

ESG Report 2021



01

Introducing Magnum

- 1.1. Letter to Investors. [Page 04](#)
- 1.2. Highlights & Goals 2021. [Page 05](#)

02

ESG Foundations

- 2.2. Our History. [Page 07](#)
- 2.3. Team and ESG Champions. [Page 08](#)
- 2.4. Motivation. [Page 09](#)
- 2.5. ESG Initiatives at Magnum. [Page 10](#)

03

ESG Integration

- 3.1. ESG Governance & Process. [Page 13](#)
- 3.2. ESG integration in the investment process. [Page 14](#)

04

ESG Deployment in our Portfolio

- 4.1. Trends in Magnum's Portfolio. [Page 16](#)
- 4.2. Case Study: ITA. [Page 17](#)
- 4.3. Portfolio Companies. [Page 18](#)

05

Looking to the Future [Page 28](#)

01 Introducing Magnum



1.1

Message from Magnum

Dear Investors and Stakeholders,

It is a pleasure to introduce to you the first annual ESG report of Magnum Capital.

In the pages that follow, you will read about Magnum's enhanced approach to ESG that started in 2014, when Magnum became one of Spain's first signatories of the UN Principles of Responsible Investment, and since then has reflected an increasingly deep integration of responsible investment practices across the firm and our portfolio companies.

We acknowledge that the environmental and social impacts of our investment decisions are numerous and often complex and are convinced of the role that Private Equity must play in accelerating the changes needed to ensure a more sustainable future. We consider this to be an inherent part of our fiduciary duty and therefore, we commit to adopt a responsible-investing and ESG-oriented approach to our activities, which consists in identifying ESG-related factors as we study potential investments, incorporating the assessment of these factors in our investment-decision criteria, taking active steps to manage any negative effects and materialize opportunities to create value on the basis of the foregoing.

Our responsible practices and ESG commitments are then passed onto our portfolio companies and their management, who are ultimately responsible for managing ESG initiatives and reporting on related matters, as with any other business metric. You will see the above described in more detail in this ESG annual report.

Finally, we would also like to take the opportunity to reflect on what the past year has brought for Magnum and its portfolio companies, and our vision for the future. While the past two years have obliged the world to face unprecedented challenges, we are pleased to say that Magnum's team has remained focused on successfully delivering value to our investors and that our portfolio companies have continued on their growth paths.



In 2021, we celebrated our 15th anniversary as a firm and amongst other noteworthy milestones, we are pleased to highlight that we carried out 3 new investments (Probelte, Metrodora and Apices), 3 successful exits (Lexer, ITASA and ITA), plus 12 add-ons for our portfolio companies.

The foregoing, combined with the launching of Magnum Capital III, which closed on its hard cap, evidence Magnum's consolidated position as the Private Equity firm of reference in the Iberian Peninsula and motivate us for the future.

Looking forward, we are committed to continue delivering value to our investors while driving economic, social and environmental progress in the communities where we operate and in particular, we have set ourselves two goals in terms of ESG: (i) to integrate and implement the new reporting framework from the United Nation's Principles of Responsible Investment (UN PRI) and (ii) to pursue opportunities to arrange sustainability-linked financing at our portfolio company level.

We thank you for taking the time to learn about our portfolio and how we manage ESG factors to create value for our investors and stakeholders. We encourage you to share your thoughts and suggestions on our approach.

Sincerely,
Magnum Industrial Partners

1.2

Highlights & Goals 2021

As we reflect on the last year at Magnum, we are proud of the progress we have made in spite of a challenging macroeconomic environment.

Much like 2020, the economic, social and human repercussions of the COVID-19 pandemic have continued to be felt over the past and current years, in combination with a global disruption of supply chains, shortages in the procurement of certain raw materials, increased inflation and energy costs and most recently the tragic war in Ukraine.

In spite of this changing and uncertain environment, Magnum successfully delivered on a significant number of transactions and closed its third vehicle Magnum Capital III on its hard cap, a testament to our ambition and dedication to creating value for our investors and stakeholders.

