



2024

ESG report

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Foreword from Managing Partner

Dear readers,

Over the past year, Genesis Capital has entered a new stage of growth with planned launch of our largest fund, Genesis Private Equity Fund V (GPEF V), marking an important milestone in our development. With this step forward, we are even more aware of the importance of maintaining a responsible and sustainable investment approach, mindful of our impact on stakeholders and society.

Alongside this operationally demanding period, we have made tangible improvements to our ESG practices. Our newest fund will be aligned with Article 8 of the EU Sustainable Finance Disclosure Regulation (SFDR), which also set higher standards for our earlier funds, as the same principles guide all portfolio companies.

Following the greenhouse gas (GHG) emissions pilot conducted in 2023, in 2024 we implemented a unified GHG tracking framework across all portfolio companies, which enables consistent reporting of Scope 1 and 2 emissions. These initiatives make our data more reliable and comparable and help identify opportunities to reduce the environmental impact of our companies.

Our approach to ESG remains grounded and practical. Every company in our portfolio is different, and so are the steps needed to move forward. We engage closely with each company's management, our most important partners, to identify metrics and actions that are relevant and meaningful.

In the coming year, we will continue to improve the quality of ESG data and deepen cooperation with portfolio companies. Our goal is to keep building long-term value and strengthen the ESG profile of our portfolio, which in many cases goes hand in hand with better business performance.

Finally, I would like to thank the management teams of all our portfolio companies for their cooperation and commitment in this area.

Sincerely,

Ondřej Vičar, Managing Partner

Genesis Capital at Glance

Genesis Capital Equity (GCE) targets investment opportunities in dynamic small and medium-sized companies with strong growth potential across the Czech Republic, Slovakia, Poland, Hungary, Austria, and Germany. Since our establishment in 1999, we have managed five private equity funds, and with the sixth fund expected to complete fundraising in 2025, our total cumulative commitments will exceed €600 million. Over the years, we have supported the growth and development of more than 80 companies across a wide range of sectors. Many of these businesses have become leaders in their respective markets, in part thanks to their partnership with GCE. Investors in Genesis funds include international financial institutions and investment firms such as Czech Republic, the European Investment Fund, SPM Invest, Alpha Associates, eQ Private Equity, Česká podnikatelská pojišťovna, Raiffeisen IS, Sirius IS, Kooperativa pojišťovna, Amundi IS, Česká spořitelna, Erste Asset Management, RSJ Investments, INVL Asset Management, the European Bank for Reconstruction and Development (EBRD), Tatra banka, Naše Česko (J&T Finance Group), family offices such as SPM Capital, Quintus Foundation and One Family Office, and a pension fund of a renowned global company.

Genesis Funds Snapshot:

Genesis Private Equity Fund III (GPEF III)

Vintage year: 2015

Status: Late divestment period with 4 portfolio companies as of 31st December 2024

Genesis Private Equity Fund IV (GPEF IV)

Vintage year: 2021

Status: Fully invested in 2025 with 10 portfolio companies as of 31st December 2024

Genesis Private Equity Fund V (GPEF V)

Status: GPEF V is expected to reach its hard cap of €295 million in early 2026.

€600+ million

Capital raised and expected across all GCE funds

10 000+

Employees in portfolio companies (FTE base)

80+

Companies supported historically

15

Portfolio companies (as of 31 December 2024)

€2+ billion

Portfolio revenue generated

Our ESG Approach and Commitments



Mission and ESG philosophy

Our mission is to invest in and support the building of successful companies, creating long-term value and generating superior returns for our investors. We also acknowledge our responsibility towards stakeholders and society at large.

We strive to act sustainably and responsibly, using our shareholder position to influence our portfolio companies to do the same. We are committed to integrating **ESG**-related issues into our activities as far as is reasonably practical under the relevant circumstances, while maintaining a commercial focus. This commitment involves taking environmental, social, and governance factors into account when evaluating investment opportunities and managing our portfolio companies, aligning their activities with our sustainability goals.

We fully support the UN's **Sustainable Development Goals** (SDGs) and the Paris Agreement on the need to limit global warming.

