Impact report 2025

Junction Growth Investors

Junction

Executive summary

In 2025, electrification moved beyond a climate narrative: it became an economic necessity for Europe. While global political support for climate action became less predictable and ESG-labelled capital lost momentum, the broader energy transition kept advancing. Today, it is increasingly driven by economics rather than ideology. Renewable power generation keeps expanding, while the electrification of transport, buildings and industry is increasingly able to stand on its own feet.

> Greater traction equals greater impact. Our portfolio companies have delivered 16% weighted annual growth since investment.
>
> **— The Founding Team**

The economic case for electrification is particularly compelling in Europe. Ever cheaper batteries, EVs and heat pumps and competitively priced renewable electricity are creating a structural economic advantage for electrified solutions over fossil-based alternatives. Reducing dependence on imported fossil fuels is a matter of competitiveness, affordability and resilience. Spain offers a glimpse of what Europe could look like. Following one of Europe's fastest renewable build-outs, average power prices in the country were 32% lower than in the rest of the EU in the first half of 2025. Reduced exposure to gas markets helped shield households from rising energy costs, illustrating how the transition strengthens competitiveness, affordability and resilience.

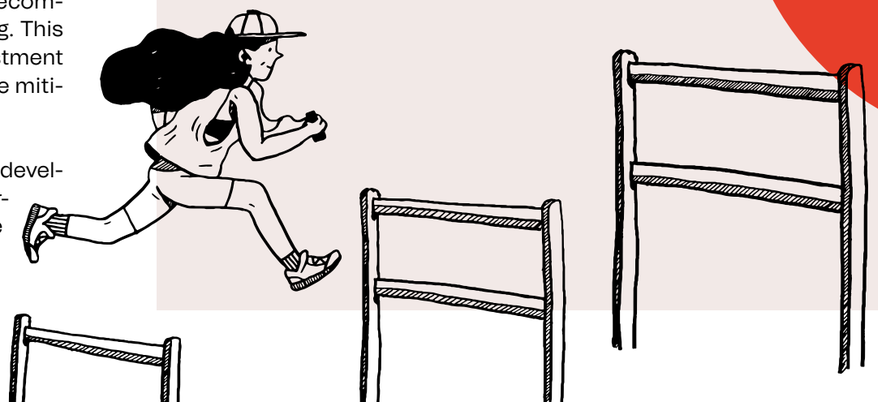
Yet as the energy transition accelerates, Europe's grids have become the bottleneck. The challenge is no longer just producing clean electricity: it is transporting, managing and using it efficiently. Congestion delays projects, slows electrification and already generates significant costs. In 2025, Germany alone spent €3.1 billion on redispatch. Europe's answer to the fossil-era call of "drill, baby, drill" is therefore clear: "grid, baby, grid". This will require investments in both physical networks and scalable software-based solutions that increase grid utilisation and flexibility.

Against this backdrop, the question is no longer whether the energy transition will happen, but who will scale the solutions that power it. This is where Junction comes in. We invest in European growth companies that enable the next phase of the energy transition. The key constraint has shifted from technological innovation to large-scale deployment of proven solutions that are capable of delivering economic, environmental and strategic benefits. By supporting European SMEs and scale-ups with proven technologies, we help bridge that gap.

Junction's prime climate strategy is scaling: operating at a greater scale means increased adoption, and increased adoption means greater impact. As an Article 9 fund, we measure both the positive impact our portfolio enables as well as our own emissions footprint. In 2025, portfolio companies avoided 1,699,036 tCO_2e of emissions, doubling the impact we achieved in 2024 (+101%). Junction itself reported total emissions of 1,649 tCO_2e, of which 1,534 tCO_2e were linked to portfolio investments and 115 tCO_2e to our own operations.

Progress should not be mistaken for completion. Emission curves are beginning to bend, peak emissions are coming into sight, and the most severe climate scenarios are becoming less likely yet global emissions continue to rise. The climate clock is ticking louder than ever. As climate change increasingly translates into economic costs, adapting to a changing climate is becoming as important as limiting further warming. This perspective is reflected in Junction's investment approach, which spans both climate change mitigation and adaptation.

This report explores how macroeconomic developments translate into investment opportunities, portfolio growth, and measurable sustainability and impact outcomes.



Impact performance 2025

(tCO_2e, excluding SpotmyEnergy and Entrix)

1,699,036

Avoided emissions
(+101% vs 2024)

6,221

Scope 123 emissions
(+21% vs 2024)

Portfolio companies

252,989

Avoided emissions

1,534

Scope 123 emissions

Junction share
based on % in portco

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Electrification is moving from climate narrative to economic necessity

In 2025, global political support for climate action became less predictable, ESG-labelled capital lost momentum, and the geopolitical ground continued to shift beneath Europe's feet. Yet despite the noise, the direction of travel remained clear. The energy transition continued to advance, driven by economics rather than ideology. Renewable power generation kept expanding, while the electrification of transport, buildings and industry increasingly moved beyond a climate narrative.

Pieter-Jan Mermans: If you look beyond the headlines, the direction of travel remains clear. In the US, solar remained the largest source of new power capacity additions last year, for the fifth consecutive year. It accounted for 54% of all new generating capacity, despite growing political uncertainty[1]. Battery storage deployment also reached a record 18.9 GW, up 52% from 2024[2]. In Europe, emissions from power generation from fossil fuels (under ETS[3]) fell by 0.4%[4], while net electricity generation in the EU increased by 1.7%. These developments reflect the competitiveness of clean technologies.

Why? Because the numbers speak for themselves. Electrification wins first in terms of physics, as electric technologies are inherently more efficient than combustion-based alternatives. Now, it is also winning in terms of costs. The falling costs of batteries, EVs and heat pumps are steadily enhancing the economics of electrified solutions, while the expansion of solar, wind and storage is reducing the cost of clean electricity itself. On the generation side, renewables have become the most cost-effective foundation of Europe's power system. According to the IEA, onshore wind and solar PV already offer the lowest system-level electricity costs in the EU, even after accounting for flexibility, adequacy and grid-integration costs. Together, these trends are creating a structural economic advantage for electrified solutions over fossil fuel-based alternatives. Electrification is no longer a trade-off between cost and sustainability.