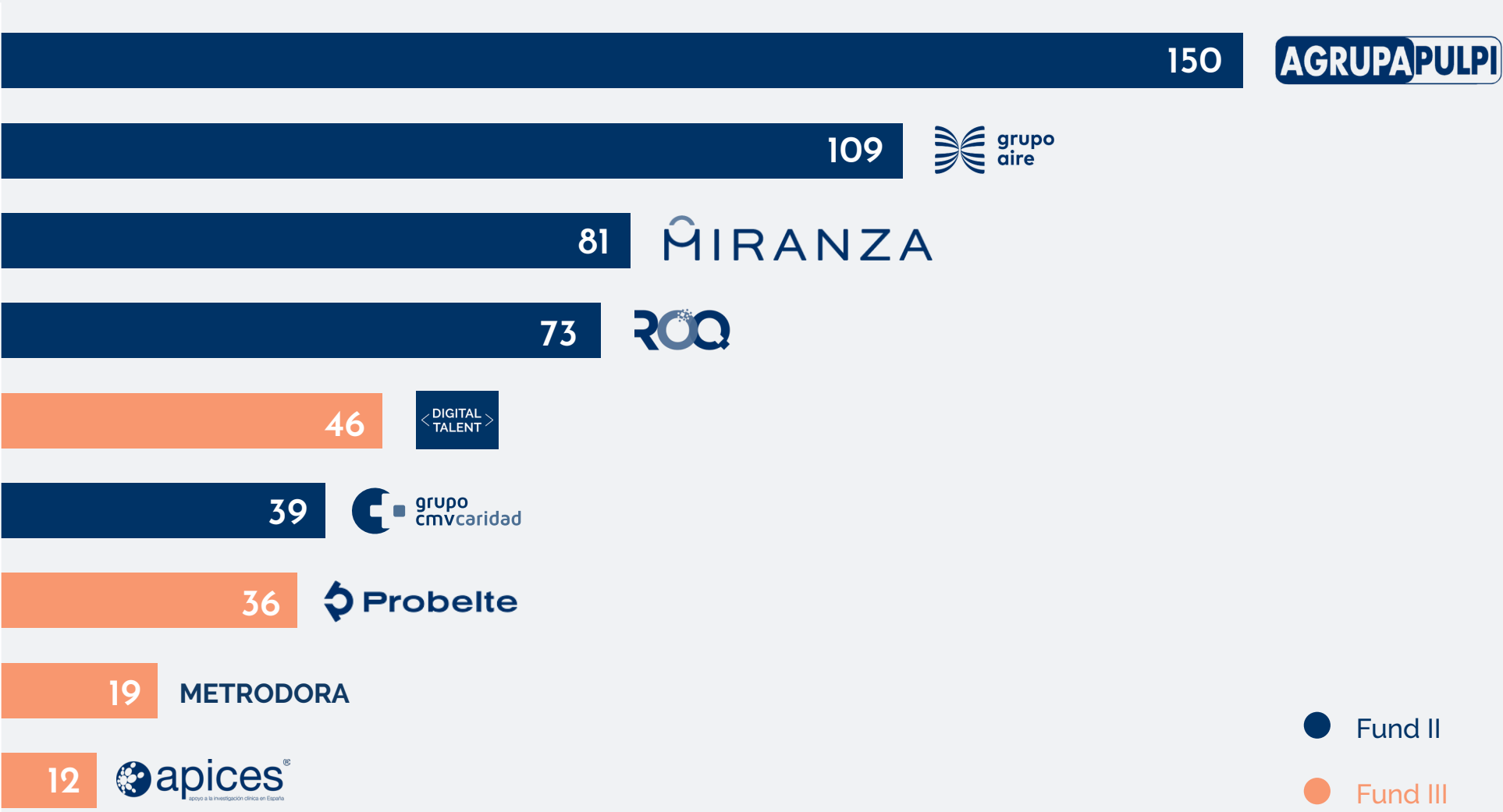
Also last year, the United Nation's Principles of Responsible Investment (UN PRI) announced significant changes to its reporting framework.

As signatories of the UN PRI since 2014 and in the context of the launching of our new fund, we undertook an ambitious review of our internal ESG processes and policies, not only to meet the UN PRI's demanding and rigorous new guidelines, but equally to ensure transparent communication of our achievements and progress in managing sustainability factors within our portfolio, as we strive to create positive impacts on people and our planet. This first annual ESG report is evidence of one of many improvements in this direction.

In 2021, Magnum successfully delivered on a significant number of transactions and closed its third vehicle on its hard cap.



Our Portfolio by Investee Revenues 2021 (€Million)



