
Annual GHG Emissions Statement

FOR FISCAL YEAR ENDED JUNE 30, 2023
INVESTCORP HOLDINGS B.S.C.(C)



Annual GHG Emissions Statement

FY2023

Emissions summary

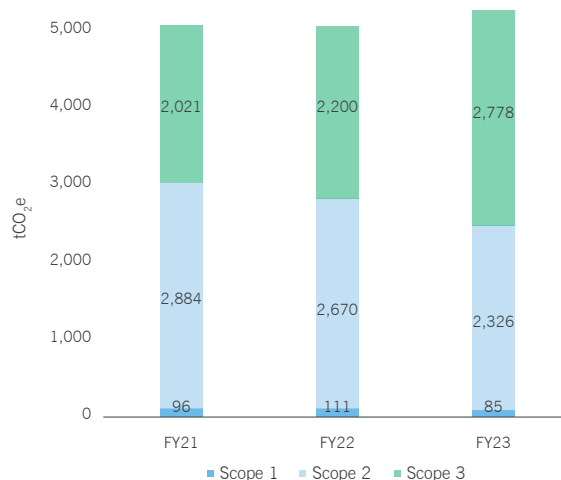
Emissions are quantified annually on a fiscal year basis. The fiscal year for this inventory is for the period July 1, 2022 to June 30, 2023, which aligns with Investcorp's fiscal year. Over this period, Investcorp's Scope 1, Scope 2 and select Scope 3 emissions totaled 5,188.3 tons of CO₂-equivalent (tCO₂e), or 10.4 tCO₂e on a per FTE basis.¹

While total emissions increased by 4% year-on-year (equivalent to a 2% increase on an emissions intensity by FTE basis), Scope 1 and Scope 2 related emissions saw considerable declines compared to the previous reporting period of 23% and 13%, respectively, achieved primarily through increased use of renewable electricity and biogas in our operations. These decreases in emissions have been achieved despite an increase in activity levels (related to a rise in the number of office locations included in the scope of this assessment), an increase in the number of employees at the firm and the inclusion of emissions sources where data was previously unavailable (i.e., purchased heat and steam and purchased cooling).

Total reported Scope 3 emissions increased by 26% compared to FY22, with the majority of this increase relating to a rise in business travel, which accounted for over half of our reported Scope 3 emissions in FY23 and a 42% rise in related emissions compared with the previous year. This increase was driven primarily by an increase in business air travel, which constituted 97% of our total business travel emissions. Despite this increase, total emissions arising from business travel were still significantly lower than pre-pandemic levels, driven by greater travel discipline and continued use of video conferencing technologies.

Table 1: Total Operational GHG Emissions Breakdown by Source
Tons of CO₂e (tCO₂e), market-based

Emissions Source	FY21	FY22	FY23
Scope 1 ✓	95.9	110.5	84.9
Scope 2 ✓	2,884.4	2,669.9	2,325.7
Scope 3 (select) ✓	2,020.9	2,200.0	2,777.8
Fuel- and Energy-Related Activities	742.2	752.8	861.6
Business Travel	793.3	1,084.1	1,539.7
Commuting & Teleworking	485.7	363.1	376.4
Upstream Leased Assets	0.0	0.0	0.0
Total GHG Emissions ✓	5,001.2	4,980.4	5,188.3
Emissions Intensity per FTE ² ✓	11.8	10.2	10.4
Emissions Intensity per \$M Revenue ³	10.8	9.6	10.1



¹ "FTE" means full time employees. The total number of year-end FTEs is derived from internal HR systems.

² Emissions intensity per FTE for Scope 1, Scope 2 and select Scope 3.

³ Emissions intensity per USD million revenue for Scope 1, Scope 2 and select Scope 3 emissions.

Annual GHG Emissions Statement (cont.)

FY2023

Energy consumption

During the 12-month period to June 30, 2023, Investcorp’s total energy consumption was 6,856.1 MWh, compared to 5,317.7 MWh in FY22 (on a reported basis).⁴ Approximately 29% of energy consumption in FY23 was derived from renewable or low-carbon sources.

Total energy consumption associated with purchased electricity remained broadly flat year-on-year, and the share of electricity derived from renewable sources saw a fourfold increase compared to FY22 as a result of continued procurement of renewable energy and engagement with office building landlords and property managers. We also increased the use of low-carbon fuels for heating in the London office.