As a stable partner to management teams and businesses, we support the development and implementation of **ESG** capabilities and initiatives in our portfolio companies. We believe that promoting responsible business conduct creates value for all stakeholders and communities we engage with.

We are a signatory to the **UN Principles for Responsible Investment** (PRI) and adhere to their core principles. As a member of the Czech Private Equity and Venture Capital Association, we commit to Invest Europe's Code of Conduct, which upholds high standards of integrity and equitable principles of trade and investment.

ESG Integration Throughout the Investment Cycle

GCE considers ESG-related issues throughout the entire investment cycle, following the **Sustainable Investment Framework** based on the following key pillars:



ESG policy

Our ESG Policy outlines how ESG considerations are integrated into advisory and investment activities. It defines the approach to identifying material ESG risks and value-creation opportunities, both within the organization and across the portfolio of funds managed by GCE.

The policy aims to ensure that ESG topics are systematically considered throughout our operations and decision-making.

Its main goals are to:

- Incorporate ESG factors into investment analysis, due diligence, and approval processes.
- Advise the Genesis Funds as active owners in promoting responsible practices and sound governance.
- Support transparent ESG reporting at both GCE and portfolio company level.
- Continuously improve our ESG performance and implementation effectiveness.

The policy is grounded in the UN Principles for Responsible Investment and complies with the EU SFDR. It is reviewed and updated as needed to reflect evolving regulation, investor expectations, and best practice in responsible investment.

In addition, funds managed by GCE follow ESG-related obligations under their Limited Partnership Agreements and investor side letters, including those with the European Investment Fund and the European Bank for Reconstruction and Development.

The complete ESG Policy can be accessed at [our website](#).

Legislation compliance

We recognize the importance of adapting to evolving EU legislation as international attention on ESG continues to grow. The EU Green Deal and the broader Sustainable Finance package have introduced key regulations, including the Taxonomy Regulation and SFDR, which define how sustainability should be integrated and reported across the investment process. Fund GPEF V, which will open for investment in 2025, will be aligned with Article 8 of the EU SFDR.

The main binding ESG elements of its Annex II disclosure include:

- Application of ESG exclusion criteria;
- Integration of ESG into the entire investment cycle;
- Requirement for annual ESG reporting with >100 data points;
- No designated reference benchmark, but clear reporting and monitoring standards.

Details of our disclosures and ESG Policy are available [on our website](#) in the section Responsible Investing.

Social and Governance initiatives

Alongside environmental responsibility, Genesis Capital places strong emphasis on the social and governance dimensions of **ESG**. As an investor and active owner, we recognize that long-term value creation depends on safe and inclusive workplaces, ethical business conduct, and strong governance practices across our portfolio.