Q2

ESG Foundations

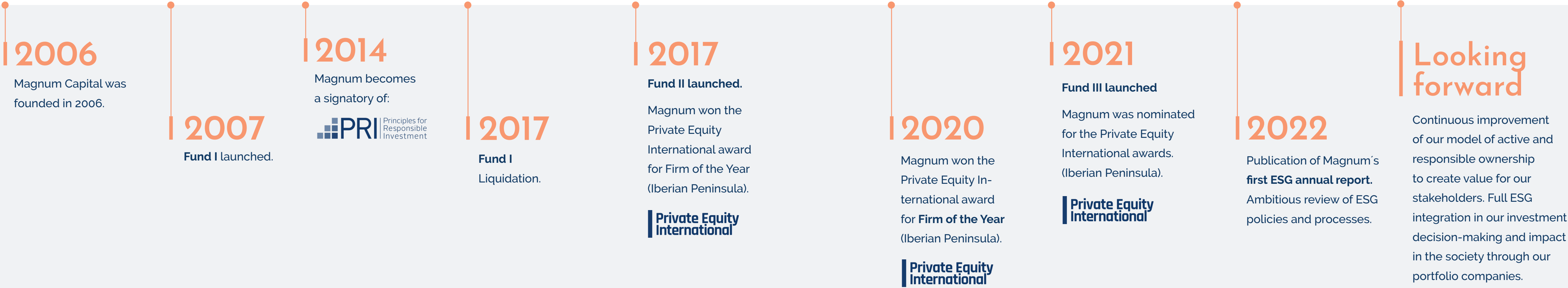


2.1

Our History

Magnum is a leading private equity firm, founded in 2006 and investing in the Iberian peninsula. With over €1 billion of assets under management, we believe that our approach to responsible investment and the active ownership of our portfolio has been crucial to creating and protecting long-term value and building stronger and more sustainable companies.

Our portfolio companies are leaders in their respective industries and their position is further consolidated once they enter our portfolio. Magnum's strategy includes sharp focus on the development and implementation of rigorous ESG action plans that contribute to the long-term growth of these companies.



2.2 Team and ESG Champions

Our team has a proven track record of creating value, demonstrating the ability to understand and solve complex situations with integrity, reliability and commitment. We are a team of 17 people with over 100 years of collective experience in the sector.

2.2.1 — Investment Team

The investment management team consists of 15 investment professionals with international experience in the financial and investing sectors.

At Magnum, our team understands the importance of acting as active shareholders to create value for our investors and all our stakeholders. We ensure that ESG processes are well integrated and understood by everyone. ESG training is held on an annual basis in order to provide our team with all the tools and resources needed to implement responsible investment practices.

The investment team works alongside its financial and investor relations department, which also has extensive industry experience.



2.2.2 — ESG Champions



Alberto Bermejo
Co-head of ESG

At Magnum, we are enthusiastic about displaying a clear depiction of how sustainability-related matters mark risk and long-term financial out-performance.

Cristina Zuleta
Co-head of ESG

There is a surge of regulation approaching out of the EU and we are dedicated to complying with these ESG obligations.



- Integrity
- Commitment
- Transparency

2.3 Motivation

2.3.1 — Investing responsibly is at the heart of what we do

At Magnum, we consider it our responsibility to be fully aware of the impacts that our business activities have on the environment and on society, identifying and mitigating any negative effects. We believe that by applying the highest ethical and business standards, we build stronger companies that generate superior value for our investors and for other stakeholders such as employees, government and social organizations.

Companies that are successful in avoiding ESG risks while capturing ESG opportunities will outperform over the longer term.



Magnum proudly endorses initiatives for the achievement of the United Nation's Sustainable Development Goals (SDGs), including environmental-related initiatives, and organizations improving gender diversity in the private equity industry such as Level 20.

- Value
- Equal Opportunities
- Engagement
- Fostering Innovation
- Resource use

2.3.2 — From compliance to value creation

Last year was marked by significant changes in the investment sphere. Although responsible investment has been a trend for the last few years, the regulatory landscape has rapidly caught up. The EU's Sustainable Finance Action Plan responds to the need to direct more financial capital into sustainable activities all the while regulating the activities of financial market participants.

This new regulatory landscape is greatly centered on transparency and disclosure obligations which was reinforced with the entry into force of the

Sustainable Finance Disclosure Regulation (SFDR) and of the EU Taxonomy.

This has motivated us to carry out an ambitious review of our internal policies and processes to comply with these shifts in regulation.

As responsible investors, we take the fiduciary duty owed to our LPs very seriously and always align our investment decisions with their best interests.

Our existing funds are classified as Article 6 under the SFDR, and we have met all the regulatory requirements pertaining to this classification.

2.4

ESG Initiatives at Magnum

2.4.1 — Our ESG Initiatives

Over the course of the last year, we have mobilized the teams at Magnum and at every portfolio company to conduct an integral ESG review. Although responsible investment has been a core pillar of our strategy since our founding, we considered it necessary to boost our ESG performance by further strengthening our policies and formalizing our ESG investment-decision processes. In this respect, we have:

- ✓ Updated our Responsible Investment Policy
- ✓ Improved and formalized our ESG processes with the help of an external ESG advisor
- ✓ Begun integrating the new UN PRI guidelines for the next reporting cycle
- ✓ Kick-started sustainability-linked financing across our portfolio



2.4.2 — Leading by Example

As responsible investors, it is our duty to set the best example for the companies in Magnum's portfolio. The performance and impact of each company is a reflection of Magnum's management duties as an active investor.

Magnum has selected 3 themes to develop across its portfolio:

- 🌐 | Optimization in the use of resources.
- 💡 | Fostering Innovation.
- 👥 | Business as a force to improve local communities.

At Magnum, we consider responsible investment as a core pillar of our strategy.

