

Sustainability

Investing for the long term

As an investment company, we outline how we approach our investment decisions responsibly, and manage our portfolio for today and the future.

We also explore how we manage our business operations, for the benefit of our employees and wider stakeholders.

What's in sustainability?

Responsible investing

Our approach	44
Our investment portfolio	45
Climate and the transition to net zero	47
TCFD summary	50

Our people and culture

Employee engagement	52
Fundraising and volunteering	52
Intern programme	53
The Caledonia Investments Charitable Foundation	53
Equality, diversity and inclusion	54
Working environment	55
Health and safety	55
Grievance procedure and whistleblowing	55

Sustainability continued

Our approach recognises that value creation is built over years, through careful judgement, enduring partnerships and responsible decision-making.

Our commitment to sustainability extends to our people and wider stakeholders. We actively promote an inclusive and supportive culture based on our values – insightful, supportive, responsible, considered and long term.

“ We’re very lucky with the environment in which we work, the resources that are made available to us and the colleagues we work amongst. Caledonia has a great culture. ”

Employee
Caledonia Investments

Responsible investing

We believe that responsible investment and business success go hand in hand. We are committed to building businesses for the long term and consider the environmental, social and governance ('ESG') impact of the investments that we make.

[Read more](#)

➔ PAGE 44



Our people and culture

Our people are central to Caledonia's long-term success. We aim to foster a working environment that is collaborative and aligned with our values of being insightful, supportive, responsible, considered and long term.

[Read more](#)

➔ PAGE 52



Sustainability continued

Responsible investing

We believe that responsible investment and business success go hand in hand. We are committed to building businesses for the long term.



Our approach

Our approach to responsible investment ('RI') and sustainability is grounded in our long-term investment philosophy, reflected in the characteristics we value in the companies and fund managers with whom we partner.

We expect to invest in businesses and funds which will:

- Grow, provide employment and generate economic benefit in an environmentally and socially responsible way, both during and after our ownership
- Take a responsible approach towards the environment and society, based on good governance practices

Responsible Investment / Responsible Corporate ('RI/RC') Working Group

Caledonia's RI/RC Working Group advises and assists in the development and implementation of Caledonia's approach to sustainability matters, including climate-related issues. The group meets regularly throughout the year.

The working group:

- 1 Advises and assists in the continued development of and implementation of our approach to ESG matters across the business.
- 2 Seeks to ensure that ESG matters are appropriately factored into decision-making processes.
- 3 Continues to develop understanding of climate-related matters.
- 4 Supports the development of our reporting, particularly on climate-related matters.

MEMBERS

Executive:

- Chief Executive Officer (Chair)
- Chief Financial Officer

Investment pools:

- Senior members of Public Companies
- Senior members of Private Capital
- Senior members of Funds

Group:

- Company Secretary
- Other key corporate managers

Sustainability continued

Our investment portfolio

We believe that responsible investment and business success go hand in hand. We are committed to building our businesses for the long term and consider the ESG impact of the investments we make.

Through proactive and constructive engagement with our portfolio, we are committed to fostering continuous improvement and driving positive change.

Public Companies

Guided by deep fundamental research with a disciplined focus on quality and resilience, selection risk is managed by analysing numerous characteristics for each company. These include:

- High-quality and durable business models that enable long-term compounding
- Attractive end markets, for example with secular growth tailwinds or limited competition
- Management with strong capital allocation who think like owners; 'culture is key'
- Typical good returns of capital

As active investors focused on the long term, monitoring and engagement forms an important part of how the team operates:

- We exercise our voting rights judiciously. Votes are cast on all our holdings, ahead of shareholder meetings
- We maintain open, direct dialogue with the company to understand key issues
- We will vote with management unless we believe it is contrary to our interests as a long-term shareholder

Our approach means we do not typically invest in capital intensive businesses directly involved in the extraction and production of coal, oil or natural gas.

Public Companies portfolio:
climate change metrics and targets

➔ PAGE 47

Private Capital

As 'buy to own' investors, the team works closely with management to support operational improvement, good governance and compliance with relevant sustainability regulations through a lens of value creation and risk management.