1 PV Magazine
2 Wood Mackenzie
3 ETS: Emissions Trading System
4 European Commission

Spain illustrates the economic benefits of large-scale renewable integration

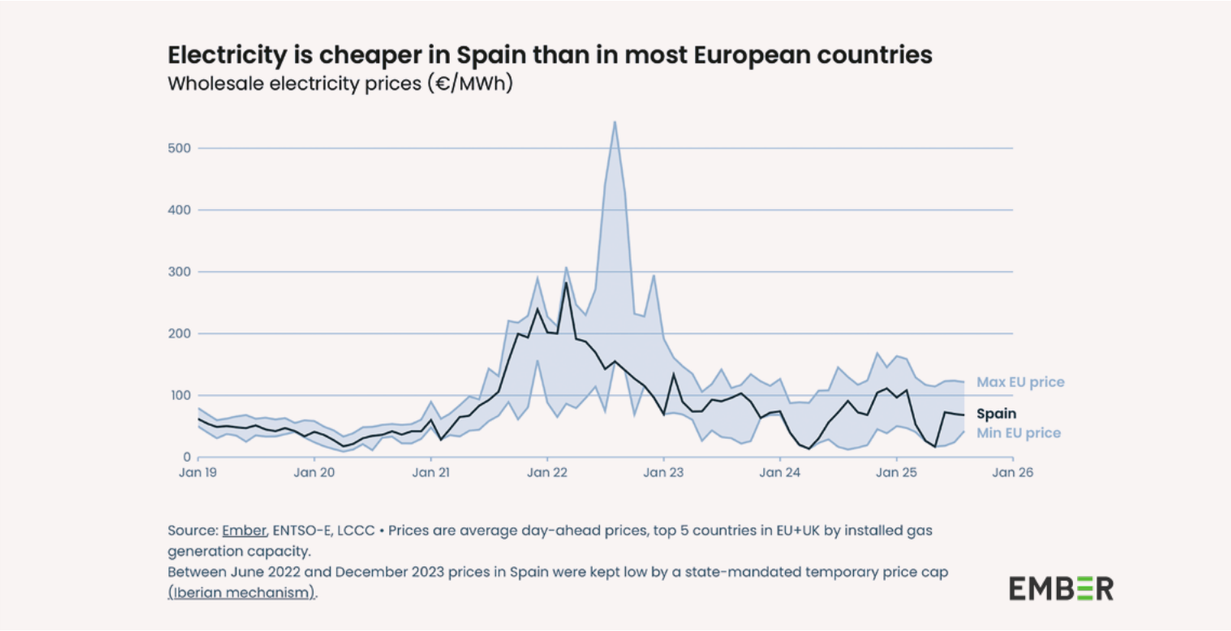
In 2025, Spain expanded its solar capacity with a record 8.4 GW, further accelerating one of Europe's fastest renewable build-outs. The impact can already be felt in power markets. Since 2019, solar and wind growth has reduced the influence of gas on wholesale electricity prices by 75%. Average power prices in Spain were 32% lower than the EU average in the first half of 2025, saving households €10 per month. Spain's experience highlights a broader opportunity for Europe. As renewable electricity becomes cheaper and more abundant, countries become less exposed to imported fuels and volatile commodity markets.

These dynamics are particularly relevant in Europe, where competitiveness, energy security and strategic autonomy have become central economic and political priorities. In 2025, the EU imported €337[5] billion worth of fossil fuels, underlining the scale of its continued dependence on external suppliers. The EU has not reduced its energy dependency in recent years: it mostly shifted from one supplier to another. While imports from Russia declined, reliance has been redistributed to other external suppliers like the US. This dependency exposes Europe to price shocks, geopolitical events and strategic vulnerability. Electrification offers a structural answer: the more Europe can power transport, buildings and industry with electricity from domestic and renewable sources, the closer it gets to genuine energy independence and a more resilient, competitive energy system.

> "Europe's cheapest electrons are renewable."
>
> — Pieter-Jan Mermans, founder

Still, energy sovereignty goes beyond reducing dependence on external suppliers. As electrification accelerates, Europe must also ensure that it builds, scales and retains ownership of the technologies that underpin its future energy system. The strategic question is not only whether Europe will deploy these technologies, but whether it will build and own the companies enabling that transition.

5 Eurostat



In 2025, the energy transition was not immune to the broader ESG and political backlash. Global political support for climate change became less predictable, ESG-labelled capital lost momentum, despite mounting evidence that renewables and electrification were becoming the lowest-cost pathway. Capital became more selective, more return-driven, and more focused on proven technologies with clear deployment pathways. The market moved away from broad ESG-labelled narratives. This does not indicate a weaker transition, however: it suggests the transition is maturing. Increasingly, there is a shift from innovation to execution and from invention to scale.

"The market moved away from broad ESG-labelled narratives. This did not indicate a weaker transition, but rather a more mature one."

— Pieter-Jan Mermans, founder

Long-term ETS direction remains unchanged

The global ESG backlash in 2025 also put the EU ETS under greater scrutiny. Still, its role remains unchanged: by putting a price on carbon, the ETS continues to improve the economics of lower-carbon alternatives across power generation, industry, transport and buildings. Effective enforcement of CBAM[6] will be critical to maintaining a level playing field for Europe's industry as carbon costs increase. While policymakers continue to debate the balance between decarbonisation and competitiveness, the long-term direction remains clear: Europe's economic resilience will increasingly depend on building a competitive low-carbon economy.

6 CBAM = Carbon Border Adjustment Mechanism

For investors, this creates a clear opportunity. The bottleneck is no longer the absence of technologies. The challenge has become scaling them quickly enough to capture the economic, environmental and strategic benefits they can deliver.

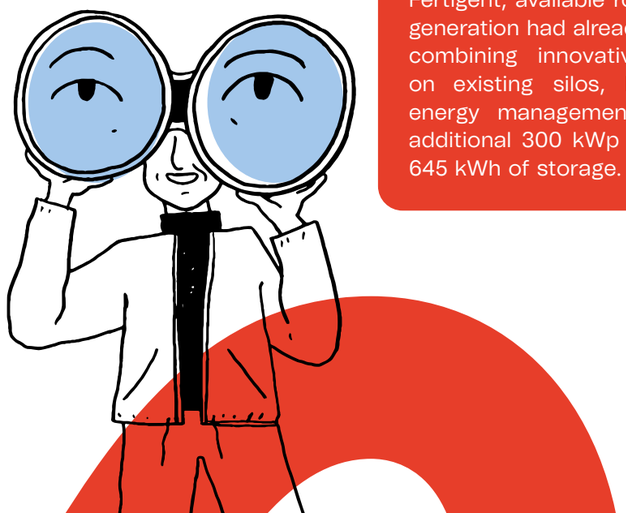
This is exactly where Junction comes in. We are not moonshot investors. We back proven European scale-ups and support them to become category leaders in the energy transition economy. Greater traction equals greater impact: our impact grows with portfolio growth, which is why scaling is our prime climate strategy.

Across its portfolio, Junction focuses on scaling companies with proven fundamentals. From inception to the first quarter of 2026, our portfolio companies have delivered 16% weighted annual growth, reflecting a combination of organic expansion and targeted consolidation.

Entrix improves battery economics to drive deployment at scale

Entrix' AI-powered battery storage solutions offer flexibility to increasingly volatile power systems. Between 2024 and mid-2026, the company increased its contracted BESS capacity by more than 500%, to over 3.5 GW under management. This is supported by a global decline in lithium-ion battery pack prices of approx. 70% since 2019.

Entrix



"The question is no longer whether the transition will happen, but whether Europe will build and own the companies enabling it"

— Vincent Gregoir

Solora unlocks solar capacity where traditional deployment reaches its limits

As solar and battery storage become increasingly competitive, companies can unlock additional opportunities to reduce energy costs and fossil fuel dependence. At Fertigent, available rooftop space for solar generation had already been exhausted. By combining innovative solar deployment on existing silos, battery storage and energy management, Solora enabled an additional 300 kWp of solar capacity and 645 kWh of storage.