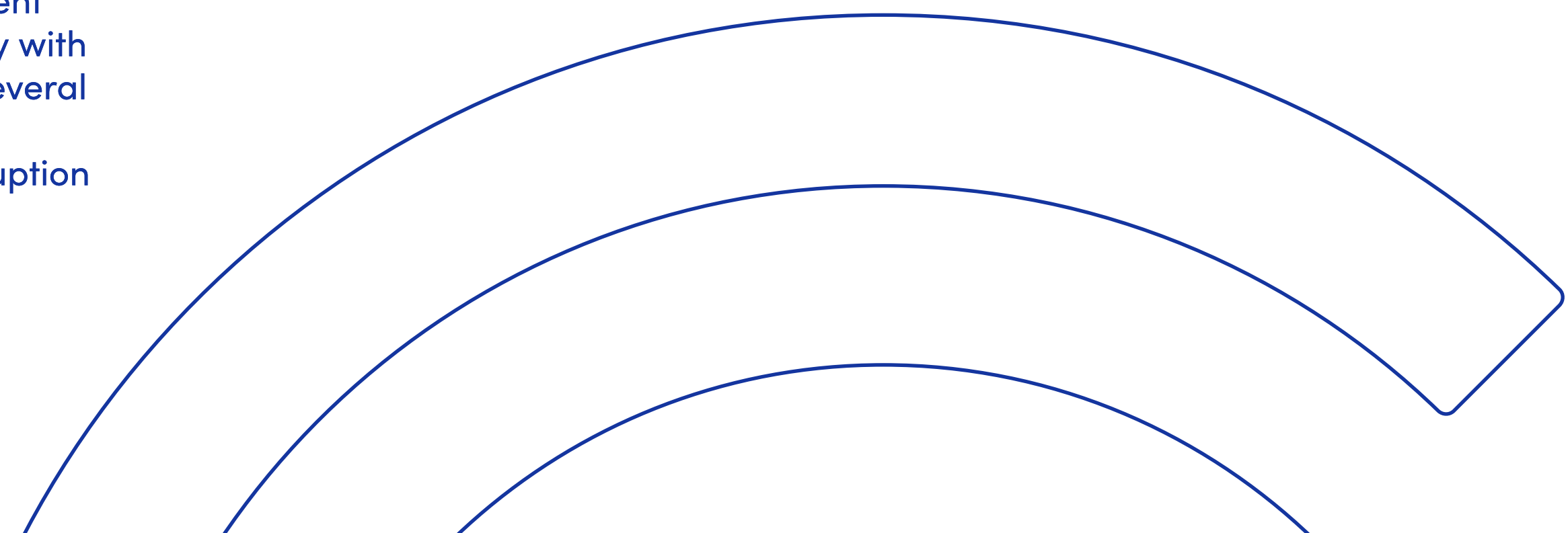
On the social side, our portfolio companies employ more than 7,000 people across Central Europe, making them important regional employers. We encourage management teams to uphold high standards in health and safety, fair working conditions, employee development, and diversity. Several portfolio companies maintain internationally recognized certifications such as ISO 45001 for occupational health and safety, while others have introduced structured training programs and e-learning platforms. Community engagement also plays an important role, with initiatives such as food donation programs, local grant schemes, and partnerships with non-profit organizations.

In terms of governance, we use our shareholder position to promote transparent decision-making and ethical business conduct. All portfolio companies comply with the latest EU directives as well as applicable national laws and regulations. Several portfolio companies have taken further steps by adopting codes of ethics, establishing advanced whistleblowing channels, and strengthening anti-corruption measures, thereby enhancing internal accountability.

Leadership and Governance in ESG Implementation

GCE's top management actively supports **ESG matters**, ensuring oversight of all strategic decisions, promoting awareness, and providing the necessary resources. A dedicated internal ESG team has been established, led by Mr. Jiří Kolísko, ESG Officer, and supported by two senior members of the core investment team. The ESG agenda is supervised by Mr. Radan Hanzl at the partnership level. The ESG team defines the ESG framework, monitors reporting progress, and drives knowledge sharing across the firm.

All investment professionals are required to apply the Sustainable Investment Framework throughout the investment process, and each transaction documentation includes a mandatory check to confirm that all required elements of the framework are incorporated.





Portfolio Developments










In 2024, the Genesis funds continued to develop their portfolios through several key transactions. Within GPEF IV, the fund made three new investments: Kasper Kovo, Schulte Group, and GAF—all established, leading Czech companies in their specialised segments. GCE also supported the further expansion of PFX Group, which strengthened its European presence through several add-on acquisitions.

During the year, GPEF III completed its exit from HP Tronic / Datart, a long-standing minority investment in a major consumer-electronics retailer in Czechia and Slovakia. Over the holding period, the company introduced more structured sustainability practices, including clearer reporting and defined environmental and social priorities.

Overall, 2024 was an active year in which GCE supported traditional local companies with strong regional impact, helped existing investments expand their European presence, and continued working with management teams and stakeholders to strengthen practical ESG practices across the portfolio.