This is done through the following:

- Board representation to enable active oversight, influence and support on strategic, operational and governance matters
- Regular, direct engagement with management to review existing risks, identify new ones, and monitor progress on key mitigation initiatives
- Structured ESG monitoring – including annual ESG surveys, TCFD-aligned climate risk assessments and company-specific KPIs – allowing us to ensure that risks are well managed and opportunities for improvement are acted upon

Private Capital portfolio:
climate change metrics and targets

➔ PAGE 48

Funds

Partnering with over 45 managers and investing in over 80 funds with an underlying portfolio of over 600 companies, our diligence, monitoring and engagement framework is centred on the following:

- Due-diligence: before committing to a manager, we assess how ESG considerations are integrated into their organisation, investment processes and portfolio management
- Ongoing engagement and transparency throughout each fund's life: we maintain close dialogue with our managers, engaging through regular communications and update meetings. Where we hold an Advisory Board seat, we request that ESG is included on annual meeting agendas. This enables us to stay informed on material risks, emerging issues and the progress of ESG initiatives
- Monitoring ESG performance and climate risk across the portfolio: we continue to refine the proxy calculation methodology to increase accuracy and enhance our monitoring to provide deeper insights across the portfolio

Sustainability continued

A SPOTLIGHT ON DTM



B-Corporation ('B-Corp') status for DTM

Within Private Capital, our portfolio company DTM successfully achieved B-Corp certification in November 2025, marking a significant milestone in its journey to embed responsible business practices at the heart of its operating model.



B-Corps are a network of businesses committed to operating ethically and sustainably. Businesses which meet the requirements are viewed as respected leaders in their field and must apply for recertification every three years, helping to ensure the highest levels of commitment.

A business built around people, customers and responsible growth

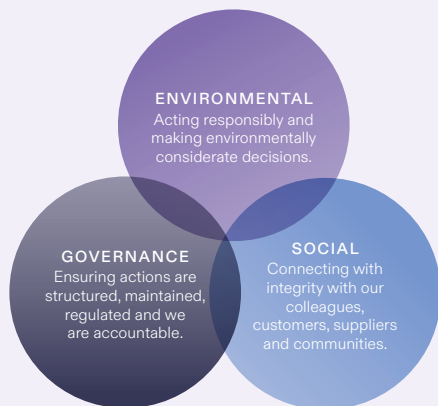
Headquartered in Blackpool, DTM is the UK's leading independent tyre management provider, managing over 285,000 vehicles and around 1.3 million tyres for fleet customers across the UK, enabled by a scalable, technology-led platform and a national network of service providers.

As a team, DTM has a genuine ambition to act responsibly for each other, their customers and communities and for the environment.

Governance that supports long-term resilience
DTM operates a robust governance framework. In 2025, the company successfully renewed a comprehensive suite of ISO certifications (9001, 14001, 45001 and 50001) and completed recertification for Cyber Essentials Plus, with work underway to implement ISO 27001 – strengthening data security across the organisation.

Clear climate ambition, backed by measurable progress
DTM has set a net zero target for 2040, with an interim commitment to halve emissions by 2030 (versus a 2021 baseline). Transparent measurement of Scope 1 and 2 emissions cover all operations, including its vehicle fleet.

DTM'S ESG STRATEGY COMMITTED TO A SUSTAINABLE FUTURE



DTM's approach is underpinned by its internal standards known as the PACE framework:

People & culture, Approved network, Customer focus and Environmental responsibility

Ensuring that ESG considerations inform decision-making across the organisation, the company is a Living Wage Employer and places colleague wellbeing at the centre of its culture, evidenced by its Platinum Charter membership for mental health. Regular engagement through employee and customer surveys ensures the company maintains high levels of retention, performance and service quality, with insights actively shaping policies and reinforcing DTM's high service ethos.

“ We would like to congratulate the whole team at DTM for this certification. It recognises their continued progress across governance, social value creation and environmental management, providing external validation of the quality and maturity of their approach. ”

Tom Leader
Head of Caledonia Private Capital

THE PACE FRAMEWORK UNDERPINNING ALL AREAS OF DTM'S BUSINESS

People & culture

Knowledgeable, inclusive, supportive team, connecting respectfully with our colleagues, customers, suppliers and communities.

Approved network

Extensive, high-quality certified service network, enabling us to minimise vehicle downtime and provide a quick response when assistance is needed.

Environmental responsibility

Actively committed to an ESG strategy, we act responsibly, and with integrity, making environmentally considerate decisions.

Customer focus

Delivering a customer-focused approach that builds valued relationships through digital platforms. We provide data and insight to help keep our customers safe and informed whilst reducing their carbon impact.



Sustainability continued

Climate and the transition to net zero

Our portfolio

As long-term investors, we take a proportionate, pragmatic approach to climate-related risk management that reflects the nature of each of our investment pools while ensuring climate-related risks and opportunities are appropriately considered. We recognise the importance of understanding, assessing and managing the potential impacts of climate change across our investment portfolio.

