

## ANNEX I

### Template principal adverse sustainability impacts statement

*Table 1*

#### Statement on principal adverse impacts of investment decisions on sustainability factors

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| <b>Financial market participant</b><br>MML UK Advisor LLP [LEI: 636700LE3HEQ1GRL2V02]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Summary</b> <p>MML UK Advisor LLP (thereafter referred to as "MML") has a strong commitment to responsible investing, integrating environmental, social and governance (ESG) factors into its investment process. All newly launched MML funds are classified as Article 8 under the European Union's Sustainable Finance Disclosure Regulation (SFDR).</p> <p>MML considers principal adverse impacts of its investment decisions on sustainability factors. The present statement is the consolidated statement on principal adverse impacts (PAIs) on sustainability factors of MML UK Advisor LLP in respect of MML Partnership Capital VIII SCSp (the "Fund") and covers the reference period from 1 January to 31 December 2025.</p> <p>This is the second PAI statement produced in respect of the Fund (Freeland, Ross-shire Engineering, RAVL, SC Pack, TMC and Veezu). Where applicable, a comparison of the current reference period with the previous reference period (1 January to 31 December 2024) is provided.</p> <p>MML monitors and reports on all mandatory PAIs in respect of the Fund. In addition, two voluntary indicators were selected – one focusing on carbon reduction plans, the other on human rights policy. The related data is presented in Table 1 below.</p> <p>Primary data was collected directly from the investee company in the Fund, and where this was unavailable, reasonable estimations were applied – this has been noted in the 'Explanation' column for full transparency. In addition to disclosing on the PAI data, this statement also:</p> <ul style="list-style-type: none"><li>• Provides relevant explanation of the data, highlighting where improved data quality will be prioritised in future reference periods</li><li>• Describes actions that have been taken or intend to be taken to support the investee company to mitigate adverse impacts</li><li>• Describes the policies and processes to identify and prioritise principal adverse impacts on sustainability factors</li><li>• Sets out how MML engages and works with the investee company to positively influence sustainability performance and mitigate the risk of adverse impacts occurring</li><li>• Outlines how international standards and frameworks underpin sustainability related policies and processes of MML</li><li>• Provides a comparison of the current reference period PAI data to the previous reference period</li></ul> |

## Description of the principal adverse impacts on sustainability factors

### Indicators applicable to investments in investee companies

| Adverse sustainability indicator                 | Metric                                 | Sub-metric                          | Metric unit | Impact year 2025 | Impact year 2024 | YoY variance % | Explanation | Actions taken, and actions planned and targets set for the next reference period                                                                                                                                                 |                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------|----------------------------------------|-------------------------------------|-------------|------------------|------------------|----------------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS |                                        |                                     |             |                  |                  |                |             |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                            |
| Greenhouse gas emissions                         | 1. GHG emissions                       | Scope 1 GHG emissions               |             | tCO2e            | 2,753.09         | 2,778.35       | -1%         | 100% data coverage                                                                                                                                                                                                               | MML continues to monitor GHG emissions of its investee companies annually. A key focus will be to support the management teams in improving the GHG emissions data quality and accuracy.<br><br>Actions include supporting the investee management teams to review their carbon accounting data collecting |
|                                                  |                                        | Scope 2 GHG emissions               |             | tCO2e            | 369.58           | 342.52         | 8%          | All investee companies calculated Scope 1 and 2 emissions using primarily activity-based data. Scope 3 emissions were calculated using a combination of spend-based proxy and activity-based methodologies across the portfolio. |                                                                                                                                                                                                                                                                                                            |
|                                                  |                                        | Scope 3 GHG emissions               |             | tCO2e            | 306,045.00       | 56,528.97      | 441%        |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                            |
|                                                  |                                        | Total GHG emissions                 |             | tCO2e            | 309,167.67       | 59,649.84      | 418%        |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                            |
|                                                  | 2. Carbon footprint                    | Carbon footprint                    |             | tCO2e / MEUR     | 605.73           | 115.53         | 424%        |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                            |
|                                                  | 3. GHG intensity of investee companies | GHG intensity of investee companies |             | tCO2e / MEUR     | 907.48           | 223.01         | 307%        |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                            |