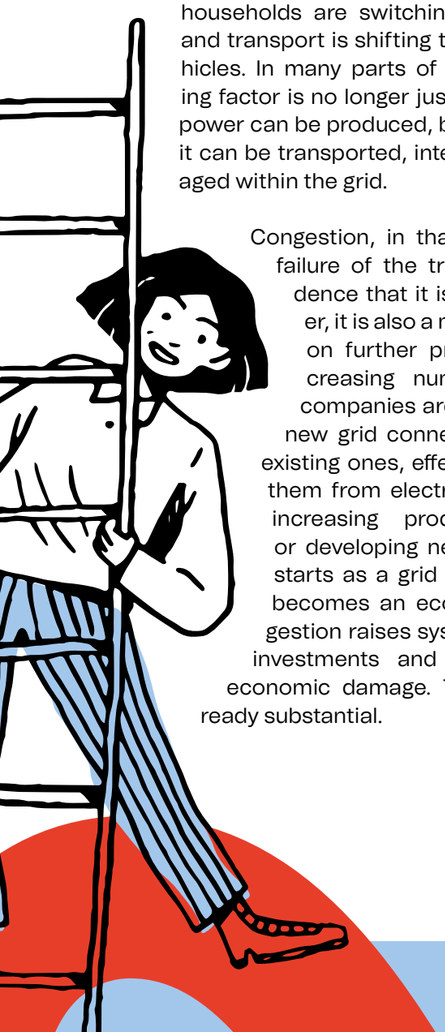
solora

Of course, scaling industrial capacity, customer adoption, supply chains and infrastructure takes time. But if we stall now, we risk missing our window of opportunity forever. As the economics of clean electricity and electrified technologies continue to improve, electrification no longer depends on subsidy logic. Pulling back now means walking away from both returns and impact. If European growth capital hesitates, ownership of critical energy transition technologies risks shifting elsewhere, as has already happened in parts of the solar and battery value chains. The question is therefore no longer whether the transition will happen, but whether Europe will build and own the companies enabling it. That is where Europe's opportunity lies, and where Junction is positioned to invest.

Grid, baby, grid: the bottleneck has moved from generation to grid

For years, the energy transition was focused on one central challenge: scaling clean power generation. While that challenge remains significant, a second bottleneck has now emerged: grid congestion.

Grid congestion has become one of the most visible symptoms of the transition's progress. Electrification is accelerating from the bottom up: households are switching to heat pumps and transport is shifting toward electric vehicles. In many parts of Europe, the limiting factor is no longer just how much clean power can be produced, but how effectively it can be transported, integrated, and managed within the grid.



Congestion, in that sense, is not a failure of the transition. It is evidence that it is working. However, it is also a material constraint on further progress. In an increasing number of regions, companies are unable to obtain new grid connections or expand existing ones, effectively preventing them from electrifying operations, increasing production capacity or developing new projects. What starts as a grid constraint quickly becomes an economic one: congestion raises system costs, delays investments and creates tangible economic damage. The impact is already substantial.

These challenges are only expected to intensify. Just as Europe catches up with growing electrification demand, AI has started devouring electricity, further increasing pressure on the grid.

Grid congestion is already costing Europe billions

In Utrecht[7] alone, grid-connection stops could result in €75–225 million in annual economic damage. In Germany[8], congestion is already translating into hard system costs, with €3,1 billion spent on redispatch in 2025. Across Europe, the grid connection backlog is growing: 1,800 companies in Flanders[9] and 15,000 companies in the Netherlands[10] are currently waiting for grid access. These are not future risks, they are today's economic consequences of underinvestment in grid infrastructure.

The AI boom requires grids

Hyperscalers are moving away from off-grid 'island' data centre concepts. As AI computing becomes predominantly inference-driven, with around 90% of the workload expected to come from user-facing applications by 2030, demand is shifting towards local, flexible and grid-connected facilities. AI, in other words, does not bypass the grid, it makes it mission-critical.

7 City of Utrecht
8 Wind energie
9 Vlaams Parlement
10 Netbeheer Nederland

ENEIDA.IO

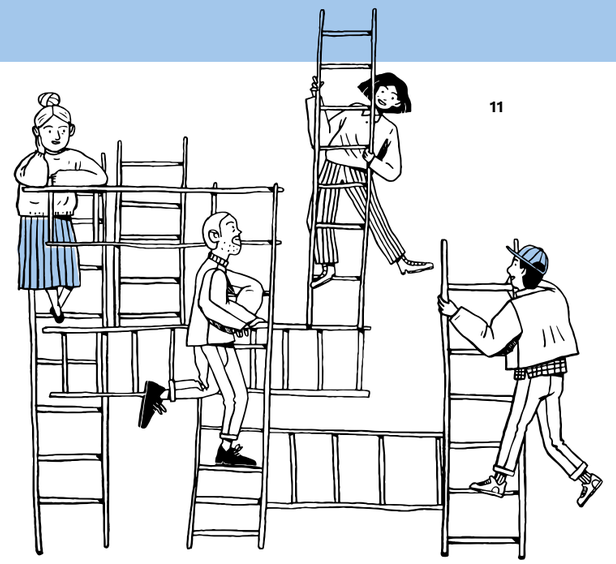
Visibility and intelligence for distribution grids

Eneida.io brings AI-driven visibility to distribution networks, where electrification pressure is highest. By improving real-time visibility and accuracy, software-based grid intelligence can reduce congestion, accelerate new connections and defer costly grid reinforcements.

40% greater capacity from existing transmission lines

Ampacimon shows how intelligence can unlock grid capacity without new build-out. By replacing static safety margins with dynamic line rating, transmission capacity on constrained lines can increase by 10 to 40%, based on software and/or on real-time data from sensors. This delivers faster congestion relief, lower redispatch costs, and quicker integration of renewables, often within months rather than years.

Ampacimon



For Junction, this policy shift reinforces a long-held conviction: expanding grid infrastructure alone will not be sufficient. Despite a growing recognition for digital solutions, regulatory frameworks and incentive structures in many markets remain oriented towards physical grid expansion rather than capex-light solutions. This creates a temporary mismatch between the economic need for grid flexibility and the mechanisms that reward its deployment. As policymakers and grid operators increasingly prioritise speed, capital efficiency and flexibility, our portfolio companies Eneida.io and Ampacimon are well positioned to benefit from the broader deployment of grid intelligence solutions across Europe.

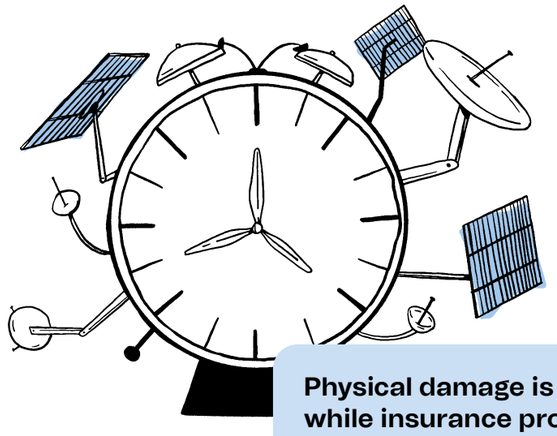
Grid investment is no longer optional but an economic and strategic necessity. The traditional model of slow, capital-intensive grid expansion is not compatible anymore with the needs of a rapidly electrifying economy.

Europe's answer to the fossil-era call of "drill, baby, drill" is therefore increasingly clear: "grid, baby, grid". The EU Grids Package and the draft EU Tariff Reform reflect this growing urgency and confirm the core premise behind Junction's investment thesis: speed and capital efficiency are the only way to close the gap. Achieving this will require not only more, but also smarter infrastructure. Digital solutions can increase the effective capacity of existing grids, optimise flows in real time and reduce congestion, unlocking capacity faster and more cost-effectively than physical build-out alone.