We engage with our underlying portfolio companies and fund managers to understand and assess their carbon emissions, while continuing to enhance our monitoring and reporting systems to enable us to track progress towards a low-carbon future. We have set an expectation that the businesses in which we invest target net zero Scope 1 and 2 (market-based) emissions by 2050. The pace at which these targets are achieved will vary across our portfolio, reflecting differences in business models, sector dynamics and the evolving nature of climate-related risks and opportunities, including regulatory developments, changes in consumer preferences and increasing pressure to reduce emissions and address broader environmental issues.

Public Companies

Across Public Companies, we benefit from the more established disclosure frameworks adopted by listed businesses, while actively monitoring areas of heightened climate exposure and risks. We continue to expect that all businesses develop and implement strategies to achieve net zero Scope 1 and Scope 2 emissions by 2050, or sooner if possible.

For our TCFD reporting, we continue to use the MSCI World Index as a benchmark owing to its similar sector exposure to the companies within our portfolio.

The data we draw on from MSCI is subject to a reporting lag. The figures for 2026 primarily cover the period from 1 June 2024 to 31 May 2025, while the comparative data largely reflects the period from 1 June 2023 to 31 May 2024.

The table below presents the primary metrics we use to quantify the Scope 1 and Scope 2 greenhouse gas ('GHG') emissions of the Public Companies pool, which form part of the aggregate emissions linked to our investment portfolio:

Latest annual reported data	Scope	Pool (2026)	Benchmark (2026)	Variance vs benchmark	Pool (2025)	Units
Total carbon emissions	1 and 2	13,186	41,157	-68%	12,956	tonnes CO ₂ e
Carbon footprint	1 and 2	14	43	-68%	13	tonnes CO ₂ e / \$m invested
WACI	1 and 2	58	104	-44%	51	tonnes CO ₂ e / \$m sales

Carbon emissions data for our public company investments was obtained from the MSCI One platform. MSCI collects the data from publicly available sources, including annual reports, the Carbon Disclosure Project and Government databases. All carbon emissions data collected is classified per the GHG Protocol methodology to enable aggregation and comparability across investee companies and sectors. We have not sought to verify this data and assume no responsibility for its accuracy or completeness.

The Public Companies pool saw a 2% increase in total carbon emissions over the year. This increase was predominantly driven by changes in portfolio composition, including the addition of new holdings and two disposals during the year. Despite this increase in absolute emissions, the pool continues to demonstrate materially lower emissions intensity than the benchmark across all reported metrics.

Other key climate metrics we use to monitor companies in our Public Companies pool are as follows:

Other metrics	Pool (2026)	Pool (2025)
Companies targeting net zero for Scope 1 and Scope 2 by 2050	78%	82%
Companies with a top quartile carbon management score	44%	60%
Green revenue exposure	5%	5%

The majority of the companies in our Public Companies pool have plans to achieve net zero emissions by 2050 or sooner. A small number of companies have yet to establish net zero targets and contribute c.16% of the pool's total carbon emissions. Based on our knowledge and engagement with these companies and their commitment to good corporate governance, we believe they will establish appropriate targets.

While the proportion of companies with top quartile carbon management scores has declined, the metric continues to indicate a solid level of climate management capability across the pool. This reflects its evolving composition and varying stages of climate strategy maturity among investee companies. We remain confident that, through ongoing engagement and oversight, companies will continue to strengthen their management of climate-related risks and opportunities in line with our net zero expectations.

Sustainability continued

Private Capital

Within our Private Capital portfolio, our engaged ownership model enables us to support companies to develop their climate strategies, including encouraging transparent reporting of Scope 1 and 2 emissions and identifying operational improvements that can reduce environmental impact.

This is the second year we have provided emissions data for our Private Capital businesses. Emissions will vary significantly due to the different types of businesses we own in the portfolio. This year, as these companies have continued to refine their reporting processes and collect more comprehensive data, we have seen total carbon emissions increase, a reflection of greater transparency and data availability.

Latest reported data ¹	Scope	Pool (2026)	Pool (2025)	Units
Total carbon emissions ²	1 and 2	7,127	6,743	Tonnes CO ₂ e
Carbon footprint	1 and 2	10	10	Tonnes CO ₂ e / £m NAV
WACI	1 and 2	14	10	Tonnes CO ₂ e / £m sales

1. Since each of our portfolio companies has a different financial year-end, we have included the most recent data available.
2. Excluding our investment in Cobepa, a private equity manager with an underlying portfolio of companies, 99.9% of net asset value of our Private Capital pool have provided emissions data, with most reporting the majority or all of their Scope 1 and 2 emissions.

Funds

In our Funds portfolio, we continue to work closely with our managers to support improved transparency and to understand how climate-related risks are assessed within their own investment processes.