|  |                                                             |                                                                                  |  |   |       |       |     |                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                              |
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|  |                                                             |                                                                                  |  |   |       |       |     | <p>The year-on-year increase in Scope 3 emissions, and consequently in total GHG emissions, carbon footprint and GHG intensity, is primarily attributable to Ross-shire Engineering expanding its Scope 3 assessment from a partial to a more comprehensive assessment in 2025, resulting in additional Scope 3 categories being reported.</p> | <p>processes to improve data quality in Scope 1 and 2.</p>                                                                                   |
|  | 4. Exposure to companies active in the fossil fuel sector   | Share of investments in companies active in the fossil fuel sector               |  | % | 0.00  | 0.00  | 0%  | <p>100% data coverage<br/>None of the investee companies are active in the fossil fuel sector.</p>                                                                                                                                                                                                                                             | <p>MML will not invest in companies that derive revenues from the fossil fuel sector.</p>                                                    |
|  | 5. Share of non-renewable energy consumption and production | Share of non-renewable energy consumption and non-renewable energy production of |  | % | 87.23 | 74.01 | 18% | <p>100% data coverage<br/>All investee companies in MML Partnership Capital VIII SCSp calculated energy consumption</p>                                                                                                                                                                                                                        | <p>Efforts to reduce non-renewable energy consumption is on-going with continued focus to transition to renewable energy contracts where</p> |

|  |                                                                |                                                                                                                                              |                                                                         |                  |      |      |    |                                                                                                                                                                                            |                                                                                                                                                      |
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|  |                                                                | investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources |                                                                         |                  |      |      |    | using primarily activity-based data, with the exception of RAVL and Freeland. Both these companies were unable to provide primary data sources and have 100% estimated energy consumption. | possible. MML will continue to review and assess the consumption and production of non-renewable energy within the MML Partnership Capital VIII SCSp |
|  | 6. Energy consumption intensity per high impact climate sector | Energy consumption in GWh per million EUR of revenue of investee companies, per high impact climate sector                                   | C - Manufacturing                                                       | GWh/MEUR revenue | 0.01 | 0.00 | 0% | SC Pack is in the high impact climate sector C.                                                                                                                                            | As part of the MML carbon reduction targets, reducing fossil fuel-based energy consumption will be one of the key priorities in our engagement.      |
|  |                                                                |                                                                                                                                              | E - Water supply; sewerage; waste management and remediation activities | GWh/MEUR revenue | 0.02 | 0.02 | 0% | Ross-shire Engineering is classified in the high impact climate sector E                                                                                                                   | As part of the MML carbon reduction targets, reducing fossil fuel-based energy consumption will be one of the key priorities in our engagement.      |
|  |                                                                |                                                                                                                                              | H - Transporting and storage                                            | GWh/MEUR revenue | 0.00 | 0.00 | 0% | Veezu is classified in the high impact climate sector H                                                                                                                                    | As part of the MML carbon reduction targets, reducing fossil fuel-based energy consumption will be one of the                                        |

|                     |                                                                 |                                                                                                                                                                                                |  |                                     |       |      |        |                                                                                                                                                                                                                                                                  |                                                                                                                                               |
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|                     |                                                                 |                                                                                                                                                                                                |  |                                     |       |      |        |                                                                                                                                                                                                                                                                  | key priorities in our engagement.                                                                                                             |
| <b>Biodiversity</b> | 7. Activities negatively affecting biodiversity-sensitive areas | Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas |  | %                                   | 0.00  | 0.00 | 0%     | 100% data coverage<br>None of the investee companies in MML Partnership Capital VIII SCSp have reported their sites or operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas. | MML will continue to monitor any negative impact on biodiversity caused by activities of one of the investees of the fund on an annual basis. |
| <b>Water</b>        | 8. Emissions to water                                           | Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average                                                                         |  | tonnes of emissions to water / MEUR | 0.00  | 0.00 | 0%     | 100% data coverage<br>Emissions to water was reported not material for all investee companies in the MML Partnership Capital VIII SCSp.                                                                                                                          | MML continues to assess materiality across the portfolio and will continue to monitor any reported emissions to water on an annual basis.     |
| <b>Waste</b>        | 9. Hazardous waste and radioactive waste ratio                  | Tonnes of hazardous waste and radioactive waste                                                                                                                                                |  | tonnes of hazardous waste / MEUR    | 1.679 | 0.01 | 16687% | 100% data coverage<br><br>Veezu, SC Pack and Ross-shire                                                                                                                                                                                                          | MML continues to assess materiality across the portfolio and will continue to monitor any                                                     |

