Since 2019, we have annually reassessed portfolio company performance and improvement areas. The survey has expanded to include additional ESG measures, and companies must show year-on-year progress to maintain or improve their scores.

2021

DEVELOPMENT OF OUR ESG PROGRAMME

We became UN PRI signatories in 2019 and submitted our first assessment in 2021. We also provided data to the UK Private Capital (formerly British Private Equity & Venture Capital Association – BVCA) to support its expanded role in illustrating the economic contribution of private capital.

2022

FULLY INTEGRATING ESG

In early 2022, we began fully integrating ESG across the business, working with specialist advisors to set measurable, regularly tracked targets. We also introduced standardised metrics and data-collection processes.

2023

EXTENDING OUR ESG SCOPE

We aligned with the UN Global Compact, completed our second-year ESG assessments and set new targets for both portfolio companies and our own operations. We also developed our Climate Action Plan with a defined carbon baseline and reduction goals and worked with sell-side advisors to strengthen ESG positioning at exit.

2024

REVIEWING AND REFINING STRATEGY

Focusing on five strategic pillars, annual ESG reviews were completed, 140+ metrics were gathered per portfolio to improve data quality, carbon-reduction strategy progressed, employee engagement efforts were strengthened and a governance and policy review was carried out.

2025

MAKING STRIDES IN CHARITY AND COMPLIANCE

We launched the August Foundation to support charities aligned with our mission, developed our adjacency model, completed our first year of Article 8 reporting and enhanced data collection and oversight processes.

AUGUST'S ADJACENCY MODEL

ADJACENCY

Our investment strategy focuses on sectors with strong connections to our existing portfolio. It targets new investments that have one or more touchpoints with a previous investment. What we refer to as our Adjacency Model.

We systematically map out high-potential adjacencies and pursue them through direct, tailored, and well-qualified outreach.

Additionally, we look for the following in potential investments:

INVESTMENT THEMES

Compelling technology proposition	Strong quality of earnings	Long-term client relationships
Fragmented market	Defensible operating margins	Growing & resilient market

PRIVATE EQUITY ASSESSMENT

We hold our portfolio companies to high standards and apply the same expectations to ourselves. While we previously used the same annual ESG assessment as our portfolio companies, the framework wasn't tailored to private equity. With support from Sustainable Advantage, we introduced a bespoke private equity-focused ESG assessment last year and completed it again this year.

Covering around 70 material topics, the assessment benchmarks our responsible investment practices against best practice and provides targeted actions to strengthen ESG management, guide strategy, and demonstrate our commitments to investors and stakeholders.

PE Investment Scoring:
This year, we were pleased to maintain a high score against the Private Equity Assessment framework, remaining at a level of 'ESG Excellent'. Achieving high scores within the framework illustrates our firm's established focus on, and commitment to, responsible investment and sustainable management. Our high scores demonstrate that many of our practices are well-aligned with recognised standards and expectations across the industry, showcasing that sustainability is truly embedded throughout our investment and management strategies.

We demonstrated continued success in most areas and clear improvement in the following areas:

Communication whilst fundraising:
Communication whilst fundraising for Article 8 funds increased the amount of ESG-related discussions held with investors.

Metrics:
Processes surrounding metrics collection have improved, with sense-checking occurring at multiple stages of the collection process.

Although we already operate at a high standard, we're not content standing still. Continuous improvement is part of our ethos, and we've identified several key goals to focus on over the coming year. Below are just a few of the targets we have set:

- Establish a formal escalation policy
- Create a formal policy that outlines our ESG Engagement processes
- Continue to consider whether ESG-linked remuneration would be appropriate for a wider number of August's senior leadership team
- Continue to increase our involvement in sustainable investment initiatives within the PE community
- Create a formal Compliance Register
- Continue to work to improve our UN PRI assessment scores

UN PRI

As signatories for the past five years, we support the UN PRI aim of encouraging investors to integrate ESG into investment decision-making processes. We are pleased to share our most recent UN PRI Assessment Report results for 2024.