While doing so, Europe faces a dual challenge. It must invest in upgrading its physical infrastructure, while simultaneously building and retaining control over the intelligence layer that governs it. The hardware may be global, but the intelligence layer that runs Europe's batteries, solar assets, heat pumps and grids should remain under European control.

In the next phase of the energy transition, power is not just generated, it is orchestrated. And the ability to orchestrate the system efficiently, securely, and autonomously will define not only the success of the transition, but also Europe's long-term competitiveness and resilience.

Collective action works, but the climate clock is ticking louder than ever



Despite increased pushback against climate policy in 2025, emission curves are beginning to bend. Peak emissions are approaching sooner than expected, and the most severe climate scenarios are becoming increasingly unlikely. This is not the time to pause. This is when we have to consolidate.

IPCC scraps out the 'worst-case' 3.5–5.5°C warming climate scenario

The 'worst-case' climate scenario is no longer seen as a realistic future, according to IPCC research. Not because climate change has been solved, but because it was assumed countries would make very little effort to reduce emissions. This no longer reflects reality. It simply shows that collective action matters, not that the challenge is behind us. China's recent emission plateau following a rapid clean-tech build-out illustrates how a system responds when capital and technology move with intent.

Even as global political attention shifts, the physical impacts of climate change continue to intensify. Record temperatures, more frequent floods, rising heat-related mortality, and the wildfires across Europe in 2026 are reminders that climate change risk is already translating into economic costs. Every fraction of a degree avoided today will directly lower these costs tomorrow, whether through reduced adaptation needs, lower insurance losses, or avoided disruption.

Taking the climate clock seriously naturally leads to the next phase: adaptation. This is not a concession to failure, but a disciplined extension of the same logic that drives mitigation. As impacts materialise, resilience becomes a source of competitive advantage. Investing in adaptation, whether through infrastructure, technology, or operational redesign, is how Europe protects productivity, safeguards value, and sustains growth in a changing climate.

This perspective has long been embedded in Junction's investment approach, which spans both climate change mitigation and adaptation, backing companies that help reduce emissions while strengthening resilience in a changing climate.

> "The climate clock is not only an environmental metric. It is a balance sheet metric."
>
> **— Bruno Vanderschueren**

Physical damage is increasing, while insurance protection decreases

Europe lost more than €26 billion to natural disasters in 2024, more than twice the figure recorded in 1999. Yet insurance protection is moving in the opposite direction, from covering 25% of losses in 2016 to just 19% in 2024. This is largely due to declining coverage for wind- and storm-related events.[11]

Heat is no longer an abstract risk

It is already reducing EU GDP by an estimated 0.3–0.5% today. Repeating the warmest years of the past decade could reduce economic output by up to 7%, increasing the risk of climate stagflation.[12]

Climate risks cascade through financial markets

Allianz[13] states it well, climate risk increasingly becomes financial risk when climate damages can no longer be transferred or absorbed through insurance. Assets that cannot be adequately protected become harder to finance, invest in, and develop, putting pressure on asset values, investment flows, and economic resilience. What starts as an environmental challenge can therefore cascade through insurance, credit, and capital markets, affecting the mechanisms that underpin long-term economic growth. At the same time, climate-related disruptions can weigh on productivity and economic output while simultaneously raising costs, creating the conditions for so-called 'climate stagflation'. The climate clock is not only about environmental thresholds. It is a balance sheet metric.

11 EU Climate ADAPT
12 Allianz: The economic costs of extreme heat
13 Allianz: Climate, Risk, Insurance

We are racing against two clocks simultaneously

1.5°C

Climate clock

Every fraction of a degree beyond 1.5°C above pre-industrial levels brings us closer to irreversible consequences

Geopolitical clock

Every day of economic dependence leaves us exposed to the whims of unstable regimes that weaponise our fuel supply

An expert perspective

Prof. Xavier Baeten - Vlerick Business School, Chair of Junction's Impact & ESG Committee.

As ESG might be losing ground as a mantra, the business value underpinning it is becoming sharper. Prof. Xavier Baeten explains why that matters for how investors measure value.

The recent backlash against ESG is real, but it is aimed at the wrong target. "There is a rejection of vague labels, weak metrics, a high compliance burden and overstated claims," says Baeten, "not of the underlying drivers (and urgency)". Climate risk, resource constraints and resilience have not gone away. "The umbrella is under pressure, but the disciplines it encompasses are becoming more specific, regulated and decision-useful." He reads the moment as a correction, not a retreat: the first phase of ESG was about awareness and disclosure, this one is about financial materiality, data quality and integration into strategy.

The shift will only hold, he argues, once sustainability is read through the business model itself. The words that matter most are resilience and business model. A company that makes cars faces a different future than one that provides mobility. A group that pumps oil faces a different future than one that supplies the world with energy. "Sustainability," in Baeten's words, "is really about doing more good business over the long term – resilience in other words."

He warns that companies combine strategy and reporting into one. "Many companies have come to equate sustainability with the reporting," he says. Today's annual reports prove his point: "The readability of their sustainability statements is close to nil". Materiality is the way out. The concept is borrowed from financial auditing, where only items large enough to affect the accounts are examined; applied to sustainability, this means isolating the handful of issues that genuinely shape a specific company, and that the company genuinely shapes in turn. "It is the ideal tool to see what matters most." Better reporting, then, is not more reporting but a focus on those few material issues, carried through into targets, actions and even remuneration.

> "In five years, we may no longer be having a separate conversation about ESG, simply because it will be so deeply embedded."
>
> **— Prof. Xavier Baeten**

Measuring a company's own footprint, its emissions across scopes 1, 2 and 3, is the necessary starting point: it is what makes any further claim credible. The more revealing question, Baeten says, is the positive contribution a company makes to its surroundings, in some cases the emissions its solutions help others avoid. These avoided emissions are harder to pinpoint than a footprint, as they are highly company-specific and there is no standard framework to audit them against. Yet for an investor like Junction, whose portfolio is built to help the wider system decarbonise and adapt, it is the right question to ask.

Three things to remember

- The backlash is about the label, not the substance. ESG's underlying risks and opportunities remain business-critical.
- ESG and impact answer different questions: managing risks (doing less harm) versus doing more good (impact)
- Embed it. Sustainability only works when materiality, targets, actions and even remuneration form a single closed loop.