|                                                                                                               |                                                                                                                                                          |                                                                                                                                                          |  |   |      |      |    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                 |
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|                                                                                                               |                                                                                                                                                          | generated by investee companies per million EUR invested, expressed as a weighted average                                                                |  |   |      |      |    | Engineering reported hazardous waste in the current reference period.<br><br>The increase compared with the previous reference period is primarily attributable to Veezu reporting hazardous waste associated with the introduction of on-site vape recycling bins. | reported hazardous waste and radioactive waste on an annual basis.                                                                                                                                                                                                              |
| <b>INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS</b> |                                                                                                                                                          |                                                                                                                                                          |  |   |      |      |    |                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                 |
| <b>Social and employee matters</b>                                                                            | 10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises | Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises |  | % | 0.00 | 0.00 | 0% | 100% data coverage<br>None of the investee companies in MML Partnership Capital VIII SCSp have reported any violations against the UNGC principles or OECD Guidelines for Multinational Enterprises.                                                                | MML does not invest in companies which cause, contribute or are linked to violations of international norms and standards in a material manner, focusing in particular on UN's Global Compact Principles, International Labor Organization's (ILO) Conventions, OECD Guidelines |

|  |                                                                                                                                                           |                                                                                                                                                                                                                                                                                                        |  |   |       |        |      |                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                               |
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|  |                                                                                                                                                           |                                                                                                                                                                                                                                                                                                        |  |   |       |        |      |                                                                                                                                                                                                                                                                                                                          | for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.                                                                                                                                                                     |
|  | 11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises | Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises |  | % | 62.44 | 100.00 | -38% | 100% data coverage<br>Ross-shire Engineering has implemented policies and processes to monitor compliance with the UNGC principles and OECD Guidelines for Multinational Enterprises. The remaining investee companies have not yet implemented formal processes or compliance mechanisms aligned with these frameworks. | Annual monitoring of violations, grievances and complaints to the UNGC principles or OECD Guidelines for Multinational Enterprises is in place. Flagged incidents will be reviewed with management for remedial actions, and processes correctly implemented. |
|  | 12. Unadjusted gender pay gap                                                                                                                             | Average unadjusted gender pay gap of investee companies                                                                                                                                                                                                                                                |  | % | 16.06 | 20.58  | -22% | 100% data coverage<br>All of the investee companies in MML Partnership                                                                                                                                                                                                                                                   | MML will continue its annual monitoring of the unadjusted pay gap percentage with                                                                                                                                                                             |

|  |                                                                                                                          |                                                                                                                     |  |   |       |       |    |                                                                                                                                                                                                                                                                   |                                                                                                                                                                                 |
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|  |                                                                                                                          |                                                                                                                     |  |   |       |       |    | Capital VIII SCSp reported an unadjusted pay gap percentage.                                                                                                                                                                                                      | plans to working with management to plan a strategy to reduce the gap for the next reference period.                                                                            |
|  | 13. Board gender diversity                                                                                               | Average ratio of female to male board members in investee companies, expressed as a percentage of all board members |  | % | 87.12 | 80.38 | 8% | 100% data coverage<br>PAI 13 measures the weighted average share of female board members across investee companies, based on the current value of each investment.<br>RAVL and TMC reported no female representation on their boards during the reporting period. | MML will continue its annual monitoring to ensure that diversity, equity and inclusion policies are in place that cover all levels of the organisation and all operating sites. |
|  | 14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) | Share of investments in investee companies involved in the manufacture or selling of controversial weapons          |  | % | 0.00  | 0.00  | 0% | 100% data coverage<br>None of the investee companies in MML Partnership Capital VIII SCSp are involved in the manufacture or selling of controversial weapons.                                                                                                    | MML does not invest in companies involved in the manufacture or selling of controversial weapons.                                                                               |



