



# Responsible Investing in Action:

## Strengthening Portfolio Resilience

January 2026

Pemberton partners with our portfolio companies to strengthen risk management and support long-term value through an ongoing series of practical, action-oriented **Sustainability Workshops**.

By supporting portfolio companies to embed sustainability and related innovation into their operations, Pemberton helps ensure businesses are not only managing risk but also building resilient businesses poised to capture growth opportunities. The workshops are designed to help management teams identify, prioritise and act on the sustainability issues most material to their business.

Since launching this portfolio support activity in 2023, more than **80+** borrowers representing **62%** of Pemberton's direct lending portfolio<sup>1</sup> – have participated in workshops.



**We see these workshops as a commercial differentiator. When refinancing comes around, we want sponsors and borrowers**

**to view Pemberton as a partner in their sustainability journey.**

**Niamh Whooley**

Head of Responsible Investing

Closing out 2025, we delivered three targeted Q4 workshops facilitated by external subject-matter experts. With the themes shaped by borrower survey feedback, the programme equips companies with practical guidance and actionable insights to manage sustainability risks, navigate resource constraints, share challenges, and explore opportunities for operational efficiency and innovation. These activities also help strengthen the transparency and robustness of sustainability disclosure across the portfolio.

The workshops focused on three key themes:

- Supply Chain Due Diligence** – addressing human rights and environmental risks that could create financial, operational, or reputational exposure;
- Beyond Carbon Reporting** – developing actionable emissions reduction pathways and credible target-setting;
- The Human Side of AI** – enhancing workforce productivity and engagement in an AI-enabled environment.

<sup>1</sup> Data as at 31/12/2025; values represent % of committed capital across direct lending since 01/01/2023.

## Supply Chain Due Diligence

Risks in the supply chain – from human rights and labour issues to environmental impacts such as deforestation – can escalate into financial, operational, and reputational challenges if left unmanaged. Limited visibility often masks these vulnerabilities.

Pemberton's investment team joined portfolio companies for a workshop led by **Kate A. Larsen**, **founder of SupplyESChain** and an expert in responsible sourcing. The session focused on identifying material supply chain risks, implementing proportionate and effective due diligence processes, and navigating evolving regulatory requirements.

Participants explored the importance of strong governance, clear policies, and active oversight. By mapping suppliers, assessing risks, and prioritising high-impact areas, companies can stay ahead of vulnerabilities rather than reacting to problems after they arise. Engagement with suppliers – supported by collaboration through industry partnerships that can

help mid-market companies share the compliance burden and access collective expertise – makes supply chain management more achievable and effective.

Proactively addressing issues such as poor working conditions helps mitigate financial and reputational exposure, as demonstrated by real-world cases of forced labour and regulatory penalties in Europe, particularly in sectors reliant on migrant labour. Organisations that treat supply chain due diligence as a strategic priority not only safeguard their operations but can also enhance operational resilience and efficiency.

## Beyond Carbon Reporting

Achieving meaningful carbon reduction requires more than measuring and reporting emissions data. Mid-market companies often struggle to translate carbon disclosure into actionable reduction strategies and credible targets.

Private markets play a critical role in supporting sustainable growth among Europe's mid-market companies. The European Commission estimates that SMEs, including mid-market firms, contribute up to 63% of the region's greenhouse gas emissions.<sup>2</sup> While central to Europe's legally binding net-zero target, these businesses often lag public market peers in emissions disclosure and decarbonisation progress. As a lender to private businesses, Pemberton sees an opportunity to support portfolio companies in managing climate risks and navigating complex regulatory requirements.

The workshop was led by **Dexter Galvin, Climate Ambassador at Ecovadis**, who has supported thousands of businesses in measuring, reporting, and reducing their climate and environmental impacts, including guidance on Scope 3 emissions and supply chain decarbonisation. He clarified prevalent misconceptions about the cost of decarbonisation, demonstrating that many emissions reduction initiatives offer short payback periods and present opportunities rather than burdens. Participants received practical guidance to develop clear pathways for emissions reduction and target-setting, including identifying low-hanging fruit, engaging suppliers, leveraging free tools, and building internal business cases for energy efficiency.

## The Human Side of AI

As investment in AI continues to grow, AI education programmes for portfolio companies have come in focus as a potential growth accelerator. At the same time, these technologies introduce new risks, making it essential to maintain a human-centred approach to AI implementation.

The workshop explored how organisations can create a culture where people and AI work seamlessly together to enhance productivity, develop skills, and strengthen workforce engagement. The session was led by **Koko Visser, Global Head of AI at Valcon**, a Pemberton portfolio company and leading consulting and transformation partner with deep expertise in organisational change, workforce productivity, and sustainable business transformation.

Participants examined how AI can function as a copilot, augmenting tasks rather than fully automating them, and how work is evolving from manual execution to AI-assisted activities such as summarising communications, drafting responses, and surfacing key data. Valcon introduced a practical five-step framework for AI adoption: map role and task impact; build structured upskilling journeys; co-create AI use cases with employees; communicate with clarity and empathy; and measure adoption, experience, and impact.

The session emphasised that an AI-enabled culture thrives on curiosity, responsibility, human focus, experimentation, and trust. Organisations that integrate AI effectively while supporting their people can outperform peers, driving workforce transformation, engagement, and measurable business results.

## Strong Foundations, Resilient Businesses



**“**  
Seeing our mid-market borrowers engage so openly on AI in a session led by a fellow portfolio company was inspiring. These workshops don't just share best practices – they provide a forum to discuss challenges and learn from one another. **”**

**Boris Hamsen**

Managing Director, Head of Origination, Europe

<sup>2</sup> Flash Eurobarometer 498: SMEs, green markets and resource efficiency, March 2022.

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