

Milan/London/Paris/Munich, 27 June 2024

Ambienta invests in Babcock Wanson Group, accelerating the decarbonization and electrification of industrial heat production

- Babcock Wanson Group, Europe's leading provider of industrial process heating equipment and solutions, is at the forefront of decarbonizing industrial heating.
- Decarbonizing industrial heating systems represents a €1tn investment opportunity, in particular through electrification.
- Ambienta will support Babcock Wanson Group's global growth, leveraging its first-mover advantage in low-carbon industrial heating solutions.

Ambienta SGR SpA ("Ambienta"), one of Europe's leading and largest asset managers focused exclusively on environmental sustainability, is pleased to announce the acquisition of a majority stake in **Babcock Wanson Group ("Babcock Wanson" or the "Group")**, alongside funds managed by Kartesia, current shareholder reinvesting part of its proceeds, and the senior management team. The transaction, which is subject to customary regulatory approvals, is expected to close in Q3 2024.

Babcock Wanson is a prominent European player in the energy transition, specializing in equipment and services for industrial boiler rooms for over a century. With operations in 11 European countries, six manufacturing facilities and more than 1,150 employees, the Group focuses on optimizing steam production through the manufacturing of boilers and adjacent environmental technologies like heat recovery systems, as well as air and water treatment systems, complementing its offering with after-sale services. Leveraging its engineering expertise, Babcock Wanson aims to reduce costs and increase the efficiency of industrial boiler houses, thereby significantly minimizing the carbon footprints of its customers. The Group is a leader among industrial boiler original equipment manufacturers with its vertically integrated business model and strong brand reputation.

In a global market driven by environmental sustainability trends, Babcock Wanson is a pivotal enabler to industry decarbonization by transforming heat production using electrification and low-emission technologies. In 2023 Ambienta published the "*Electrifying Industrial Heat: A Trillion Euro Opportunity Hiding in Plain Sight*" Sustainability Lens highlighting that industrial heat production accounts for 20% of global energy demand and contributing to 10% of carbon emissions. The Lens emphasized the importance of electrification of industrial heating as a sustainable solution able to eliminate 100% of CO₂ and air pollutants emissions and reducing primary energy demand by up to 70%.

With the investment in Babcock Wanson, Ambienta applies this knowledge in practice. The Group is fully committed to advancing the use of electricity and low-carbon solutions in industrial processes, and as such



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the investment contributes to both Resource Efficiency and Pollution Control under Ambienta's Environmental Impact Assessment (EIA) framework.

Since its 2016 spin-off from industrial conglomerate CNIM, Babcock Wanson has shown an outstanding track-record in organically expanding its activities and successfully integrating more than nine companies through a targeted external growth strategy. Ambienta will support Babcock Wanson in its next development phase reinforcing its position as a leading European industrial boiler solution provider at the forefront of the energy transition.

Gwenaëlle Le Ho Daguzan, Private Equity Partner at Ambienta, commented: "This investment represents a unique opportunity to drive industry decarbonization, a major challenge for all industrial players, which is fully in line with Ambienta's commitment to environmental sustainability. We are very proud to partner with Kartesia and the management team to support Babcock Wanson in its next growth chapter focused on low-carbon industrial heating solutions."

Cyril Fournier-Montgieux, CEO of Babcock Wanson Group, added: "We are very excited to start working with Ambienta and continue our partnership with Kartesia in this new phase of growth for the Group. After having successfully entered the electric boiler market, we are committed to strengthening our impact on the energy transition and being a leading one-stop-shop provider of sustainable industrial heating solutions. Ambienta's approach is strongly aligned with this ambition, and we see them as the perfect partners for us."

"This acquisition further reinforces Ambienta's international growth path; we are proud to be adding another exceptional pan-European environmental champion to our portfolio, which was successfully executed by our team in Paris. With Ambienta teams in four European offices and a strong, established, pan-European network, we continue to consolidate our leadership in environmental sustainability focused deals in Europe – shaping the growth journeys of leading European companies driven by long term environmental themes.", added **Mauro Roversi, Private Equity Chief Investment Officer and Founding Partner, Ambienta**.

Ambienta was advised by Crédit Agricole Corporate & Investment Bank (M&A), EY (Financial), Weil, Gotshal & Manges (Legal, Tax, Social and Structuring), Ramboll (ESG) and Marsh (Insurance).

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About Ambienta

Ambienta is a European environmental sustainability investor across private equity, public markets and private credit. Operating out of Milan, London, Paris and Munich, Ambienta manages over €3.0bn in assets with a focus on investing in private and public companies driven by environmental megatrends and whose products or services improve Resource Efficiency or Pollution Control. In private equity, Ambienta has completed 71 Investments to date. In public equity markets, Ambienta has pioneered one of the world's largest absolute return funds entirely focused on environmental sustainability and manages a full suite of sustainable products ranging from low-risk multi-asset funds to equity long-only. Ambienta has also recently established a private credit strategy with the same environmental sustainability focus as the other asset classes.

An industry pioneer, Ambienta was one of the first UN PRI signatories in 2012 and attained B-Corp status in 2019. In 2020, Ambienta became IIGCC member and in 2023, as one of very few asset managers, continued being a positive role model for the industry by committing to the Science-Based Targets initiative (SBTi). www.ambientasgr.com

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