We have begun to develop our metrics and methodology for initial analysis of the weighted average carbon intensity of the Funds portfolio using estimation factors derived from public markets proxy data and will continue to refine this data based on the availability of data received from the managers of the underlying funds.

Our business operations

We operate our business activities from a single central London office. Whilst our operational footprint is modest in comparison to our broader investment activities, we remain committed to operating our business in an efficient manner and to reducing our climate impact where feasible.

We set an ambitious goal to achieve net zero emissions for Scope 1 and Scope 2 (market-based) emissions by 2030. We achieved our goal of net zero Scope 2 (market-based) emissions following the switch to a renewable energy provider in 2022. In late 2025 we installed solar panels on the roof of our office which are expected to make a small reduction to our location-based emissions in future years.

Our transition strategy to achieve net zero Scope 1 emissions is dependent on the implementation of a low-carbon alternative to replace our traditional gas boiler heating system. During the year we completed an assessment to achieve this, concluding a replacement with electric technology will be required by 2037. Once implemented we expect our remaining Scope 1 emissions to reduce to net zero. We have therefore revised our target with a goal to achieve net zero Scope 1 emissions by 2037 and to maintain net zero Scope 2 (market-based) emissions.

We continue to recycle nearly all waste and ensure that wastewater is safely returned to the sewer system. The resulting emissions from water and waste processes are categorised under 'other' Scope 3 emissions and are considered immaterial.

It is worth noting that electricity consumption has risen since 2020, mainly due to the return of colleagues to the office following the Covid-19 pandemic and, more recently, our decision to operate 24-hour security for enhanced safety. However, we continue to take measures via the adoption of new technologies to help reduce our energy demand.

Travel

Employees primarily commute to the office via public transport and we actively encourage sustainable travel through our cycle to work scheme. Our reported Scope 3 emissions primarily relate to international business travel. This remains an important part of how we engage with and oversee our globally diversified investment portfolio. Although our reported Scope 3 emissions have reduced over the year, as long-term stewards of our shareholders' capital, maintaining strong relationships with our portfolio companies and fund managers is fundamental to our investment approach so we expect these emissions to vary considerably from year to year, reflecting the continued need for face-to-face engagement to ensure robust oversight and risk management.

Sustainability continued

Climate change metrics and targets including greenhouse gas emissions

The data in the following tables has been prepared in accordance with the regulations, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implemented the Government's policy on Streamlined Energy and Carbon Reporting ('SECR').

Scope	Source of GHG emissions – year to 31 March	Tonnes CO ₂ e						
		2020	2021	2022	2023	2024	2025	2026
Scope 1 (direct emissions)	Combustion of fuel & facilities operation	24	19	17	16	14	14	16
	Including company car use (sold in April 2022)	-	-	4	-	-	-	-
Scope 2 (indirect emissions)	Electricity purchase for own use (location-based)	57	47	45	52	59	61	62
	Electricity purchase for own use (market-based)	57	47	-	-	-	-	-
Scope 1 & 2- location-based		81	66	66	68	72	75	78
Scope 1 & 2- market-based		81	66	21	15	14	14	16
Scope 3 (indirect emissions)	Business travel	371	7	94	243	375	825	350
	Other	-	-	-	1	1	-	1
Total – location-based		452	73	160	312	448	900	429
Total – market-based		452	73	115	259	389	839	367
KPI – location-based	Total emissions per average number of employees	7.5	1.2	2.6	5.0	6.3	11.8	5.7
KPI – market-based	Total emissions per average number of employees	7.5	1.2	1.9	4.2	5.5	11.0	4.9
Average number of employees		60	61	61	62	71	76	75

Please note:

- These emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard guidelines using UK Government GHG Conversion Factors for Company Reporting.
- Caledonia consumes all its water from the mains, which we understand is sourced from high stressed areas, with all its waste water currently being returned to the sewer. The resultant CO₂ emissions from its use of water are less than 1 tonne.
- Caledonia generates a mix of recycled and general waste. The related Scope 3 GHG emissions are included within 'Other' in the table above.
- The location-based method reflects the average emissions intensity of the grids on which energy consumption occurs, while the market-based method reflects emissions from the 100% renewable electricity that we have chosen to purchase.
- All of our reported emissions arise in the UK, with business travel primarily departing from or arriving in the UK. Accordingly, this table does not include a separate column showing the annual UK proportion of global emissions.
- The emission sources shown in the table above relate to companies included in the consolidated financial statements. Under the SECR regime we are not required to report any emissions from companies outside the consolidated group.
- Caledonia does not release any hazardous air pollutants. Material hazardous waste is limited to batteries and print toner, both of which are responsibly recycled.