2.4.2 — Our Commitments



Principles for Responsible Investment

The six Principles for Responsible Investment offer a menu of possible actions for incorporating ESG issues into investment practice.

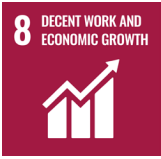
We are proud to be one of Spain’s first adherents to the Principles of Responsible Investment. This laid the groundwork for many more adherences and contributions over the following years. UNPRI assists its members in the practical aspects of responsible investment, helping us to align our fiduciary duty with broader objectives of society.



Sustainable Development Goals

At Magnum, we are fully aware that in order to help making an SDG a reality, we must assure that SDG contributions are found, not only on an investor's level, but also on an investee level. Therefore, we look after investment opportunities that do not negatively harm any of the 17 SDGs and are committed to actively contribute to their achievement.

From Magnum, at a management company level, we believe that we actively contribute to SDG 5 and SDG 8 by fostering an inclusive and fair workplace for our team and all future hires and by our main activity which consists in investing and developing businesses that drive economic growth.



Level 20

Level 20 is a not-for-profit organization dedicated to improving gender diversity in the European private equity industry. The aim is for women to hold 20% of senior positions in this dynamic industry.

Magnum strives to be an advocate for gender equality in a sector that can be male dominated. Magnum team members actively participate in Level20 activities and events.



SASB Standards

SASB Standards enable businesses around the world to identify, manage and communicate financially-material sustainability information to their investors.

We are beginning to incorporate the SASB methodology into our portfolio to track and monitor the relevant KPIs. This allows us to direct our focus on creating value while implementing responsible practices into each investee company.

Q3 ESG Integration



3.1 ESG Governance & Processes



3.1.1 — ESG Governance

Every team member is aware of the firm's commitment to responsible investing and is therefore responsible for incorporating these principles to their respective activities, contributing to the development of the organization's ESG approach and stewardship activities.

At Magnum, we have built a robust ESG governance structure that allows for the full integration of ESG factors into investment analysis and decision-making processes at all levels of the firm.

Governance of ESG at Magnum is structured as follows



3.1.2 — Our Processes

The Board of Directors is responsible for the formal oversight and accountability for responsible investment. All ESG policies and processes are approved by the Board.

The Investment Committee, comprised of partners and directors, is responsible for the approval or rejection of a proposed investment. The findings of the various pre-acquisition due diligence analyses are presented to the members of the Investment Committee who evaluate the investment based on multiple criteria, including the results of the ESG due diligence. In this respect, we ensure that ESG criteria are fully integrated into every step of the decision-making process.

The Investment Team manages Magnum's portfolio and analyses all potential investments. Members of the Investment Team are invited to the Investment Committee in order to present the findings of their analysis.

The investment team is also in charge of the definition and oversight of ESG strategic goals at portfolio company level.

ESG Committee & Team is comprised of Magnum's two ESG champions who are responsible to ensure that ESG factors are integrated Magnum's DNA. The ESG Committee is also invited to the Investment Committee to express its views on the ESG considerations of each potential investment.