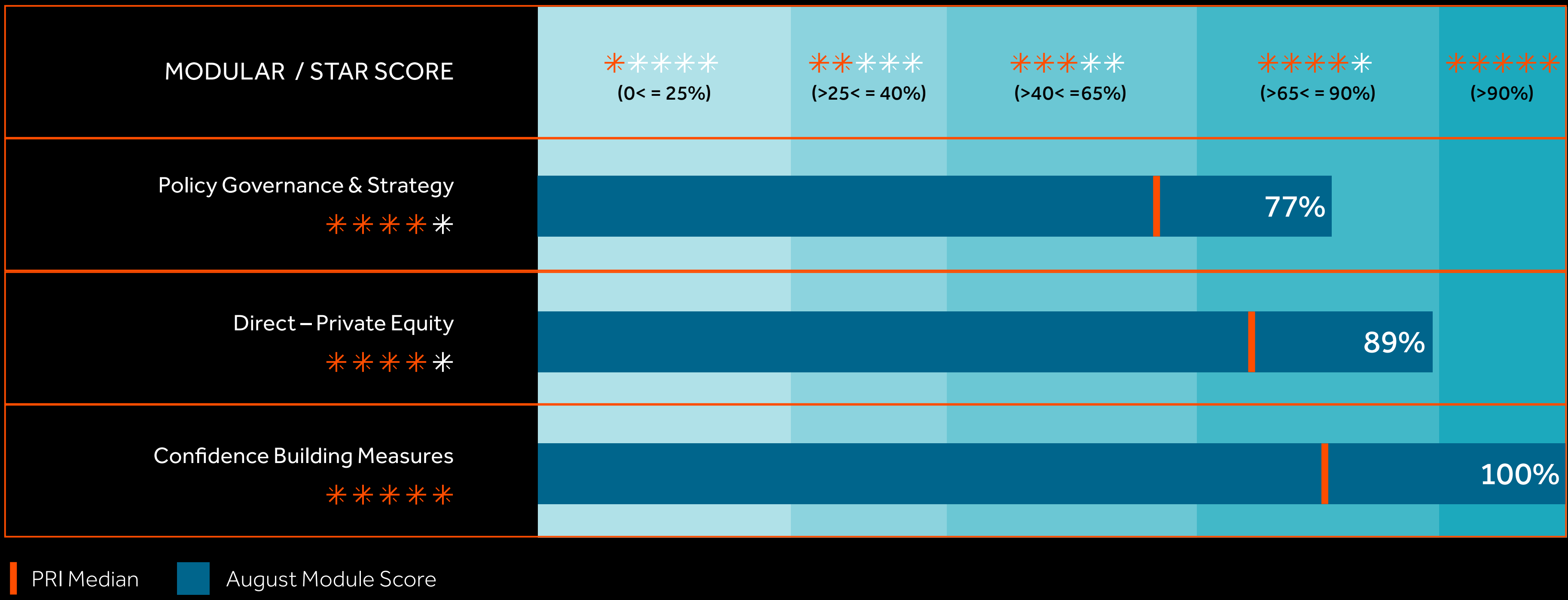
Signatory of:

PRI PRINCIPLES FOR RESPONSIBLE INVESTMENT

In 2024, we scored well beyond the PRI median score for each of our three material modules.

We plan to continue improving our responsible management practices, with the aim of achieving five stars in every module in the years ahead.

SUMMARY SCORECARD 2024



AUGUST FOUNDATION

We're proud to announce that our 2025 financial year marked the inaugural year of the August Foundation. The August Foundation aims to deliver financial assistance alongside time and professional expertise donated by our community members. The Foundation champions charitable causes that reflect our corporate values and mission.

Led by a rotating internal steering committee, the Foundation empowers our entire team to get involved and take part in building lasting impact.

AUGUST FOUNDATION

The August Foundation works to create meaningful, long-term impact in the communities we serve, complementing our core mission of building market-leading businesses.

CHARITABLE PARTNERS

We have chosen four charities with whom we will begin partnerships. We plan on providing multi-year support in the hopes of delivering meaningful impact.

The Talent Tap

The Talent Tap believes that where you grow up shouldn't define where you end up. In rural and coastal communities, bright and ambitious young people often face invisible barriers to opportunity. The Talent Tap steps in with mentorship, meaningful work experience and connections to professional networks, giving these students not just a glimpse of what's possible, but the tools to get there.