| ADDITIONAL INDICATORS FOR PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                           |                                                                                                                                     |  |   |      |      |      |                                                                                                                                        |                                                                                                                                                                                                             |
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| CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                           |                                                                                                                                     |  |   |      |      |      |                                                                                                                                        |                                                                                                                                                                                                             |
| <b>Emissions</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 4. Investments in companies without carbon emission reduction initiatives | Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement |  | % | 52.5 | 20.9 | 151% | 100% data coverage<br>Ross-shire Engineering and TMC have implemented carbon emission reduction initiatives within their organisation. | MML will continue its annual review of emissions generated and support its management team to ensure a company-wide implementation of a carbon emission reduction initiative for the next reference period. |
| INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                           |                                                                                                                                     |  |   |      |      |      |                                                                                                                                        |                                                                                                                                                                                                             |
| <b>Human Rights</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 9. Lack of a human rights policy                                          | Share of investments in entities without a human rights policy                                                                      |  | % | 18.3 | 20.0 | -9%  | 100% data coverage<br>Freeland and TMC have not yet implemented a human rights policy during the reference period.                     | MML will continue its annual review of progress and ensure the Human Rights policy covers all operating sites.                                                                                              |
| <b>Description of policies to identify and prioritise principal adverse impacts on sustainability factors</b><br>MML has a structured approach to identifying and prioritising the principal adverse impacts (PAIs) on sustainability factors, supported by both internal policies and external frameworks. A dedicated ESG Policy is in place which serves to focus investment practices and an ESG Working Group oversees policies and approaches, as well as promoting new initiatives. To operationalise MML's responsible investment policy and manage PAIs effectively, each investee company participates in a robust assessment and engagement process.<br><u>Pre-investment screening</u><br>Identifying and mitigating sustainability risk is a fundamental component of MML's responsible investment process which begins pre-investment at the screening stage. MML's exclusions policy prohibits any investment in: |                                                                           |                                                                                                                                     |  |   |      |      |      |                                                                                                                                        |                                                                                                                                                                                                             |

- Tobacco
- Pornography
- Controversial weapons: MML will not make any investments in companies manufacturing and/or distributing controversial weapons. These are defined as weapons having a disproportionate impact on civilian population such as chemical weapons, nuclear weapons, anti-personnel landmines and cluster bombs.
- Coal: MML will not make an investment related to the extraction or burning of coal.
- Gambling: MML will not make any investments in companies whose main activity consists of operating casinos, gambling / betting venues or websites.

### ESG Assessments

Every investee company entering the Fund goes through a robust ESG assessment and MML has partnered with an expert sustainability consultancy to support with this. There are two phases to the assessment:

The first phase is an ESG due diligence process which considers 42 ESG topics. Material topics are identified and analysed for both risk exposure and mitigating activities. Policies and activities of the business are carefully reviewed and engagement is critical to formulate a well-informed understanding of sustainability risk across the business. Risk areas are all RAG rated from low (green) to high (red) and, should a risk be classified as red (i.e. high risk exposure and inadequate mitigating activities in place), MML will either work closely with the target company to discuss how the risk can be managed or, in severe cases, will not go ahead with the investment. A key output of the ESG due diligence process is a 100-day plan which includes recommendations to support companies to address any potential risks identified. An ESG section is included in pre-deal Investment Committee papers and discussed at Investment Committee meetings.

The second phase of the assessment involves re-engagement with the portfolio company 3-6 months post investment, giving time for the business to have implemented the recommendations of the ESG due diligence report. During this second phase, companies are evaluated against a comprehensive framework. 64-85 topics covering the broader areas of Environment, Social, Supply Chain, Governance and ESG Integration are reviewed. Topics in the framework include, but are not limited to:

- Environmental impact from activities, energy consumption, recycling etc.
- Contribution to the wider community, including charitable efforts, inclusion of all stakeholders for relevant discussions
- Managing and adhering to a high code of ethics; considering social responsibility, maintaining strong anti-corruption policies
- Ensuring equality of opportunity, remuneration based on contribution, the health and safety of staff at work, the learning and development needs of individuals.

Business activities are assessed against defined scoring criteria, resulting in both a current and target score. Clear, tailored recommendations are provided to help the business implement initiatives and policies that mitigate the risk of adverse impacts and drive meaningful progress over the next 12 months. Upon completion of the review, a customised online ESG performance tracker is developed. This tracker outlines the agreed action

points and assigns responsibility to specific members of the investee company's team. It serves as a practical tool to prioritise actions and enables both management and the board to effectively monitor progress.