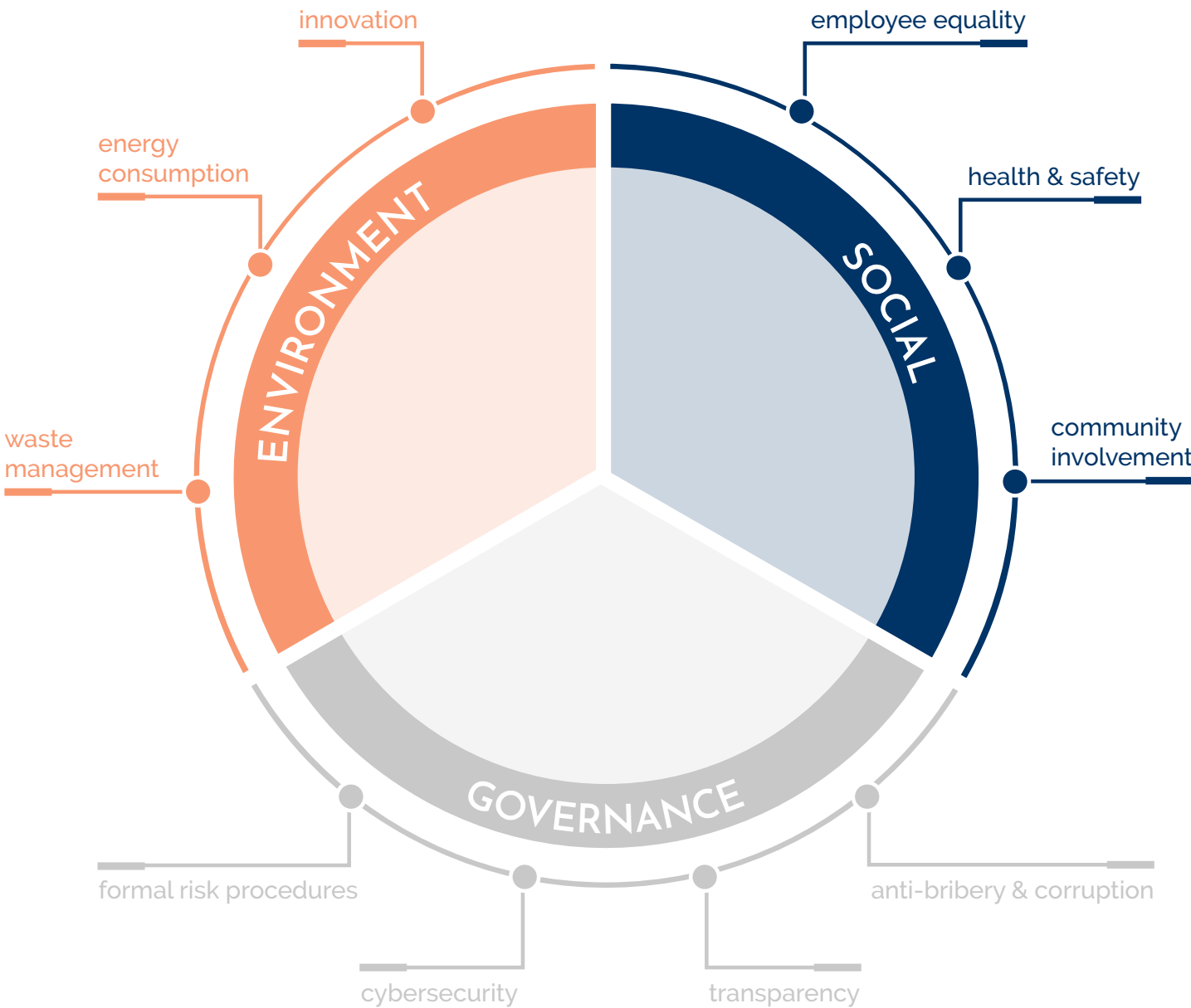
3.2

ESG Integration in the Investment Process

At Magnum we make sure that ESG is integrated throughout our investment process. When we identify potential investment, we conduct a thorough ESG Due Diligence followed by the approval of the ESG committee and design an action plan to be implemented upon acquisition together with the company's management team to mitigate any risks and capitalize any opportunities.

After the investment, ESG performance is monitored periodically through the tracking of KPIs and continuous interaction with management teams, to capture full potential value upon exit.

Companies that successfully manage ESG issues can achieve higher revenue growth, cost savings and increased profitability, while strengthening stakeholder-relations and bolstering their brand and reputation.



We incorporate ESG factors in every stage of the investment cycle, from pre-screening to exit.

01 Screening

The investment process at Magnum begins with an initial screening of investments, identifying that our ethical and business values.

02 ESG DD

Once we have filtered through the activities per-cluded by our exclusion list, an elaborate ESG due diligence is performed in order to assess the po-tential investment, whose results are shared with the investment committee.

03 Active Ownership

ESG performance is monitored throughout the holding period of the investment on an ongoing basis. A 100-day action plan that includes ESG risks and opportunities is implemented post-acquisition.

04 Exit

Our objective is for the company to have evolved and grown in terms of sustainability, and ultimately beco-me more valuable while in Magnum's portfolio. Throu-gh the periodic measurement and monitoring of key KPIs, we are able to calculate that growth and compa-red it against the starting value.

04 ESG Deployment in our Portfolio



4.1

Trends in Magnum's Portfolio

Magnum has selected three themes to implement and develop throughout its portfolio. They represent our values and views on sustainability and economic progress. Additional themes may be identified and implemented in specific portfolio companies.

Efficient use of resources

At Magnum, we are convinced that the future requires a resource-efficient approach and we are determined to contribute positively to achieving it. Therefore, we have made resource-efficiency one of the top three priorities within our portfolio companies. This means that we encourage our portfolio companies to calculate their CO₂ emissions, electric and water consumption and waste creation and where possible, implement reduction plans or find more sustainable suppliers for those resources.

Fostering innovation for a safer and better world

Innovation is more than about creating new products; it is about the development and distribution of new processes and methods and advancing the stage of science as well. Innovation can lead to improved life conditions, better health, creating new jobs and cleaner environments. At Magnum we are convinced that our portfolio companies can play a leading role in pioneering the development of new and improved solutions to existing problems in their respective fields.

Businesses as a force to improve local communities

Businesses have the power to transform societies and make the world a better place. Companies of all sizes can create long-lasting impact in their respective communities and societies.

We encourage all of our companies, wherever they may be located, to interact with their local communities and stakeholders and drive initiatives to increase employment, community and governmental engagement institutional collaboration, and improve environmental conditions.