Other metrics	Unit	2020	2021	2022	2023	2024	2025	2026
Electricity usage	KWh(k)	224	199	214	270	286	298	357
Gas usage	KWh(k)	100	93	91	76	67	68	80
Water consumption	m ³	Data not available			798	1166	1085	1394
General mixed waste	tonnes	Data not available			-	-	-	-
Mixed recycling	tonnes	Data not available			-	-	-	-
WEEE waste	tonnes	Data not available			-	-	-	-
Confidential waste	tonnes	Data not available			2	2	3	2
Waste generation	tonnes	Data not available			2	2	3	4
Waste recycled	%	Data not available			99%	99%	100%	100%

Sustainability continued

TCFD summary

We continue to recognise the importance of clearly communicating both financial and non-financial ESG performance to our stakeholders.

This is the fourth year we have produced a separate Task Force on Climate-related Financial Disclosures ('TCFD') report. The following section, which should be read in conjunction with our TCFD report, summarises our response to each of the TCFD recommendations, and explains how we incorporate climate-related risks and opportunities into each of the four TCFD pillars of governance, strategy, risk management and metrics and targets.

As required by Listing Rule 6.6.6R (8), we consider these climate-related disclosures to be consistent with the TCFD recommendations and recommended disclosures, other than the completion of scenario analysis (strategy pillar disclosure (c)) and the development of metrics and targets for all of our investment assets (metrics and targets pillar disclosures (a), (b) and (c)).

We have fully addressed the assets within our Public Companies pool. We have also increased our disclosure for our Private Capital pool. Over time we will seek to develop our metrics and methodology further as the quality of data improves and more information is available for our Funds pool.

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

The board is collectively responsible for the long-term success of Caledonia. It sets the company's strategy, ensures that the necessary financial and human resources are in place to enable the company to meet its objectives, and reviews management performance.

Caledonia's governance structure is proportionate to the size and complexity of the business, with clearly defined responsibilities and delegated authority. The board has delegated overall responsibility for the delivery of the strategy to the Chief Executive Officer. Our governance and reporting frameworks enable the board to have oversight of the climate-related risks and opportunities which could impact our business.

The board conducts deep-dive reviews of the activity and performance of each of Caledonia's three investment pools annually. To provide enhanced visibility and monitor progress, an assessment of climate-related risks and opportunities, together with appropriate metrics, is incorporated into reporting.

The remuneration structure for our executive directors includes two variable pay elements:

- a. short-term incentive (bonus) to reward performance on an annual basis against key financial and personal objectives.
- b. long-term incentive to motivate the delivery of long-term shareholder value.

The structure of the annual bonus includes an assessment of delivery against personal objectives, which include elements related to responsible investment and being a responsible corporate.



TCFD report 2026

Our fourth standalone TCFD report sets out our progress towards meeting all TCFD recommendations.

The purpose of this report is to provide our shareholders and other stakeholders with a better understanding of our exposure to climate-related risks, our strategic resilience to these risks and the climate-related opportunities for our business.



Read the full report

➔ SCAN QR CODE

Sustainability continued

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

Our strategic aim is to achieve capital appreciation and dividend growth for our shareholders over the long term through disciplined investment and active stewardship of the assets in our portfolio. We recognise our responsibility to support the transition to a lower-carbon economy. This is why we have set an expectation that the businesses in which we invest should target net zero emissions by 2050 (Scope 1 and Scope 2, market-based). We keep this commitment under review, recognising the pace of progress will vary across sectors and individual companies, reflecting differing business models and operational footprints.

Our investment portfolio is well-diversified, with limited direct exposure to high carbon-emitting industries such as oil and gas. We seek to avoid investment in businesses that cause material harm to the environment unless they have a clear strategy to reduce their impact over time.

We have considered both physical and transition risks over three time horizons. The availability of robust data and quality information is a prerequisite to effective analysis. We have used the most recent data and information for the constituent businesses in the Public Companies pool using MSCI's One platform. This data has been used to support a scenario analysis exercise to confirm the resilience of the pool to both physical and transition risks, under various climate scenarios.

The scope of the analysis for the Private Capital pool covers seven investee companies in the portfolio as at 31 March 2026. A data collection framework to measure company-specific key performance indicators alongside an annual survey enables year-on-year progression to be measured on carbon emissions and other related metrics. The analysis is qualitative in nature. Unlike the Public Companies pool, there is no distinction between the methodology applied for physical and transition risks. The scenario analysis is tailored to the characteristics of each company in the portfolio and is performed with reference to its sector and geographic footprint.