Soup Kitchen London

Soup Kitchen London is a central London charity providing hot and nourishing meals, mental health support and a welcoming community space for people experiencing homelessness, vulnerability and hardship.

the newman holiday trust changes lives

The Newman Holiday Trust gives children with additional needs the chance to experience the joy of a summer holiday, something many would otherwise miss. These week-long breaks offer skill-building and friendship-making opportunities as well as respite for families and care givers.

Autonomie

Autonomie is dedicated to helping young, disabled people feel truly part of their communities. Through guidance in education, social and leisure activities, Autonomie nurtures independence and supports a young person's journey into adult life and meaningful work.

The August Foundation is a restricted fund operating under Prism The Gift Fund, registered charity number 1099682.

AUGUST FOUNDATION CONTINUED

The Foundation reflects the team's authentic and deeply held belief in giving back to the community. Through the Foundation, August plans to nurture a culture of purpose, encouraging meaningful engagement and long-term support for social initiatives that extend beyond the regulatory frameworks. Even though the Foundation has just been established, we have already begun to contribute to its success.

The Talent Tap

In January 2025, August employees volunteered to serve on The Talent Tap's interview committee.

The interview committee is responsible for evaluating The Talent Tap applicants and selecting the most promising candidates. Those candidates who successfully complete the interview process are then matched with a variety of internship opportunities across multiple partner companies the following summer.

Plans are in place to once more sit on the interview committee in 2026.

Soup Kitchen London

We are proud that, even though there wasn't much time between the official launch of the August Foundation and the end of our 2025 financial year, members of the August community were able to prioritise spending time volunteering at Soup Kitchen London.

Members of the August team participated in both morning and evening shifts at the soup kitchen. Across the August team, we offer 48, 3-hour volunteering shifts per year.

Plans are already in place to increase the amount of time dedicated to volunteering within the next financial year.

PLANS IN THE MAKING

In addition to plans mentioned above, we have a host of ideas in the pipeline of ways in which we plan to support the Foundation in the months ahead. Some of these plans include:

- Creating and hosting an accessible and equitable work experience programme for two Talent Tap interns
- Donating a week of time to volunteer at the Newman Holiday Trust

Responsible Investment within our Portfolio

AUGUST'S RESPONSIBLE INVESTMENT STRATEGY

RESPONSIBLE INVESTMENT

In addition to our adjacency model and our focus on specific themes and sectors, sustainability is also intrinsically linked to our portfolio investment strategy. We view each investment as an opportunity to create lasting value alongside financial returns. Our role is to actively promote environmental stewardship, social wellbeing and responsible governance throughout the investment journey. By engaging with us, stakeholders gain more than performance, they become part of a broader commitment to sustainable progress. Responsible investing is incorporated into every stage of our investment process through:

1
Pre-deal screening
We assess potential investments against a set of values-based criteria.

2
Deal execution
In-depth ESG Due Diligence exercises are undertaken prior to a deal.

3
100-Day plan
New investments are given a post-acquisition ESG plan of action, outlining key areas of focus for the first 100 days.

4
Performance improvement
Annually, portfolio companies are scored against an extensive set of ESG criteria and given new 12-month improvement targets.

5
Monitoring and measuring
We collect a set of key performance indicators to measure ongoing ESG performance annually.

6
Exit preparedness
Information surrounding the ESG improvement and performance of an investment is readily available.

LINKING RESPONSIBLE MANAGEMENT TO VALUE CREATION

Improved Company Culture

Encouraging engagement and supporting employees via training, fair pay and the celebration of diversity whilst at work helps create an environment of productivity and success.

Attraction to Investors

Incorporating ESG management into business strategy enables businesses to better anticipate, mitigate and manage a wide range of risks and achieve long-term growth. This can translate to premium valuations for investors, including higher exit multiples.

Resource Optimisation

Efforts to reduce energy and waste consumption, optimise renewable resources and support recycling initiatives can help streamline business processes and could result in reduced operational costs.

Compliance

Undertaking ESG work supports a business in remaining compliant with constantly shifting and evolving national and international regulations and legislations. Compliance helps businesses avoid fines and reputational damage.