4.2

Case Study:

ITA

ITA, acquired in 2016 and divested in 2021, provides for an excellent case study of identifying business opportunities in the socially responsible space and value creation through active management of ESG factors.

Magnum decided to invest in ITA after identifying the opportunity to create a national leader by consolidating the mental health market in Spain, a sector which has traditionally been underserved by public healthcare actors and which suffered from prejudice and lack of visibility but where we identified an acute demand for adequate patient care.

Prior to Magnum's investment, the company was a family business made up of 5 small centres in Catalonia, from which it provided assistance to patients with eating and behavioural disorders. By the time of exit from the portfolio, ITA had become a fully professionalised group, with the largest specialised network of centres in Spain (40+) and reinforced operational and financial structures, and the undisputed leader in the treatment of eating, behavioural and personality disorders, addictions, neurodevelopment and general psychiatry.

As a result of this impressive transformation, Magnum contributed to making mental health more visible and accessible, improving the lives of thousands of patients suffering from mental illness and their families, while delivering substantial value to our investors.

| Contribution to the SDGs



Ensure healthy lives and promote well-being for all



Reduce inequalities



| This is how it happened:

01 Screening

Magnum is constantly looking for investment opportunities across many sectors, including healthcare where we have an extensive track record.

While analysing potential attractive targets, we identified ITA as a niche actor providing an excellent service in a very fragmented market with low visibility and a scarce offering. This potential investment not only did not contravene our exclusion criteria but allowed us to further develop our expertise in the field and work in a consolidation opportunity in an underserved market.

02 ESG DD

As part of our standard investment process, we carried out a due diligence review of ITA, but this was not like any other project when it came to analysing social and governance risks.

Because of the field in which it operates, this investment was particularly sensitive, and a very thorough review took place to ensure that the company met the highest standards when it came to patient safety and wellbeing protocols and reputation, among others. Experts in the field were retained to carry out an analysis of all relevant risks and opportunities related to a potential investment in ITA.

03 Active Ownership

Over the course of 5 years in our portfolio, Magnum assisted and strengthened ITA's management team to deliver on initiatives of (i) professionalizing the company by finding the right professionals and applying best-in-class protocols and processes, (ii) making treatments more accessible by growing the network of centers with others sharing ITA's vision and quality standards, and (iii) developing a strong culture and commitment for corporate governance and ethical behaviour.

Our ESG work with the group's management team focused on social and governance aspects, ensuring patient wellbeing and the implementation of the highest standards of professional conduct. This included initiatives with the ITA foundation to foster prevention, social awareness and research.

04 Exit

Magnum more than tripled the value of its investment in ITA. Part of this value creation for investors can be directly attributed to active management of ESG factors, which included:

- Increasing visibility for mental conditions that are sadly often overlooked (that is, making families more capable of preventing and detecting these conditions, and less reluctant to searching for treatment),
- Making adequate treatment more accessible to families from all social backgrounds and financial resources, and
- Implementing a culture of improving and measuring quality of care (highest NPS in the sector) thanks to enhanced medical and therapeutical protocols all across the centers.

4.3 Portfolio Companies

ROQ



- | **Location** Braga, Portugal
- | **Founded** 1983
- | **Acquired** 2018
- | **Revenues** €73m

| **Contribution to the SDGs**

8 DECENT WORK AND ECONOMIC GROWTH

Decent work and economic growth

9 INDUSTRY INNOVATION AND INFRASTRUCTURE

Industry, Innovation & Infrastructure



| **About the Company**

ROQ is a world leading manufacturer of printing and packaging machinery for the textile industry.

The company develops and produces digital and analogue direct-to-garment printing machines, as well as other complementary equipment such as packaging, drying, folding, flock and foil machines.

With strong R&D, more than 600 specialized employees and vertically integrated production capabilities, ROQ has established itself as one of the leading textile printing players worldwide, exporting about 90% of its production to more than 70 countries.

| **2021 ESG Highlights**

Environmental	Social	Governance
25% decrease in energy consumption intensity ratio (kWh/000€) through machine usage optimization since 2019.	ROQ hired a Human Resources director to focus on employee wellbeing and retention.	Implementation of an Equality Plan and Whistle-Blowing Procedures.
9.5% decrease in dangerous waste ratio (kg/million € revenue) over 1 year.	197 net jobs creates and 105% increase in the number of female employees (from 2020 to 2021). 36% decrease in the number of labor incidents with lost time.	In the process of implementing formal risk procedures.

4.3 Portfolio Companies

Aire Networks



- | **Location** Elche, Alicante
- | **Founded** 2002
- | **Acquired** 2018
- | **Revenues** €109m

| **Contribution to the SDGs**



Decent work and economic growth



Industry, Innovation & Infrastructure

| **About the Company**

Aire is an infrastructure-based digital communications platform in Iberia.