From conviction to evidence, measuring what matters

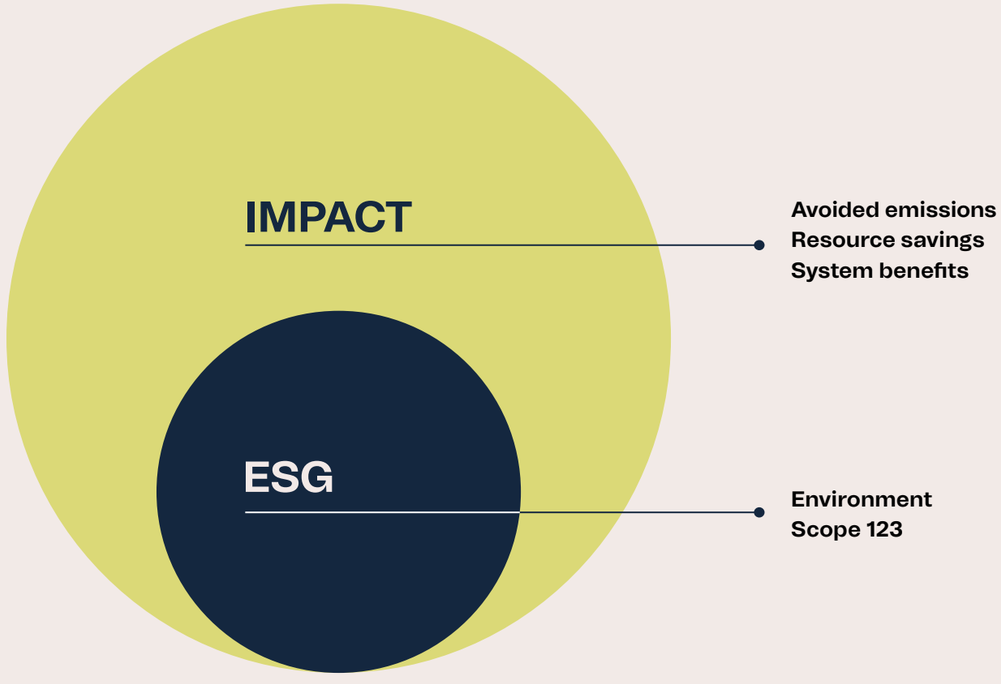
The preceding chapters explored the forces shaping the transition economy: accelerating electrification, the growing importance of grid modernisation, and the rising economic cost of climate-related risks. Together, they point to a clear reality: sustainability is increasingly shaping competitiveness, resilience and long-term value creation.

The question then becomes: how do we measure whether our portfolio is contributing to these developments?

This is ultimately a question of materiality: identifying which metrics genuinely reflect long-term value creation and real-world impact. As prof. Xavier Baeten notes, the recent backlash against ESG as a label should not be mistaken for backlash against sustainability itself. Rather, it reflects a growing demand for greater clarity, materiality and accountability.

This perspective is central to Junction's approach. Instead of viewing ESG reporting as an objective in itself, we see sustainability management as the process of identifying and managing sustainability-related risks and opportunities ('doing less harm'), and impact, which measures the positive contribution companies make to society and the environment ('doing more good'). Given the climate focus of our strategy, our sustainability management efforts primarily concentrate on environmental risks, opportunities and performance.

We therefore focus not only on companies' emission footprints, but also on the avoided emissions, resource savings and broader system benefits they enable. The following section shows how these principles translated into measurable outcomes across Junction's portfolio in 2025.



Our portfolio companies

Before examining our portfolio's sustainability and impact outcomes, it is useful to understand Junction's investment strategy in practice. The preceding chapters highlighted the growing importance of electrification, grid modernisation and climate resilience. These themes are reflected in our investment approach, which targets growth-stage companies developing technologies and services that accelerate climate change mitigation through electrification and that support climate change adaptation through adjacent themes such as resource efficiency, sustainable materials, cooling, circularity and water management.

Junction partners with companies at important stages of their development, spanning late-stage venture capital, growth equity and small buyouts. We typically invest between €5 and €17 million per company and support management teams through board participation, strategic guidance and sector expertise.

Investment themes

We back proven scalable technologies and services that are economically viable, without policy support. Electrification is our core, but we also invest in the protection of resources.

Climate change mitigation through electrification

Distributed generation
Decentral assets need faster and cheaper scaling to meet demand and reduce exposure to physical attacks.

Next-gen grids
Operators must manage more complex systems, while meeting higher supply and demand.

System flexibility
Reliable renewable-heavy systems require optimal balancing of variability across time and location.

Electrified demand
Industry, businesses and consumers switch to electric as efficiency and economics outpace fossil.

E-mobility
Better infrastructure and TCO drive adoption across consumer and commercial mobility.

Climate change adaptation through adjacent themes

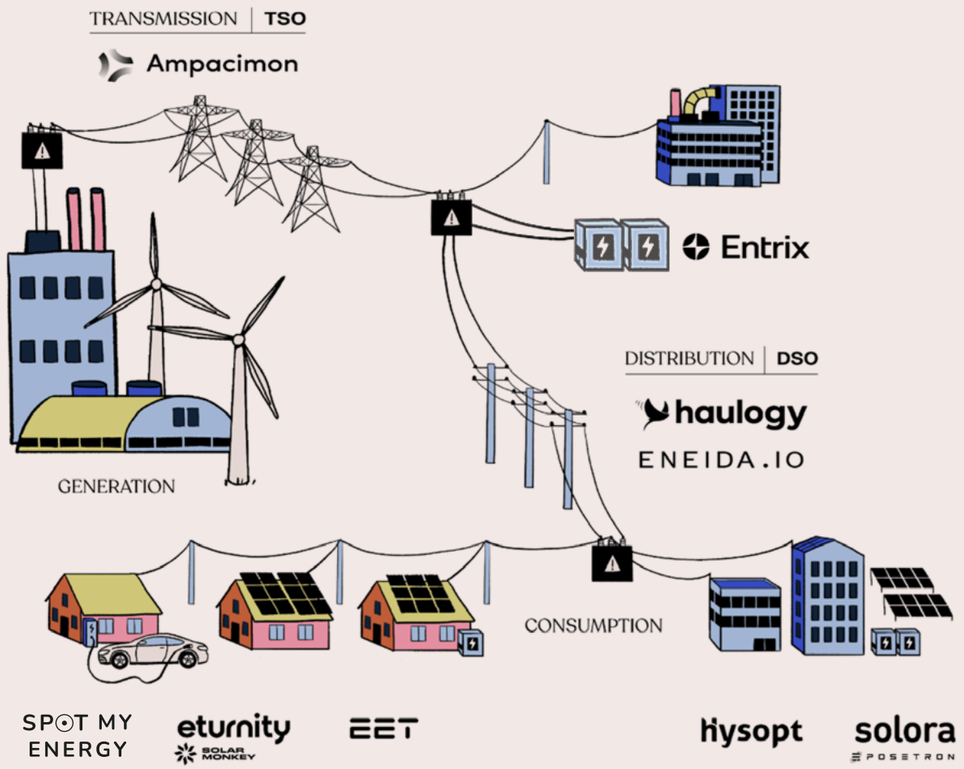
Sustainable building materials
Lower-carbon, higher-performance materials cut emissions, reduce cost and improve durability.

Cooling
Rising temperatures, data and electrification drive demand for efficient, low-carbon cooling.

Climate modelling
Rising physical risk fuels demand for tools to proactively adapt to climate change.

Recycling and waste
Circular systems use fewer resources, secure scarce materials and meet regulatory requirements.

Water management
Water stress and infrastructure limits drive demand for efficiency and reuse technologies.



Next-gen grids
Ampacimon
Grid-enhancing technology for high voltage networks

Distributed generation
solora
B2B EPC and O&M services for sustainable energy solutions

Distributed generation
eturnity
All-in-one software streamlining PV, HVAC and e-mobility installer operations

System flex
Entrix
AI-based multi-market optimisation for grid-scale batteries and decentralised flexibility

Next-gen grids
haulogy
Back-end software supplier and integration for DSOs and utilities

System flex
SPOT MY ENERGY
Neo-utility and metering point operator offering end-to-end home energy management solutions

System flex
EET
Virtual metering technology to measure loads via any connection

Next-gen grids
ENEIDA.IO
Combined hard- and software solutions for low-voltage grid optimisation

Electrified demand
hysopt
Calculation software to streamline design, decarbonisation and optimisation of buildings' HVAC

Two new companies joined our portfolio, while existing companies scale through M&A

In early 2026, Junction welcomed SpotmyEnergy and Entrix to its portfolio. Through battery storage optimisation and demand-side flexibility solutions, both companies support a more flexible, resilient, and decarbonised energy system.