ESG Portfolio Highlights 2024


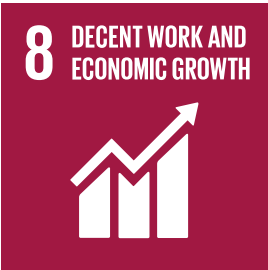







ESG Portfolio Highlights 2024

	COMPANY	COMPANY PROFILE	2024 ESG REVIEW	ESG / SDG FOCUS
GPEF III		<p>HP Tronic – Datart is a multichannel reseller of consumer electronics active in online, retail and wholesale segments in the Czech Republic, Slovakia, Hungary, and Poland, headquartered in Zlín, Czech Republic.</p>	<p>In 2024, the group significantly advanced its sustainability agenda, highlighted by a 17% year-over-year increase in the collection of old appliances to support the circular economy. Operational efficiency was enhanced through the widespread implementation of LED lighting and heat pumps, alongside logistics optimization to reduce fuel consumption. These environmental efforts were complemented by strong social responsibility initiatives supporting non-profits and rigorous governance standards that prioritize product repairability and a strict Code of Ethics. These milestones were achieved amidst a strategic transformation involving the exit of GCE and the merger with NAY, with the company now operating under the unified NAY-DATART brand.</p>	<div> <div> 8 DECENT WORK AND ECONOMIC GROWTH  </div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div>
		<p>GTH catering is a complex country-wide corporate food catering (cafeterias) provider. GTH serves mainly large corporate clients, public institutions, hospitals and schools in both the Czech Republic and Slovakia.</p>	<p>GTH is one of the most advanced portfolio companies in carbon management. In 2024, it completed a detailed Scope 1–3 analysis with Green0meter, covering over 12 million meals produced. Total emissions were ~49,000 t, but per-meal emissions decreased to 4.0 kg. GTH also expanded its food waste donation program and strengthened supplier ESG assessments. This positions GTH as a sector leader in responsible catering services.</p>	<div> <div> 2 ZERO HUNGER  </div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div>
GPEF IV		<p>Hecht Motors is a leading Czech specialized supplier of garden machinery and power products. The Company follows a hybrid strategy of developing own network of branded stores in the core markets to serve the final consumers and export, B2B sales channels with business partners located mainly in Europe.</p>	<p>Hecht introduced real-time energy monitoring across subsidiaries in five Central European countries. This initiative enhances oversight of electricity use in retail outlets and distribution centers. The company also maintained its ISO 45001 health and safety certification and reinforced compliance with waste management policies. Hecht’s multi-country presence makes these operational ESG improvements significant at scale.</p>	<div> <div> 8 DECENT WORK AND ECONOMIC GROWTH  </div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div>




ESG Portfolio Highlights 2024

COMPANY		COMPANY PROFILE	2024 ESG REVIEW	ESG / SDG FOCUS
GPEF IV		BORCAD cz develops and manufactures seats for passenger trains for major train producers in Europe.	Borcad, a rail seat manufacturer, continued to invest in energy efficiency. It introduced heat recovery in its production process, optimized compressor use, and expanded LED lighting. In 2024, the company achieved ISO 14001 certification and sector-specific rail industry standards. These measures position Borcad as a responsible supplier to major international clients.	<div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> </div>
		TES VSETIN is a leading expert in the engineering and production of electric machines and components. TES covers the complete value chain, from development and design to machining and assembly. Majority of its production is exported to EU countries.	TES VSETIN reduced energy consumption through process optimization and prepared for ISO 50001 certification.TES remains a key regional employer with a strong industrial heritage, now embedding structured energy management into its business operations.	<div> <div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> </div>
		XBS is a niche supply chain integrated operator offering complex e-fulfilment solutions (physical, transactional, financial and information flows) dedicated to complex products (excise, non-standard size products, apparel and beauty products) with a wide range of distribution channels (B2C, B2E, B2B2C, B2B, etc.). The Company runs six warehouses operating approximately 65,000 square meters located near Warsaw.	XBS achieved ISO 14001 certification and introduced a broad ESG policy framework, including water management, anti-discrimination, and anti-corruption policies. The company consolidated warehouses and optimized logistics, cutting emissions by almost 80% year-on-year. Governance practices were further strengthened by adopting ISO 27001, reflecting a holistic risk and sustainability focus.	<div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> </div>