Aire Networks Group enables next generation communication solutions for operators, corporations, and institutions. The group provides a convergent portfolio of solutions including high-capacity connectivity, mobile infrastructure enabler, datacenter and cloud solutions, VoIP and unified communications for small and medium enterprises.

The group leverages a proprietary IP-native core network supported by over 3,000km dark fiber backbone, over 20,000km of radiolink coverage, over 1,000km of owned fiber and an extensive data center network in Iberia. The Group serves over 1,000 local and international operators, over 600 channel partners and indirectly reaches over 20,000 small and medium enterprises.

From the initial investment in Aire Networks, the Group has integrated complementary businesses within unified communications and datacenter segment.

| **2021 ESG Highlights**

Environmental	Social	Governance
Obtention of ISO 14001 Environmental Management Quality Certification for Aire's data center networks.	74 net jobs created.	Implementation of responsible sourcing policy and elaboration of supplier Code of Conduct.
Installation of solar PV panels in main headquarters to increase energy efficiency and reduce GHG emissions.	Successful management of Covid-19 with no relevant disruption on staff in 2020.	Granted ISO 27001 certification of information security management and ISO 27018 for Protection of Personally Identifiable Information.

4.3 Portfolio Companies

Grupo Virgen de la Caridad



- | **Location** Cartagena, Murcia
- | **Founded** 1981
- | **Acquired** 2018
- | **Revenues** €39m

| **Contribution to the SDGs**

3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all

5

GENDER EQUALITY

Achieve gender equality and empower all women and girls

| **About the Company**

CMVC is a leading independent healthcare operator in Murcia.

The group currently operates 2 hospitals in the region of Murcia, has a network of 26 general care centers and 9 monographic units for the provision of specialty medical services (imaging diagnostics, aesthetics, hyperbaric medicine and home care, amongst others).

The group focuses on providing medical services to private patients and the most sought-after specialties (traumatology, gynecology, dental, pediatrics, etc.).

| **2021 ESG Highlights**

Environmental	Social	Governance
Group was awarded environmental certification by ministry (MITECO) for carbon footprint measurement and reduction initiatives.	Cocido Solidario initiative: collaboration agreement signed with Euroteques to help those in need by using the kitchen of the CMVC hospital to prepare and distribute 200 portions of food on a monthly basis.	Elaboration of cybersecurity policy.
Design and ongoing implementation of KPI tracking system to monitor environmental impact.	Implementation of monitoring system of labor KPIs to detect and address any potential issues. 99 net jobs created since 2019.	Full ESG compliance package in place.

4.3 Portfolio Companies

Miranza



- | **Location** Madrid, Spain
- | **Founded** 2019
- | **Acquired** 2019
- | **Revenues** €81m

| **Contribution to the SDGs**

3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all

5

GENDER EQUALITY

Achieve gender equality and empower all women and girls

| **About the Company**

Miranza started with the combination of five ophthalmology centers in Spain of the highest quality standards and reputation. Subsequently, additional centers of similar standing joined the group, resulting in the leading network of centers in Iberia entirely dedicated to the ocular well-being of both national and international patients.

By attracting the best specialists and relying on cutting-edge technology and innovation, the group provides best-in-class eye care solutions to a broad range of eye conditions.

| **2021 ESG Highlights**

Environmental	Social	Governance
Launch of EcoChallenge initiative where employees were invited to present environmental proposals to be implemented in Miranza's centers, five of which have been implemented.	49 net jobs created representing a 250% increase with respect to 2020.	More than €12M invested in R&D projects to improve the health and state of the science related to eye wellness.
	Partnership with various charitable organizations and donations to improve the quality of living of vulnerable groups. Collaboration with IMO foundation for prevention, awareness and research.	Full ESG compliance package in place.

4.3 Portfolio Companies

Agrupapulpi



- | **Location** Pulpi, Spain
- | **Founded** 1981
- | **Acquired** 2019
- | **Revenues** €150m

| **Contribution to the SDGs**

- 2

ZERO HUNGER

End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- 3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all

| **About the Company**

Agrupapulpi is a leading producer and distributor of fruit and vegetables, mainly focused on lettuce, tomato, watermelon, broccoli and celery with direct access to main European retailers.

Fully integrated operations (key for quality control and product traceability), from seeding to cultivation, harvesting, processing and delivery, becoming a reliable partner for main European retailers.

Agrupapulpi currently manages a production surface of +4,500 hectares (100% rented or associated) across Almeria, Murcia and Granada allowing production throughout the whole year.

| **2021 ESG Highlights**

Environmental	Social	Governance
Investment in a new refrigeration system that replaces gas with ammonia, is less polluting and significantly reduces electricity consumption thanks to greater energy efficiency.	240 net jobs created since 2019.	Complete ESG compliance package in place.
Reduced dangerous waste by 16%.	Various charitable donations to improve local communities.	