Table 2: Total Energy Consumption by Type
Megawatt hours (MWh)⁵

	FY21	FY22	FY23
Electricity	4,713.4	4,756.4	4,770.9
From renewable sources	144.7	433.4	1,763.0
Heat & Steam⁶	<i>Not available</i>	<i>Not available</i>	1,382.2
Fuels⁷	465.2	561.3	703.0
From low-carbon sources ⁸	0.0	0.0	242.6
Total	5,178.6	5,317.7	6,856.1

⁴ Total reported energy consumption in FY22 excluded consumption of purchased heat and steam due to unavailability of data at the time of reporting. Data subsequently made available to us in FY23 for FY22 and FY21 shows total heat and steam related energy consumption of 1,420 MWh and 1,485 MWh, respectively. Whilst we have not restated total energy consumption figures for FY21 and FY22 to include heat and steam related data that was previously unavailable, we note that heat and steam related energy consumption has seen a 4% year-on-year decline between FY21 and FY23.

⁵ Fuel conversion factors have been sourced from the UK government’s Department for Environment, Food and Rural Affairs (DEFRA) to convert petrol fuel usage into MWh.

⁶ See footnote 4.

⁷ Fuels relate to gas and transportation fuels (petrol).

⁸ Low-carbon sources relate to biogas.

Basis of Reporting

FY2023

This section has been prepared in alignment with the GHG Protocol's Corporate Accounting and Reporting Standard, the Corporate Value Chain (Scope 3) Accounting and Reporting Standard and the Technical Guidance for Calculating Scope 3 Emissions.

We have taken an operational control approach when consolidating our organizational boundary, accounting for GHG emissions from operations over which Investcorp has operational control.⁹ The GHG categories and associated activity data that constitute our operational boundary are outlined in the table below.

Emissions are estimated by multiplying activity data with corresponding relevant emission factors. All emissions are then converted into tons of CO₂e (tCO₂e) using the global warming potential factor to express GHG emissions in a comparable manner and ensure consistency in reporting over time and for different emissions sources, globally.

The emission factors used to estimate emissions are either country-specific or based on regional or global averages and therefore emissions are intended to represent a relevant estimate of the firm's carbon footprint. Note that the general approach to estimating emissions for each fiscal year considers activity data split across two calendar years but leverages the latest available emission factors for any one fiscal year (e.g., for FY23 activity data, emission factors for the calendar year 2023 were used and where this was unavailable via our carbon accounting platform the latest available emission factors were applied).

Scope	Category	Definition	Activity Data
1	Stationary Combustion	Emissions related to onsite gas combustion within boilers.	Gas consumption (in kWh) is received directly from supplier invoices. ¹⁰
	Mobile Combustion	Emissions related to fuel combustion within leased and owned vehicles.	Fuel consumption (in liters) for each company vehicle is based on total spend on fuel as extracted from the Group's internal logs, which includes the average cost of fuel per liter in each location per month.
2	Purchased Electricity	Emissions related to purchased electricity for our own use.	Electricity consumption (in kWh) is received directly from supplier invoices or building managers and/or landlords, where applicable.
	Purchased Heat & Steam	Emissions related to purchased heat or steam for our own use.	Heat consumption, in thermal units, is received directly from supplier invoices or building managers and/or landlords, where applicable.

⁹ Emissions related to offices for which both purchased electricity consumption data was unavailable and where there were fewer than four FTEs have been excluded from the organizational boundary for the purposes of Scope 2 calculations.

¹⁰ There may be occasions where a diesel generator is used to provide electricity when power outages occur in certain locations; given this is immaterial in comparison to our overall energy supply, related emissions have been excluded from the inventory.

Basis of Reporting (cont.)

FY2023

Scope	Category	Definition	Activity Data
3	Fuel- and Energy-Related Activities [3]	Emissions related to the production of fuels and energy purchased and consumed for our own use, that are not included in Scope 1 or Scope 2.	Gas consumption (in kWh) is received directly from supplier invoices. Fuel consumption (in liters) for each company vehicle is based on total spend on fuel as extracted from the Group's internal logs, which includes the average cost of fuel per liter in each location per month. Electricity consumption (in kWh) is received directly from supplier invoices or building managers and/or landlords, where applicable. Heating and cooling consumption, in thermal units, is received directly from supplier invoices or building managers and/or landlords, where applicable.
	Business Travel [6]	Elements of business travel which contribute to emissions including air, rail, taxi, rental vehicles and overnight hotel stay.	The distance travelled for commercial air and rail travel is sourced directly from travel logs received from suppliers; where distance travelled is not available emissions are estimated based on spend using travel logs received from suppliers. With respect to the use of hotels for business travel, emissions are estimated based on the number of nights stay and the region of the hotel for each business trip, both of which are sourced from travel logs received from suppliers.
	Commuting and Teleworking [7]	Employee commuting and homeworking to account for remote working activities occurring at employees' homes.	Commuting distances, commuting methods and estimated days worked in an office or elsewhere is collected directly from employees via an internal survey to calculate the associated commuting and teleworking emissions. A weighted average was applied for employees who did not respond to the survey based on their working location averages.
	Upstream Leased Assets [8]	Emissions from the use of leased data centers.	Average energy usage per month is provided by the data center provider, which is multiplied by time within the reporting period to establish total consumption in kWh. ¹¹

¹¹ Power consumption (in kWh) is calculated by multiplying the average power usage (in kW) of our data centers in each month by the total number of hours in that respective period.