Entrix

Entrix (DE): Enabling grid flexibility through battery optimisation

Entrix develops and operates AI-enabled trading and optimisation software for utility-scale battery energy storage systems (BESS). The company helps battery owners maximise revenues by participating in wholesale balancing markets, supporting the integration of renewable energy and enhancing grid flexibility.

As power systems become increasingly reliant on variable renewable generation, battery storage plays a critical role in balancing supply and demand. By optimising how storage assets interact with energy markets, Entrix contributes to a more efficient use of existing grid infrastructure while improving the business case for large-scale battery deployment.

With its leading market position (over 3.5GW under management), innovative commercial model and strong execution capabilities, Entrix is well placed to capture the growing value of battery storage and grid flexibility.

SpotmyEnergy (DE): Empowering consumers in a dynamic energy system

SpotmyEnergy provides software and energy management solutions that enable households to benefit from dynamic electricity pricing. By connecting assets such as electric vehicles, heat pumps, solar PV systems and home batteries to real-time electricity markets, the company helps prosumers optimise energy production and consumption while reducing energy costs.

As electrification accelerates, demand-side flexibility is becoming increasingly important for balancing renewable power systems. SpotmyEnergy enables households to shift consumption towards periods of abundant renewable generation, reducing pressure on the grid and improving overall system efficiency.

Against the backdrop of Germany's accelerating smart-meter rollout and increasing renewable penetration, household flexibility is becoming a valuable system resource. By owning the customer relationship and orchestrating distributed energy assets at scale, SpotmyEnergy is well positioned to help turn household flexibility into a critical energy system resource. SpotmyEnergy has installed over 3,000 smart meters across Germany.

SPOT MY ENERGY

Apart from adding new companies to the portfolio, Junction actively supports the growth ambitions of its portfolio companies, including through strategic acquisitions and consolidation opportunities that strengthen market positions, expand capabilities, and accelerate impact at scale.

Solora expands its battery storage capabilities through Posetron acquisition

Solora acquired BESS specialist Posetron, strengthening its capabilities in energy storage and grid optimisation. The acquisition broadened Solora's integrated energy offering and positioned the company to better support B2B customers navigating electrification and grid congestion challenges.

Eturnity and SolarMonkey merge to accelerate growth

Eturnity and SolarMonkey merged to create a larger European software platform for residential energy solutions. The combination brings together complementary capabilities and supports further scaling across European markets.

SpotmyEnergy expands its smart metering footprint in Germany

SpotmyEnergy broadened its footprint through the acquisition of ~3,000 smart metering systems from Zählerhelden. The acquisition expanded SpotmyEnergy's direct access to households and strengthened the digital infrastructure underpinning its flexibility platform.

"Scaling businesses is not only about capturing market growth, it is also about creating stronger platforms through disciplined, targeted consolidation."

— Dirk Dewals

Sustainability performance 2025

Our portfolio companies collectively avoided almost 1,700,000 tonnes of CO_2e (excluding SpotmyEnergy and Entrix) in 2025 (an increase of + 101% vs 2024). Their combined Scope 123 emissions amounted to 6,200 tonnes of CO_2e (an increase of 21% vs 2024), underscoring the outsized climate benefit of the solutions they deliver.

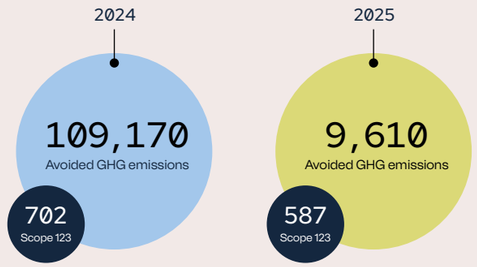
+101%

Avoided emissions in 2025 vs 2024

haulogy

- **Net-zero strategy:** has the potential to save over 10% of the target savings for the power industry in Belgium by 2028, mainly driven by 10% less curtailment of onshore wind.[14] [15]

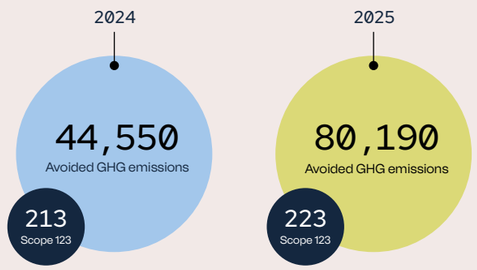
- **Avoided GHG emissions:**
  - Sale of innovative solutions, leading to better energy management, e-mobility integration and energy sharing results in 10% less curtailment of onshore wind.
  - Assumed lifetime for forward-looking emissions: 10 year lifetime SANO, 5 years Supply hub (avg 5 years with energy supplier).
  - Forward-looking avoided emissions decreased, driven by long implementation timelines among new customers (rather than a lack thereof). Annualised avoided emissions are increasing year-over-year.



hysopt

- **Net-zero strategy:** aims to realise a decrease of 5.4 $MtCO_2e$ by 2030, supporting the attainment of the required emission decrease from energy use in buildings in EU of -566 $MtCO_2e$.[16]

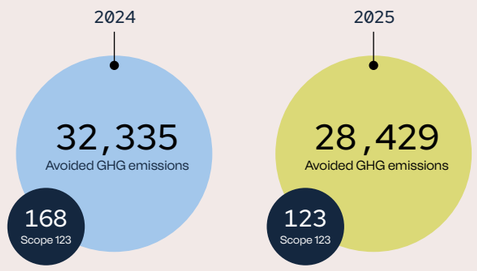
- **Avoided GHG emissions:**
  - Sale of Hysopt Software licences, optimised HVAC design results in avg. 40% CO_2e reduction.
  - Assumed lifetime for forward-looking emissions: 3-year lifetime.



eturnity

Net-zero strategy: is expected to help realise the EU solar capacity target of 600 GW in 2030[17] by increasing clients' sales conversion rates with 30% (the equivalent of 665 GWh PV installations by 2030).

- **Avoided GHG emissions:**
  - Sale of Eturnity software licences, based on a share of total avoided emissions from PV/HP installations.
  - Assumed lifetime for forward-looking emissions: 25-year lifetime.



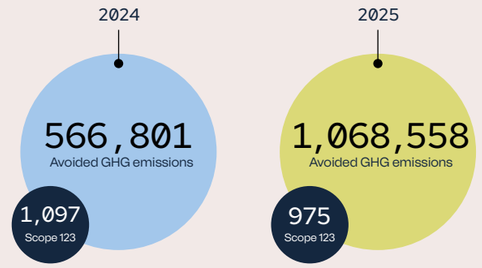
14 McKinsey, Net-zero or growth? How Belgium can have both.
15 Estimates according to management's business plan, with the exception of EET and Eturnity.
16 GHG emissions from energy use in buildings in Europe (EU Environmental Agency).
17 European Commission.