Within the Funds pool, we encourage General Partners to incorporate climate-related risks and opportunities into their investment processes and portfolio oversight and anticipate that similar information will be developed for the constituents of this portfolio in future years.

Our business operations have a modest carbon footprint when compared with the impact of our investment portfolio. We remain committed to minimising the impact of our own operations on the environment and mitigating the risks posed by climate change. We set an ambitious goal to achieve net zero emissions for Scope 1 and Scope 2 (market-based) by 2030. We achieved our goal of net zero Scope 2 (market-based) emissions following the switch to a renewable energy provider in 2022.

Risk management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

As noted on page 48, our net zero Scope 1 emissions are dependent on the implementation of a low-carbon alternative to replace our traditional gas boiler heating system. We have therefore revised our target with a goal to achieve net zero Scope 1 emissions by 2037 and to maintain net zero Scope 2 (market-based) emissions.

The corporate approach to risk management is covered on pages 56 to 60 of this report.

Risks are assessed and managed in accordance with our corporate risk management framework which includes ESG & climate change as one of the principal risks.

Assessments of climate-related risks continue to be incorporated into our strategy. In discharging its responsibilities, the board is ultimately accountable for oversight of climate-related risks that could affect the business. Non-executive director oversight of the risk management framework and associated processes is exercised through the Audit and Risk Committee ('ARC').

The Chief Financial Officer is responsible for ensuring that an appropriate risk management framework is in place and each area of the business is responsible for using that framework to identify, assess and report on their risks and controls.

Investment managers identify climate-related risks in the portfolios they manage supported by key functions such as Finance, Tax, Human Resources, Facilities Management and Company Secretarial with further oversight from the Operational Risk Committee and the Head of Risk.

Risks within the companies and funds in which we invest are identified through ongoing research using in-house expertise, external data and reporting from investee businesses. Our business operations use third-party resources to ensure a good practice approach is taken for identifying risks and addressing them in a timely manner.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Alongside our business operations, we continue to report Scope 1 and 2 emissions data of the Public Companies pool and the majority of Private Capital's portfolio NAV.

Information on specific metrics and targets are provided in the TCFD report. In line with SECR requirements, we have also listed our GHG data.

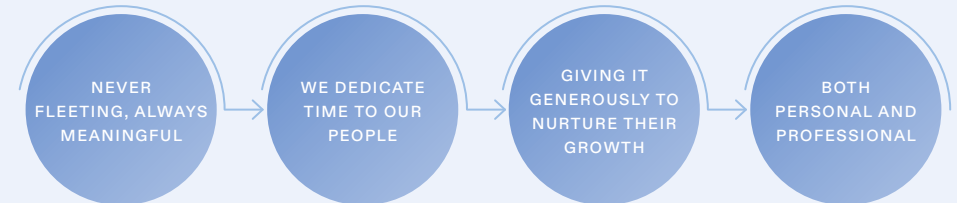
Sustainability continued

Our people and culture

Our people are central to Caledonia's long-term success. We aim to foster a working environment that is collaborative and aligned with our values of being insightful, supportive, responsible, considered and long term. These values shape how we work together, how we make decisions, and how we build trusted relationships across our business.



Our Time Well Invested manifesto guides our day-to-day working culture:



Employee engagement

Employee engagement remains a priority. Building on the two previous colleague engagement surveys, we continue to listen and shape enhancements to our employee experience, wellbeing offering and internal communications, ensuring colleagues' views influence how we continue to evolve as an organisation.

This year we focused on helping colleagues better understand and navigate the benefits available to them. We introduced an educational programme to improve awareness of our workplace pension scheme, enabling colleagues to make more informed decisions about long-term financial planning.

We also launched a new share incentive plan, designed to strengthen alignment between employees and shareholders and to reinforce our culture of long-term ownership. The plan was met with strong engagement, with 82% of colleagues choosing to participate. We were delighted that the plan went on to win 'Best New Share Plan' at the 2025 ProShare Awards.

We continue to invest in a working environment where colleagues feel supported, included and able to grow. Across the business, we promote professional development and a culture that encourages personal accountability and mutual respect. Wellbeing remains a core element of our people strategy. We regularly review our policies and support structures to ensure they meet the evolving needs of our teams. As part of our ongoing wellbeing initiative, we introduced in-office pilates classes during the year, aimed at supporting physical and mental wellbeing.

We will build on the insights gathered from our engagement surveys and maintain regular dialogue with colleagues to ensure Caledonia remains focused on sustaining a culture that empowers people to do their best work and supports long-term growth.