We believe firms that embed ESG considerations into their management strategies position themselves, and their portfolios, to be more agile, resilient and valuable long-term

Reputational Benefit

A commitment to responsible business practices, and genuine care for people and the planet, can enhance brand reputation and foster deeper trust among stakeholders.

Attraction to Top Talent

Today's top talent is increasingly mindful of the values and social impact of potential employers. With greater awareness around environmental and social responsibility, candidates often seek out organisations that align with their principles. In a competitive job market, companies that demonstrate a genuine commitment to responsible practices stand out.

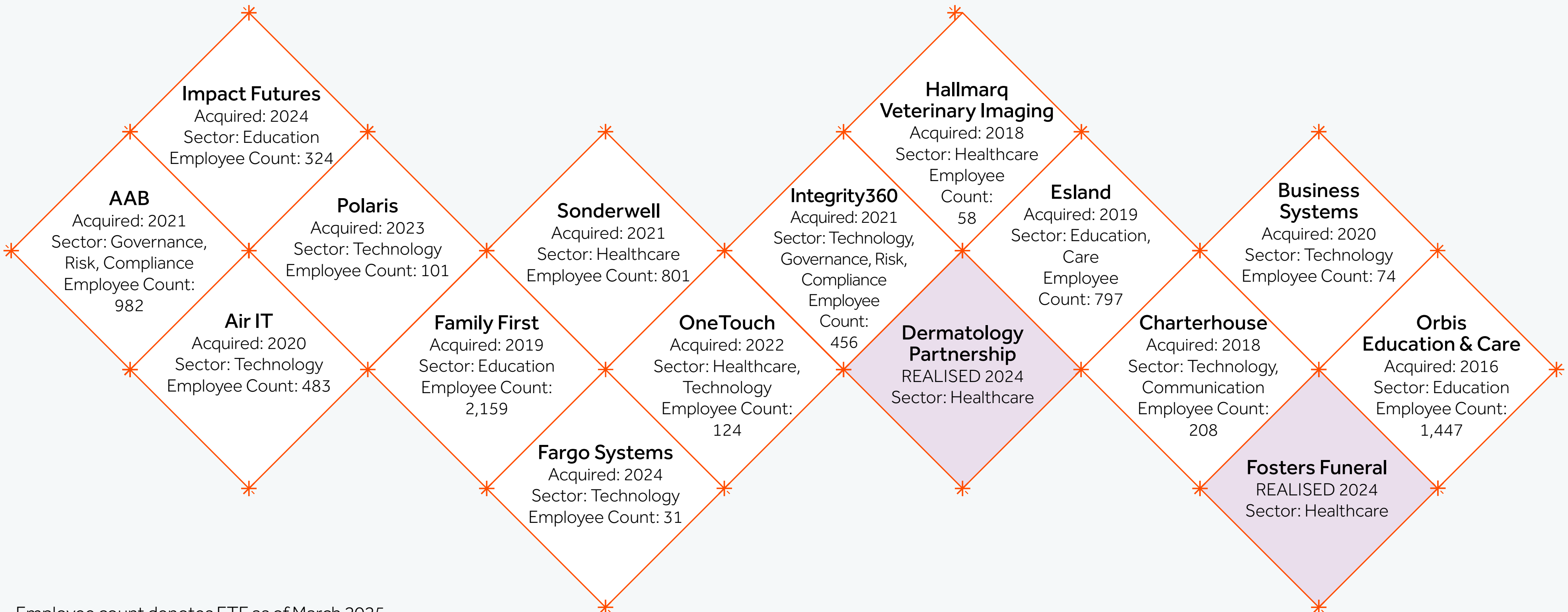
Increased Employee Retention

Employees who feel valued and appreciated are more likely to be happy whilst at work and remain in a position for a longer period of time. This, in turn, has the potential to lower recruitment expenses.

Risk Mitigation and Management

Developing awareness and conducting thorough analysis of ESG-related risks enables companies to proactively address potential challenges, often before they escalate into significant issues.