Important Information

Certain Definitions

“Fiscal Year”	means the fiscal year ending on the date stated on the cover of this Statement;
“GHG Protocols”	means, collectively, the ‘Corporate Accounting and Reporting Standard’, the ‘Corporate Value Chain (Scope 3) Accounting and Reporting Standard’, and the ‘Technical Guidance for Calculating Scope 3 Emissions’ published by the ‘GHG Protocol’ and applicable with respect to reporting with respect to the Fiscal Year;
“Investcorp Group”	means Investcorp Holdings, together with its consolidated subsidiaries during the Fiscal Year;
“Investcorp Holdings”	means Investcorp Holdings B.S.C.(c);
“Investcorp”, “we”, “us”, “our” (and grammatical derivations)	means the Investcorp Group but excluding, for the avoidance of doubt any and all non-consolidated investments controlled, managed and/or advised by any member of the Investcorp Group during the Fiscal Year;
“Limited Assurance Report”	means the limited assurance report appended to this Statement; and
“Statement”	means this ‘Annual GHG Emissions Statement’.

Statement Year

This Statement is being made with respect to the Fiscal Year and not with respect to any other period.

Statement Scope

This Statement has been prepared with respect to our Scope 1 emissions, our Scope 2 emissions, and those Scope 3 emissions specifically identified in ‘Basis of Reporting’ (and no other Scope 3 emissions), respectively during the Fiscal Year.

For the avoidance of doubt (but without limitation), this Statement does not address Scope 3, Category 15 (Investments) emissions (as defined in the GHG Protocols) during the Fiscal Year or during any other period.

For more information regarding the scope of this Statement, please see ‘Basis of Reporting’ and the Limited Assurance Report.

Basis for Publishing of Statement

Please note that neither the Investcorp Group, nor any of its members, is currently subject to any legal, regulatory or other obligation to produce and/or publish this Statement, or any statement substantially similar to this Statement.

Investcorp has chosen to produce and publish this Statement as part of our commitment to sustainability, transparency and accountability. For more information, please visit

Important Information (cont.)

Basis of Reporting, Inherent Limitations and Non-reliance

Please note that this Statement includes a number of non-financial metrics. As noted in the Limited Assurance Report, the process that Investcorp and other organisations adopt to define, gather, and report information on their respective non-financial performance is not subject to the formal processes adopted for financial reporting. Also as noted in the Limited Assurance Report and, also, in the GHG Protocols, data of this nature are inherently subject to variations in definitional, collection and reporting methodology (including, without limitation, with respect to assumptions, estimation methodologies and/or estimates adopted as part of the collection process), often with no consistent, accepted external standard as between organisations. This may result in non-comparable information between organisations within the same fiscal year, and from fiscal year to fiscal year within an organisation, as methodologies develop.

As noted in the 'Basis of Reporting', this Statement has been prepared in accordance with the GHG Protocols and on the basis of certain assumptions, estimation methodologies and estimates that Investcorp believes to be reasonable, but which are inherently subjective and uncertain and may be proven to be unreasonable and/or incorrect. Certain information provided in this Statement herein comprises and/or is based upon information obtained from third-party sources that Investcorp believes to be reliable but which could be proven to be incorrect.

To the extent that a statement with respect to our Scope 1 emissions, our Scope 2 emissions and/or any of our Scope 3 emissions (or with respect to any other emissions from time to time) is prepared with respect to any future fiscal year other than the Fiscal Year, such statement may be prepared, and Investcorp reserves the right to prepare such statement, in accordance with different standards, criteria and/or protocols and/or on the basis of different assumptions, estimation methodologies and/or estimates, which may result in the use of different, but nonetheless acceptable, measurement techniques and/or materially different and non-comparable measurements.

For more information regarding the basis of preparation of this Statement, please see 'Basis of Reporting' and the Limited Assurance Report.

Disclaimer

This Statement and the information contained herein is for informational purposes only, is not intended to be and does not constitute an offer to sell, or the solicitation of an offer to buy, any security, interest or other product.

The information contained in this Statement may not necessarily be complete and Investcorp undertakes no, and expressly disclaims any, obligation to update, amend, or clarify any statements made or information provided in this Statement, whether as a result of new information, subsequent events, or otherwise.