Note that: 2024 Scope 123 emissions of all portfolio companies received limited assurance by our auditor; as of 2025, we shifted to a biennial approach, in which Eneida, Solora and Haulogy's Scope 123 emissions received limited assurance by our auditor; forward-looking: avoided emissions of sold products are assessed in the year of sale for the solution's entire life-cycle. Especially useful if a solution's life-cycle emissions are assessed and reported in the year of the transaction in the company's GHG inventory (WBCSD).

Ampacimon

- **Net-zero strategy:** enables TSOs to increase capacity with 40%, decreasing the need for expensive new lines. Ampacimon has the potential to realise a worldwide emission decrease of 3.8$MtCO_2e$ by 2028.

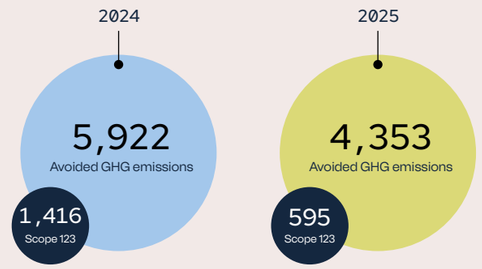
- **Avoided GHG emissions:**
  - Avoiding building new HV lines, impact of increased renewables on the grid is not taken into account.
  - Assumed lifetime for forward-looking emissions: 40-year lifetime.



EET

- **Net-zero strategy:** supports the attainment of the EU ambition of 200 GW installed battery storage by 2030[18]. EET has the potential to avoid 117$MtCO_2e$ in 2027.

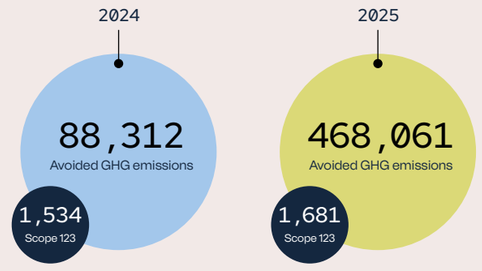
- **Avoided GHG emissions:**
  - Using batteries to store and supply clean energy, thereby reducing reliance on fossil fuel power.
  - Assumed lifetime for forward-looking emissions: 20-year lifetime B2C BESS.



ENEIDA.IO

- **Net-zero strategy:** digitalises and optimises low-voltage distribution grids, empowering grid operators to integrate distributed energy resources without costly upgrades. Eneida has the potential to realise a worldwide emission decrease of 4.1$MtCO_2e$ by 2027.

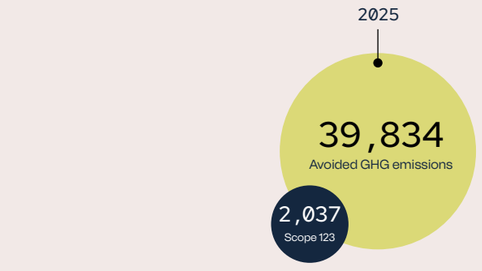
- **Avoided GHG emissions:**
  - Avoiding building new LV lines, impact of increased renewables on the grid is not taken into account.
  - Assumed lifetime for forward-looking emissions: 40-year lifetime.



solora

- **Net-zero strategy:** supports the attainment of EU's 2030 targets of 600 GW PV and 200 GW BESS capacity.[17] [19] Solora has the potential to add 0.5 GW PV and BESS capacity in the EU by 2030.

- **Avoided GHG emissions:**
  - Assumed lifetime for forward-looking emissions: 20-year lifetime PV and B2B BESS.



18 International Energy Agency: Net-zero by 2050.
19 Energy Storage Targets 2030 and 2050 (European Association for Storage of Energy).

Company specific KPIs, focusing on what matters

As highlighted by prof. Xavier Baeten, meaningful reporting begins with materiality. Working closely with management teams, we focus on the topics most relevant to each company's business model and growth trajectory, translating them into practical roadmaps and measurable KPIs.

In a landscape shaped by evolving frameworks such as CSRD, VSME and the EU Taxonomy, we bring clarity by defining two company-specific KPIs. These reflect the issues most material to the business and typically cover both environmental impact and the management of the company's own environmental footprint.

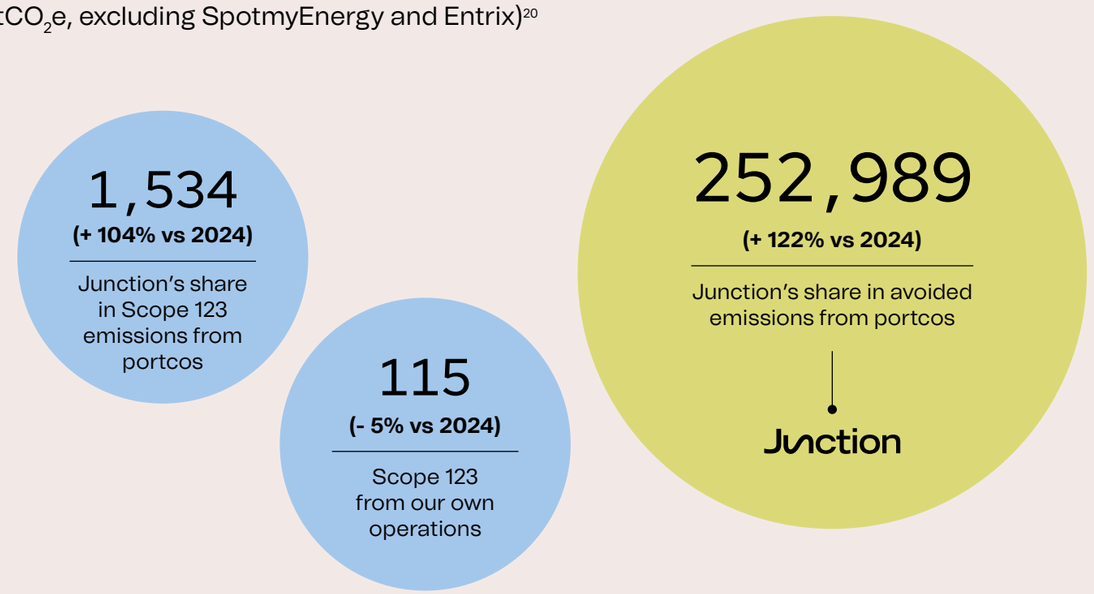
Our investment approach focuses on companies whose solutions generate climate and societal benefits that significantly outweigh their operational footprint. By translating long-term ambitions into measurable milestones, we create a structured framework to monitor progress and support value creation through climate mitigation and adaptation.

Sustainability and impact are embedded in all of Junction's activities and overseen by one of Junction's Managing Partners, supported by independent external audits. KPI progress is reviewed annually by the fund's Impact & ESG Committee, chaired by prof. Xavier Baeten.

	Sustainability impact		Sustainability management	
CATEGORIES	**Avoided emissions**	**Commercial impact driver**	**Carbon footprint**	**Value chain data collection**
Haulogy	•		•	
Hysopt		•	•	
Eturnity		•		
Ampacimon		•		•
EET		•		
Eneida.io		•	•	•
Solora		•		
SpotmyEnergy	under development, deadline Q1 2027			
Entrix	under development, deadline Q1 2027			

Each company gets 1 year to set KPIs, and 9 months to define its as-is situation S1234

Overview emissions 2025
(tCO_2e, excluding SpotmyEnergy and Entrix)[20]



What about our own emissions?