ESG Portfolio Highlights 2024

COMPANY		COMPANY PROFILE	2024 ESG REVIEW	ESG / SDG FOCUS
GPEF IV		PFX is one of the leading full-service postproduction studios based in the Czech Republic, Slovakia and Poland specialized in visual effects, animation, advertising, and postproduction for movies and streaming platforms.	PFX pursued a European buy-and-build strategy, completing five acquisitions in 2024. The group introduced environmental measures such as reusing server heat to warm its facilities and advanced its sustainability efforts by switching to renewable energy sources.	 
		STT Servis is an export-oriented supplier of quality precision machine parts and assemblies produced as single units or small batches with the capability to deliver atypical components with diameters up to eight meters.	STT Servis specializes in precision machining, with certified quality and welding standards. In 2024, the company did not implement new ESG projects but continues to meet industry requirements. The next step is to move beyond compliance and begin structured reporting of environmental and social indicators.	 
		AV Media focuses on audio-visual technology and services in two key segments: systems integration (design and installation) and event solutions.	AV Media implemented a range of energy-saving measures, including solar panel installation, LED upgrades, and smart building management systems. These initiatives helped reduce dependence on purchased electricity across its facilities. The company also completed a full carbon footprint analysis (Scopes 1–3), giving transparency over its supply-chain impact. ESG reporting is now aligned with international standards, providing a strong base for continuous improvement.	 

ESG Portfolio Highlights 2024

COMPANY		COMPANY PROFILE	2024 ESG REVIEW	ESG / SDG FOCUS
GPEF IV		<p>KASPER KOVO is an established engineering and manufacturing company based in Trutnov, the Czech Republic, specialising in the production of sheet metal components (steel, aluminium, and stainless steel) and pressure vessels for industrial and technological applications.</p>	<p>Kasper Kovo advanced its role in energy transition by expanding production of hydrogen storage vessels and other high-precision welded structures. The company maintains multiple certifications (ISO 9001, 14001, 45001) that support its ESG profile. Earlier investments in photovoltaics continue to reduce electricity demand from the grid. Kasper’s regional importance as a large employer adds a strong social dimension to its ESG contribution.</p>	<div> <div> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  </div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div>
		<p>Schulte is a leading provider of comprehensive technical building services in the Czech Republic, specializing in design and build solutions. The Company's core competencies lie in HVAC and engineering services, with a strong focus on the logistics, warehouse, and industrial sectors.</p>	<p>Schulte Group, a new investment in 2024, is a Czech provider of HVAC and technical building services. The company mapped its direct and indirect emissions for the first time, showing relatively low Scope 2 due to limited purchased energy. With its focus on energy-efficient HVAC technologies, Schulte is naturally aligned with the shift toward sustainable construction and building operations.</p>	<div> <div> 7 AFFORDABLE AND CLEAN ENERGY  </div> <div> 11 SUSTAINABLE CITIES AND COMMUNITIES  </div> </div>
		<p>GAF is an established Czech metalworking and machine producer, based in Žamberk, Czech Republic. Over the years, GAF has evolved into a diversified business, specializing in the production of custom metal components for a variety of industries, including rail and medical sectors, as well as manufacturing its own stainless-steel machinery for food processing.</p>	<p>GAF started building a structured ESG framework in 2024. While emissions reporting was focused on Scope 1 and 2 only, the company aligned its process with ISO methodologies. With certified production and growing demand for high-quality specialized components, GAF is well placed to integrate environmental efficiency into its next growth stage.</p>	<div> <div> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  </div> <div> 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  </div> </div>

Portfolio GHG Emissions and Intensity 2024

Methodology

Emissions are reported in line with the Greenhouse Gas Protocol. Scope 1 covers direct emissions from company operations, Scope 2 covers purchased energy, and Scope 3 covers selected value-chain impacts. Data was collected through the Green0meter platform and converted into CO₂ equivalents using standard emission factors.

In accordance with the EU Sustainable Finance Disclosure Regulation (SFDR), GHG intensity is calculated as:
$$\text{GHG Intensity} = (\text{Scope 1 emissions} + \text{Scope 2 emissions}) / \text{Revenue (EUR million)}$$








This metric corresponds to SFDR Principal Adverse Impact (PAI) Indicator 1: GHG emissions intensity of investee companies. Emissions are expressed in tons of CO₂e, while revenue is expressed in EUR millions to ensure comparability across companies of different sizes. Scope 3 emissions are excluded from this metric unless explicitly reported and verified, consistent with current SFDR methodology.