PORTFOLIO OVERVIEW APRIL 2024-MARCH 2025



Employee count denotes FTE as of March 2025

INVESTMENTS REALISED DURING FY25

- Fosters Funeral Directors
  Realised 13 September 2024
- The Dermatology Partnership
  Realised 30 November 2024

NEW INVESTMENTS MADE DURING FY25

- Impact Futures
  Entered fund 22 May 2024
- Fargo Systems
  Entered fund 30 September 2024

ESG MANAGEMENT PROGRAMME

To help us facilitate the incorporation of our responsible investment strategy throughout our portfolio, we maintain a structured ESG programme that we require each of our portfolio companies to follow. This programme enables us to track ESG performance improvement made across our portfolio.

DEAL EXECUTION

Due Diligence
The majority of potential investments undergo a comprehensive ESG Due Diligence process. This process identifies both the ESG risks and opportunities associated with each potential investment. The process also allows us to immediately begin working with a portfolio company post investment via a 100-Day plan to address risks and capitalise on opportunities.

PERFORMANCE IMPROVEMENT

ESG Assessments and Action Plans
On an annual basis, we require each of our portfolio companies to undertake an ESG assessment encompassing a number of material topics across the five categories of Environment, Social, Supply Chain, Governance and ESG Integration.

The assessment process starts broadly, assessing governance policies and processes in place. It then prioritises the assessment of financially material issues for each portfolio company.

The assessment is then translated into clear actions for the portfolio company to take. The assessment process also identifies ownership for each action and sets a timeline for action achievement. The process supports both value creation and exit readiness via its focused approach towards portfolio company improvement.

ESG Performance Tracker
The ESG Performance Tracker is a platform tool that helps our portfolio companies keep track of progress against the bespoke ESG targets collaboratively set during the assessment process.

Via the ESG Performance Tracker, portfolio companies update progress made towards each of their set ESG targets throughout the course of the year. The tool helps our portfolio companies monitor progress, while providing us with a dynamic, real-time view of improvements made across the portfolio.

MONITORING AND MEASURING

Annual Metrics Collection
Annually, we collect a comprehensive set of ESG metrics aligned with UK Private Capital (formerly British Private Equity & Venture Capital Association – BVCA), SFDR and EDCI. While the assessment process helps us identify annual targets and create a strategy, the metrics collection process helps us illustrate improvement via hard data.

The metrics collection process allows us a deeper look at portfolio company ESG data and assists us in fulfilling our own reporting obligations.

PORTFOLIO ESG HIGHLIGHTS

100%	(16/16) of the portfolio collect a comprehensive set of ESG metrics annually
100%	(16/16) of the portfolio works with a personalised ESG consultant to deliver an ESG programme
100%	(16/16) of the portfolio commits to supporting UN SDGs
81%	(13/16) of companies have environmental policies in place
100%	(16/16) of the portfolio calculate Scope 1 and 2 emissions
100%	(16/16) of companies have a Whistleblowing Policy in place
81%	(13/16) of companies have a DE&I Policy in place
56%	(9/16) of companies have established ESG Committees (with many others planning to do so in the coming year)
44%	(7/16) of companies utilise renewable energy
100%	(16/16) of our portfolio has developed an action plan for continued ESG improvement
81%	(13/16) of companies conduct an annual Employee Engagement Survey
44%	(7/16) of companies have produced external-facing ESG Impact Reports

Highlights are based on the most recently completed, portfolio-wide metrics collection process (FY-25). Note, percentages are calculated from a base of 16 companies, although August held 17 portfolio companies at the time of metrics collection. One company was preparing for exit and therefore did not report metrics.

"Our aim has long been to help the companies we invest in to become both more profitable and more sustainable"

David Lonsdale - Managing Partner, August

LOOKING FORWARD

At August, we work hard to see and understand the bigger picture, developing market-leading businesses that are more than the sum of their parts. We believe that maintaining a strong focus on responsible investment and management is essential to achieving our broader vision.

Integrating ESG considerations into traditional management strategies helps us tap into a plethora of opportunities for value creation, growth promotion and the chance to create something truly impactful.

We're committed to advancing sustainable and ethical practices, both within our organisation and across our portfolio. As part of this commitment, we will continue to work towards implementing targets set via our PE Assessment, increasing the support we provide to our chosen charitable partners and continuing to support our portfolio companies as responsible investors. We will also continue to encourage portfolio company accountability around ESG progress.

We look forward to sharing the outcomes of these efforts in next year's report.

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