Junction reports 1,649 tonnes of CO_2e emissions in 2025. Of this total, 93% (1,534 tonnes) is linked to emissions from portfolio company investments, while the remaining 7% (115 tonnes) stems from Junction's own operations.

Junction's operational footprint remained broadly stable compared to 2024, decreasing from 122 tCO_2e to 115 tCO_2e. The largest contributors continued to be Scope 3 emissions from purchased services, business travel and employee commuting. Although Scope 2 emissions increased following the move to a larger office after the team's expansion, reductions in other emission sources resulted in a modest overall decrease. Scope 1 emissions remained negligible.

Emissions associated with portfolio investments increased to 1,534 tCO_2e (vs 753 tCO_2e in 2024). This mostly reflects the addition of Solora's emissions following its first full year within the reporting scope. Excluding this effect, the majority of portfolio companies reduced their Scope 123 emissions in 2025, in line with their respective action plans.

As with our portfolio companies, we continue to monitor and manage the environmental footprint of our own operations through regular reviews of travel, procurement and operational activities. In 2025, we started collecting Scope 123 emissions data from key suppliers, strengthening our understanding of emissions across our value chain and informing future improvement initiatives.

Beyond the emissions associated with our operations and investments, Junction's core contribution lies in the avoided emissions enabled by its portfolio companies. Junction's share in avoided emissions enabled by portfolio companies continued to increase in 2025, reaching 252,989 tCO_2e (+122% vs 2024), driven by the growth of existing portfolio companies' impact and the inclusion of Solora. This evolution illustrates a central characteristic of Junction's strategy: as portfolio companies scale their activities and customer base, their positive contribution grows.

20 These numbers exclude SpotmyEnergy, Entrix, Posetron, SolarMonkey (as these investments were finalised in Q1 2026 and portfolio companies get 12 months to set up carbon reporting)

Junction mission explained by the founders

Junction focuses on scaling European companies in the energy sector to support Europe's transition to greater energy and economic independence. Our founding team – Pieter-Jan Mermans, Bruno Vanderschueren, Dirk Dewals, and Vincent Gregoir – combines entrepreneurial experience and private equity expertise to build strong companies while contributing to Europe's strategic objectives.

"Bridging the capital gap is essential for Europe to achieve greater energy sovereignty," explains Dirk. "We recognise the need to take action. That is why we brought together various competencies, skills, and financial resources to develop European companies capable of competing internationally."

The energy transition in Europe requires scaling, and there is no time to lose. As Bruno notes, "supporting Europe's transition is not only an environmental necessity, but increasingly an economic one. Strengthening domestic energy systems can help reduce dependence on imported energy and reinforce Europe's competitiveness."

Junction focuses on companies with proven and scalable technologies that can strengthen energy security and accelerate decarbonisation. "Time is a critical factor," says Vincent. "Beyond capital, we seek to support portfolio companies through our network, sector expertise, and understanding of regulatory developments."

As Pieter-Jan adds: "Regulation has played an important role in accelerating the energy transition. Companies that can successfully navigate this evolving landscape are often well positioned for long-term growth."

As an Article 9 fund, Junction invests with sustainability as a core objective. Our due diligence process assesses a company's contribution to climate change mitigation and adaptation, evaluates alignment with the EU Taxonomy, and includes a comprehensive Do No Significant Harm (DNSH) assessment.

Junction applies a rigorous sustainability approach, from target identification phase to exit. Our four-phase approach consists of:

1

HIGH-LEVEL PRE-INVESTMENT SCREENING

High-level screening to identify eligibility and maturity

1. Sustainable investment objective
2. Sustainability impact potential
3. ESG management maturity

2

DUE DILIGENCE SCREENING

Due diligence questionnaire based on ESG maturity and impact potential vs competition

1. General objective
2. Environment
3. Social
4. Governance

3

POST-INVESTMENT NET-ZERO PLANNING

Actively work with portfolio companies to increase ESG maturity and set sustainability KPIs

1. As-is assessment
2. Net-zero planning & sustainability KPI-setting
3. Implementation & follow up

4

SUSTAINABILITY KPI PROGRESS

Annual portfolio KPI progress is assessed by Supervisory Committee

1. Annual sustainability KPI progress tracking
2. Supervisory Committee assesses performance (impact on carried interest)

What is an Article 9 fund?

Article 9 funds represent the highest sustainability classification under the EU Sustainable Finance Disclosure Regulation (SFDR).

To qualify, a fund must have sustainable investment as its primary objective and demonstrate how investments contribute to environmental or social goals while avoiding significant harm to other sustainability objectives.

For Junction, this means sustainability considerations are integrated throughout the investment process, from screening and due diligence to portfolio monitoring and impact reporting.

Investment strategy

Junction invests in SMEs and scale-ups that support the energy transition, contributing to a more sustainable, resilient, and competitive European economy.

As a specialist investor focused on the energy transition, we target European technology and service companies across both B2B and B2C markets. Our investment themes include grid infrastructure, energy flexibility, smart buildings, electrification, renewable energy, and climate adaptation.

We focus on companies with proven, scalable technologies and business models, operating in the space between early-stage venture capital and traditional buyout investing. Rather than early-stage ventures or infrastructure assets, we prioritise businesses with clear growth potential and solutions that can achieve large-scale adoption based on their economic value proposition.

Each investment is assessed for its potential to contribute to decarbonisation, improve resilience to climate change, or strengthen Europe's energy system. We believe that commercially viable solutions are most likely to deliver lasting impact and long-term value creation.

Beyond capital, we seek to support portfolio companies through our sector expertise, entrepreneurial experience, and network within the European energy ecosystem. Through active engagement with management teams, we aim to help companies navigate growth, strategic challenges, and opportunities in an evolving energy landscape.

How we work with portfolio companies

We bring sector expertise and hands-on experience, while recognising that entrepreneurs are best placed to lead their own businesses. Our role is to support, challenge, and complement management teams as they navigate growth and scale their operations. The entrepreneur remains in the driver's seat; we aim to provide an additional perspective, informed by our experience as investors and entrepreneurs.

Whether companies prefer to build on existing processes or make use of frameworks and templates developed through our experience, we seek to tailor our involvement to their needs. Through regular dialogue and active board participation, we work alongside management teams to help shape growth strategies, navigate strategic decisions, and prepare for the next stage of development.

Our support extends beyond capital. Drawing on our sector knowledge, network, and understanding of the European energy landscape, we help portfolio companies identify opportunities, address challenges, and connect with relevant stakeholders. The level of involvement varies by company, but our ambition remains the same: to be a committed partner in building resilient, high-growth businesses that contribute to Europe's energy transition.

Why entrepreneurs choose Junction?

€115 MILLION
Fund size

10–15 COMPANIES
Portfolio target

SME + SCALE-UP
Focus

6–7 YEARS
Investment horizon

€5 M – €17 M
(sweet spot € 5 M – € 10 M)
Investment size

CONTINENTAL EUROPE
Geographic focus

ARTICLE 9 SFDR FUND
Fully impact-driven

CONTROLLING STAKES OR SUBSTANTIAL MINORITIES
Stand-alone or syndicated

ENTREPRENEURIAL CAPITAL
VC and PE

DEEP SECTOR KNOWHOW
Specialist investor

Junction, your partner for growth

Want to know more or get in touch?

junctiongrowthinvestors.com

Download 2025 SFDR reports here

Junction