Not all companies report Scope 3 at this stage, so year-on-year comparisons are not always consistent. Total measured Scope 1+2 emissions across the portfolio in 2024 amounted to approximately 30,000 tons of CO₂. This will serve as the baseline for future reduction targets.








Interpretation

The portfolio's footprint is concentrated in a few large manufacturing and retail businesses, while service-oriented firms contribute only marginally. This highlights the need to focus decarbonization projects where impact is greatest, particularly through energy efficiency, cleaner energy sourcing, and supply-chain engagement. Over time, reporting will be expanded to cover Scope 3 emissions and intensity metrics, enabling clearer tracking of efficiency improvements.

Portfolio GHG Emissions and Intensity 2024

	COMPANY	SEGMENT	REVENUES (€M)	SCOPE 1 (T)	SCOPE 2 (T)	SCOPE 1+2 (T)	GHG INT. (T/€M)	SCOPE 3 (T)
GPEF III		Retail & e-tail electronics	1,106	3,823	11,189	15,013	14	n/a
		Leisure & services	9	n/a	n/a	n/a	n/a	n/a
	SUMMA LINGUÆ	Language services	21	0	16	16	1	n/a
		BPO / call centers	20	80	19	99	5	n/a
		Catering services	68	1,003	4,017	5,020	74	43,956
GPEF IV		Consumer products	101	1,758	1,262	3,019	30	n/a
		Transportation equipment manufacturing	22	330	207	536	24	n/a
		Electric machinery	57	786	1,147	1,934	34	n/a

Portfolio GHG Emissions and Intensity 2024

	COMPANY	SEGMENT	REVENUES (€M)	SCOPE 1 (T)	SCOPE 2 (T)	SCOPE 1+2 (T)	GHG INT. (T/€M)	SCOPE 3 (T)
GPEF IV	 Skuteczna LOGISTYKA	Logistics	28	167	622	789	28	n/a
		Media & VFX	24	24	421	445	19	n/a
		Precision machining	10	206	194	400	41	n/a
		Audiovisual technologies	66	381	199	579	9	2,237
		Industrial sheet metal and pressure vessel manufacturing	31	268	1,089	1,357	44	n/a
		HVAC installation and engineering services	40	817	9	826	21	n/a
		Industrial sheet metal manufacturing	12	417	268	685	59	n/a

*Note: GHG data are collected on a best-effort basis and have not been externally verified, audited, or benchmarked. GHG intensity was based on total Scope 1 and Scope 2 emissions for comparability.

Developments in 2025

In 2025, Genesis Capital plans to launch Genesis Private Equity Fund V (GPEF V) with a hard cap of €295 million, which should mark an important milestone in the firm's growth. The fund will be structured as SFDR Article 8 compliant, promoting environmental and social characteristics while embedding ESG considerations across the investment cycle.

With GPEF V, we will further strengthen our ESG approach through expanded data tracking and reporting in line with SFDR Article 8 disclosure requirements. By reinforcing ESG monitoring within investment decisions, GPEF V will meet evolving regulatory expectations and support portfolio companies in achieving sustainable growth and long-term value creation.



Goals and Closing Remarks

Looking ahead, our **ESG priorities** will build on the progress made in 2024. The past year was an important step forward, with the launch of Article 8 compliance for GPEF V, expanded data collection across the portfolio, and first full Scope 1–3 calculations completed by GTH Catering. We also saw companies like XBS and Borcad achieve new international certifications, and several new investments (Kasper Kovo, Schulte, GAF) establish their initial ESG baselines.

Genesis Capital remains committed to pragmatic **ESG integration** that is tailored to each company's context while guided by a consistent framework. The progress made in 2024 demonstrates that structured reporting and practical improvements can go hand in hand. As we move toward broader regulatory requirements and higher investor expectations, our goal is to deliver transparency, resilience, and measurable positive impact across our portfolio.



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