Fundraising and volunteering

Alongside the support to the Caledonia Investments Charitable Foundation, we foster employee and stakeholder involvement across the local communities within which Caledonia and our investee companies operate. We offer employees up to two additional days of leave to support those causes that they feel passionately about.

This year, amongst many activities, teams have spent time volunteering for the Countryside Education Trust and fundraising for The Passage, a charity which supports people at risk of or experiencing homelessness in London.



Sustainability continued

Intern programme

Each summer we welcome a cohort of students onto our 'Sea Lions' intern programme, a four week, structured and inclusive learning experience designed to introduce talented individuals to the world of long-term investing.

The programme forms an important part of our commitment to developing future talent and reflects our culture of investing time in people as well as capital.

The programme provides interns with a holistic understanding of Caledonia and how we create long-term value. They gain exposure to each of our investment pools, meet colleagues from across the business and learn how our long-term philosophy shapes decision-making.

“ The Sea Lions Programme was more than just an internship, it was an investment. Through holistic mentorship, site visits and company socials, the experience stretched us intellectually, expanded our horizons and exposed us to the welcoming Caledonia culture we had heard so much about – it truly was time well invested. ”

Abim Tayo, intern alumnus
2025

The Caledonia Investments Charitable Foundation

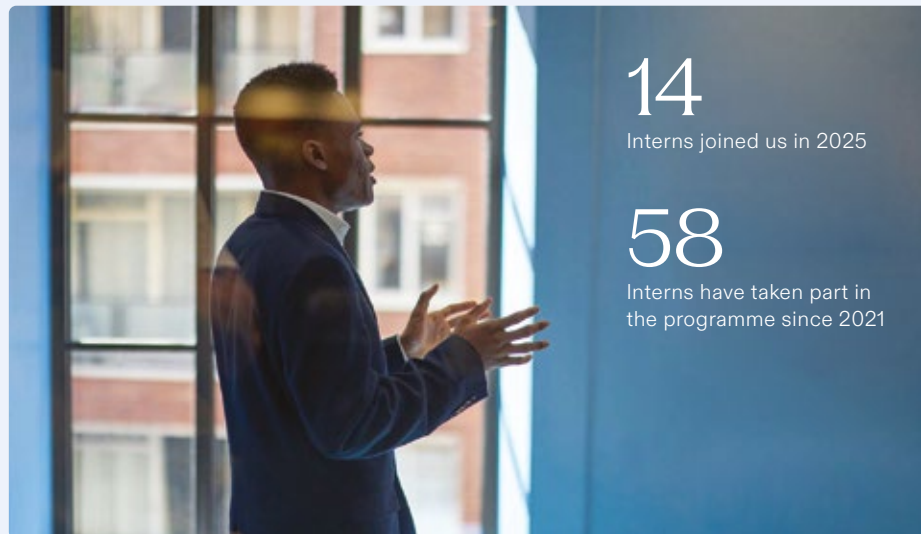
The Foundation aims to provide transformative funding and support to causes linked to Caledonia's history, values, culture and team. This year, the Foundation continued its programme of targeted giving, awarding grants of c.£300,000 from the company, consistent with previous years.

By supporting the development of a small number of charities through a multi-year donation programme, the Foundation hopes to provide a catalyst for change, enabling the charities to make a significant and lasting impact.

This year, the Foundation was pleased to approve a multi-year grant to the Countryside Education Trust ('CET'). Founded in 1975, the CET helps children and adults understand, protect and conserve the countryside, offering immersive residential experiences, outdoor learning and hands-on conservation activities from its Home Farm site in Beaulieu, Hampshire.

The CET operates an educational farm, garden and orchard, a new Fort Climate Centre focused on climate education, and woodland-based treehouse classrooms that inspire learning through direct experience of the natural world. Ensuring fair access for all is central to its mission, enabling children from a wide range of backgrounds to benefit from high-quality outdoor education.

The CET's impact extends beyond schools. Recent programmes have supported internships and training for young people entering conservation and climate-related fields, offering practical skills in sustainable farming, ecology and environmental education.



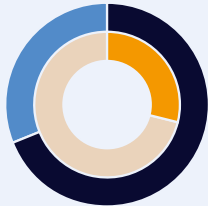
Sustainability continued

Equality, diversity and inclusion

Our recruitment and employment policies are compliant with relevant UK legislation. Recruitment, development and promotion are based on suitability for the role. We will not tolerate discrimination on the basis of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

While representation across seniority levels has remained broadly consistent, we continue to monitor diversity data across the organisation to identify areas for future focus.