Nothing contained in this Statement constitutes financial, investment, legal, tax, environmental and/or other advice and is not to be, nor is it intended to be, relied upon in making any investment decision or for any other purpose.

Independent limited assurance report to Investcorp B.S.C. (c) (“Investcorp” or “Company”) on the computation of selected sustainability metrics (“Selected Information”) prepared in accordance with Investcorp’s Basis of Reporting (“Basis of Reporting”) and presented within the GHG Emissions Statement (the “Report”)

What we looked at: scope of our assurance work

Investcorp has engaged Deloitte & Touche (M.E.) (“Deloitte”) to perform limited assurance procedures on the computation of selected sustainability metrics (“Selected Information”) presented in the table below (“Table 1”) for the year ended 30 June 2023, presented within the GHG Emissions Statement (the “Report”).

Selected subject matter for assurance

Investcorp’s reported performance during the given reporting period for the Selected Information presented in Table 1 below:

Table 1: Selected Information

Selected Information	Assured figure for the year ended 30 June 2023
GHG Emissions Scope 1	84.9
GHG Emissions Scope 2	2,325.7
GHG Emissions Scope 3 (selected)	2,777.8
Total GHG Emissions	5,188.3
Emissions intensity per FTE	10.4

The above Selected Information has been assessed against the Basis for Reporting detailed within the Report.

What standards we used: basis of our assurance work and level of assurance

We carried out limited assurance procedures over Investcorp’s Selected Information in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”) and with the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”). To achieve limited assurance, ISAE 3000 and ISAE 3410 require that we review the processes, systems and competencies used to compile the Selected Information presented in the Report, on which we provide limited assurance. It does not include detailed testing for each of the selected sustainability metrics reported, or of the operating effectiveness of processes and internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Consequently, our conclusion is not expressed as an audit opinion.

What we did: key limited assurance procedures

To form our conclusion, we undertook the following procedures:

- Understood the roles and responsibilities of the preparation, governance and oversight arrangements of the Selected Information and assess its preparation against the Basis of Reporting included in the Report;
- Performed enquiries with management to understand how the Basis of Reporting has been applied in the preparation of the Selected Information;
- Assessed the Basis of Reporting against market practice;
- Reviewed and evaluated the Basis of Reporting for measurement and reporting for each of the selected sustainability metrics against the actual calculation performed by the Company to support the Selected Information shown in Table 1;
- Agree the Selected Information to the Company's internal calculations and supporting documentation; and
- Assessed the availability and quality of evidence provided to support the Selected Information.

Inherent Limitations

The process an organisation adopts to define, gather, and report information on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature is subject to variations in definitions, collection and reporting methodology, often with no consistent, accepted external standard. This may result in non-comparable information between organisations and from year to year within an organisation as methodologies develop. To support clarity in this process, Investcorp has developed a Basis of Reporting document for the year ended 30 June 2023, which defines the scope of each assured sustainability metric and the method of calculation. This Basis of Reporting is detailed within the Report and should be read together with this report.

In relation to our work performed on the Selected Information, we note the following specific limitations:

- Our assurance procedures did not include detailed testing of general information technology controls of the underlying systems used by Investcorp to collate and report data for the Selected Information; and
- With the exception of the Selected Information shown in the table above, our testing did not include assurance of, or detailed testing of the underlying data for any other sustainability metrics than those reported in Table 1, or of published assertions. As such, our work does not involve procedures to verify the accuracy of the performance data or assertions published.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in the Kingdom of Bahrain. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

In performing our work, we applied International Standard on Quality Management ("ISQM") 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Roles and responsibilities

Investcorp:

Investcorp's Sustainability Team is responsible for the preparation of the calculation for the Selected Information in accordance with the Basis of Reporting. Specifically, Investcorp is responsible for ensuring that the information provided under the Selected Information is properly prepared in accordance with the Basis of Reporting and confirming the measurement or evaluation of the Selected Information against the applicable Basis of Reporting. The Management is also responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte:

Our responsibility is to provide a limited level of assurance on the Selected Information as defined within the scope of work above to Investcorp in accordance with our letter of engagement, and report thereon. In conducting our limited assurance engagement, we have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code).

Our work has been undertaken so that we might state to Investcorp those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Investcorp for our work, for this report, or for the conclusion we have formed.

Conclusions

Based on our limited assurance procedures performed and evidence obtained, subject to the limitations mentioned above, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 30 June 2023 has not been prepared, in all material respects, in accordance with Investcorp's Basis for Reporting as appropriate.

A handwritten signature in blue ink that reads "Deloitte & Touche," written in a cursive, flowing style.

Deloitte and Touche – Middle East
Partner registration No. 157
Manama, Kingdom of Bahrain
Manama, Bahrain

21 May 2024

INVESTCORP

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