#### ESG metrics

Approximately 200 ESG metrics are collected and monitored annually from each of these assets. The composition of these metrics set is based on the ESG Data Convergence Initiative (EDCI), SFDR PAI data as well as LP requests. This has been one of the major developments in MML's stewardship approach over the last year. Portfolio companies are scored and work with specialists to provide detailed action plans to drive improvement and monitor how each company is progressing. This approach ensures that key ESG impacts and risks are identified and managed, progress is tracked, and both portfolio companies and MML are prepared for sound and transparent reporting with high-quality data.

In addition to the above, the following activities are in place:

- Carbon calculations: All investee companies are required to calculate their Scope 1 and 2 emissions annually. Some companies conduct a full scope 1, 2 and 3 carbon calculation and have developed net zero targets and carbon reduction strategies. In addition, MML carries out an annual carbon footprint as a private equity company
- Climate-related risks and opportunities assessment: MML has conducted a climate-related risks and opportunities assessment of its portfolio looking at four time horizons. Further detail and a summary of the outcomes of this assessment can be found in the [2025 MML Responsible Investing Report](#) (pg 25)
- Impact Report: MML publishes an annual ESG Impact Report (latest one can be found [here](#)). This document describes the sustainability journey of MML, its responsible investment policy and summaries the sustainability KPIs and highlights of MML's portfolio.

#### **Engagement policies**

MML engages a third-party, specialist sustainability consultancy to support investee companies with the above activities and processes.

The representatives of the Investment Advisor who sit on the board of directors of a portfolio company will be responsible for overseeing and encouraging progress against the agreed action points. To support the proactive monitoring of ESG performance and progression, the Investment Advisor will recommend that ESG is included in board meeting agendas. The Investment Advisor has also developed a knowledge sharing network and will provide regular ESG training and knowledge sharing with the management teams of the portfolio companies.

MML prides itself in being a responsible investor and is committed to ensuring that all investee companies demonstrate responsible business practices. Should it come to light that an investee company is generating a negative sustainability impact, MML will engage the company to seek a resolution and appropriate remediation. Depending on the nature of the issue, an action plan will be developed with the company that may require external party assistance to ensure that the matter is adequately addressed. In extreme cases, where the investee company is unwilling to respect the responsible business policies that MML mandates, MML will consider termination of the relationship.

#### **References to international standards**

The MML ESG policies, processes and sustainability standards are guided by the following international standards and frameworks:

- UN Principles for Responsible Investment (UN PRI): MML has been a signatory to the UN PRI since 2019.
- UN Global Compact (UNGC): MML supports and promotes the Ten Principles relating to human rights, labour, environment, and anti-corruption, which are reflected in its exclusions policy as well as both the ESG due diligence and assessment frameworks.
- UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises and ILO Core Labour Standards: The principles and guidelines of all of these standards are foundational to the frameworks that each investee company is assessed against. Particularly relevant are those topics related to company practices on working conditions, modern slavery, anti-bribery and corruption, supply chain engagement, customer safety and privacy and environmental practices (such as energy, water, waste, climate change and carbon).
- ESG Data Convergence Initiative (EDCI); Invest Europe: MML report annually in line with the EDCI and Invest Europe
- The United Nations Sustainable Development Goals (SDGs): The Investment Advisor will identify which SDGs each portfolio company is most closely aligned with and therefore which SDGs the company can meaningfully contribute to
- GRI and SASB: The criteria of the sustainability assessment framework has been informed by international frameworks and standards such as GRI and SASB.
- TCFD: The climate-related risks and opportunities assessment that was carried out in 2023 was aligned with the Task Force on Climate-related Financial Disclosures (TCFD) methodology.
- In 2021 MML became recognised as a Carbon Neutral company. An annual carbon calculation of MML is carried out and reduction opportunities identified. While this compensates for our current impact, we recognise that offsetting alone does not meet the threshold for a “carbon neutral” claim under the evolving best practice. We are evolving our approach to place greater emphasis on reducing emissions over time, particularly in higher-impact areas such as business travel, using offsetting as a transitional measure.

### **Historical comparison**

This is the second statement and, accordingly, a historical comparison of the PAIs for the Fund is included for the previous reference period (1 January 2024 to 31 December 2024), where applicable.