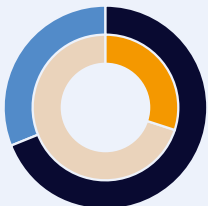
INVESTMENT AND SUPPORT EMPLOYEES 2026¹



Investment employees		Support employees	
Male	69%	Male	29%
Female	31%	Female	71%

1. Excluding non-executive directors.

INVESTMENT AND SUPPORT EMPLOYEES 2025¹



Investment employees		Support employees	
Male	69%	Male	30%
Female	31%	Female	70%



As at 31 March 2026, the gender distribution across the business is as follows:

	Male number (%)		Female number (%)	
	2026	2025	2026	2025
Board	8 (73%)	7 (64%)	3 (27%)	4 (36%)
Senior managers	14 (48%)	14 (50%)	15 (52%)	14 (50%)
All employees (including board)	37 (45%)	37 (44%)	45 (55%)	47 (56%)

Caledonia operates a flatter management structure than is often found in many other companies and, for information, 60% (2025: 60%) of direct reports to members of our Investment Committee are female.

Sustainability continued

In accordance with Listing Rule 6.6.6R (9) of the FCA's Listing Rules, the table below sets out details of the diversity of the individuals serving on the board and executive management as at 31 March 2026. Our executive management consists of members of our Investment Committee, being the most senior level of management. Data was obtained on a voluntary self-reported basis.

The board met the ethnicity diversity target set out in LR 6.6.6R (9) (a) but not the two gender diversity targets. Given the gradual change in board membership, it will take time to meet these targets.

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	8	73	4	6	86
Women	3	27	–	1	14
Not specified/prefer not to say	–	–	–	–	–

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	10	91	4	7	100
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	1	9	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

Working environment

We are committed to maintaining a high-quality working environment that supports the wellbeing, safety and productivity of all colleagues.

Our culture is built on openness, respect and accountability, and we continually review our policies and practices to ensure they remain aligned with our values and with evolving best practice.

Health and safety

The health, safety and welfare of our employees remain a priority. As an office-based organisation with a relatively low risk operational profile, we nonetheless take a rigorous and proactive approach to managing health and safety.

We have comprehensive health and safety policies in place.

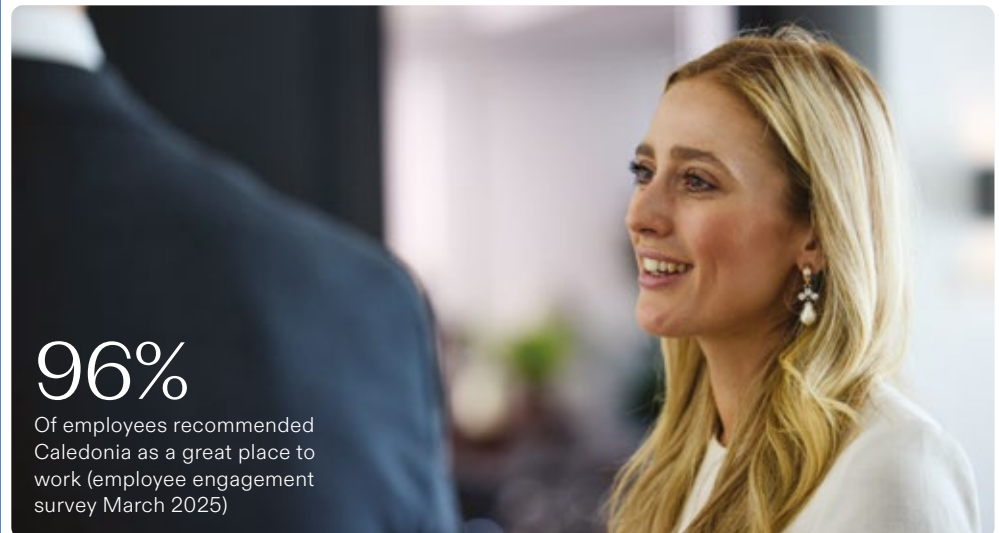
We continue to invest in measures that promote physical and mental wellbeing and provide flexible working arrangements that help colleagues balance work and personal commitments.

For the year ended 31 March 2026, there were no incidents reported under RIDDOR ('Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013') and no work-related accidents.

Grievance procedure and whistleblowing

Caledonia's formal grievance procedures are clearly communicated, providing all colleagues with a structured yet flexible framework to raise concerns.

There are established and robust whistleblowing arrangements in place to provide a safe, confidential and impartial channel for reporting any potential misconduct in our business. Employees are able to raise issues independently of their immediate line management, ensuring a culture of transparency and accountability. Responsibility for oversight of our whistleblowing procedure sits with the board.



96%

Of employees recommended Caledonia as a great place to work (employee engagement survey March 2025)