4.3 Portfolio Companies

Digital Talent



- | **Location** Madrid, Spain
- | **Founded** 2009
- | **Acquired** 2020
- | **Revenues** €46m

| **Contribution to the SDGs**

4

QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

5

GENDER EQUALITY

Achieve gender equality and empower all women and girls



| **About the Company**

International educational group providing students undergraduate, postgraduate and vocational training.

With a focus with employability and excellence in education, Digital Talent is a global education group that comprises top tier Academic Institutions in Spain, with campuses in Madrid, Barcelona, Paris, Mexico City and USA.

| **2021 ESG Highlights**

Environmental	Social	Governance
Obtains Miteco "Calculo" certification toward reducing its carbon footprint.	Agreements with institutions for the promotion employment for people with different abilities (example: UPAPSA).	Process towards B-Corp certification initiated.
43% of energy consumed comes from renewable sources.	Development and implementation of the Equality Plan and initiatives to empower women in stem. Milestone: in 2021 53.48% of employees were female.	Complete ESG compliance package in place.

4.3 Portfolio Companies

Probelte



- | **Location** Murcia, Spain
- | **Founded** 1970
- | **Acquired** 2021
- | **Revenues** €36m

| **Contribution to the SDGs**

2

ZERO HUNGER

End hunger, achieve food security and improved nutrition and promote sustainable agriculture

3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all



| **About the Company**

Probelte is a Spanish producer and distributor of biological and phytosanitary solutions for agricultural yield performance.

The company produces and distributes a comprehensive portfolio of solutions for agricultural applications providing crop nutrition and protection through biological and synthetic ingredients. For over 30 years, Probelte has been a pioneer in biotechnology in Spain. Its R&D has delivered leading biological solutions including biofertilizers, biostimulants and biocontrol products, aiming at delivering sustainable soil health. And has developed an extensive proprietary portfolio of microorganisms.

Probelte has state of the art manufacturing facilities in Murcia with over 18,000 sqm and a specific agrobiotechnology center dedicated to expanding scale of biological capacity production.

| **2021 ESG Highlights**

Environmental	Social	Governance
17% reduction in the electricity used for producing 1 ton of product (MkWh/t, vs. 2020) and a 31% reduction since 2019.	New HR director, new employees' satisfaction and retention plan to improve gender diversity and quota for disabled employees.	Revenues generated from bio products represent 19% of total sales. Shift the Company to a bio-oriented business model.

4.3 Portfolio Companies

Apices



- | **Location** Madrid, Spain
- | **Founded** 2009
- | **Acquired** 2021
- | **Revenues** €12m

| **Contribution to the SDGs**

3 GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Industry, Innovation & Infrastructure

| **About the Company**

Apices is a Clinical Research Organization (CRO) that supports clinical sponsors (pharmas/clinical investigators) in the execution of clinical trials.

The company provides an integrated solution for phase I to phase IV trials, with services ranging from database management to project management, regulatory support and pharmacovigilance, among others. Its experience in several therapeutic areas, high quality standards and client-centric culture make it a CRO of choice for many leading players in the pharmaceutical landscape.

| **2021 ESG Highlights**

Environmental	Social	Governance
Continued monitoring of waste creation and disposal processes.	Implementation of measures + investment in means for labor flexibility and conciliation.	Implemented Whistle-Blowing Procedure.
26% increase in energy efficiency since 2019.	Milestone was reached: 80.9% of employees are female.	Created Compliance function to monitor the proper implementation of current policies. Full package of ESG policies in place.

4.3 Portfolio Companies

Metrodora Education



- | **Location** Madrid, Spain
- | **Founded** 2021
- | **Acquired** 2021
- | **Revenues** €19m

| **About the Company**

Metrodora is an educational group specialized in providing both local and international training for healthcare professionals.

Metrodora was founded in 2021 through the merger of CESIF, ISEP and CEEP education institutions to create a new leading educational group.

The group is focused on the health and life sciences fields, including, among others, education for the pharmaceutical, biotechnology, psychology and dental segments, ranging from vocational training to postgraduate education. The company provides both onsite and online courses.

| **2021 ESG Highlights**

Environmental	Social	Governance
Design and implementation of KPIs tracking system to monitor and improve environmental impact.	More than 90 internship agreements with associations, foundations and NGOs to provide psychological support to vulnerable groups including Aldeas Infantiles and the Red Cross. Milestones: 70.9% of employees in the company are female.	Ongoing design and implementation of compliance package to be completed in 2022.

3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all

4

QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

05

Looking to the Future



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Looking to the Future

In the context of launching our third fund, we have carried out an ambitious review of internal policies and processes to strengthen responsible investment standards. We are also working on a plan to foster stewardship and collaborative engagements with stakeholders.

Our commitment for the next two years is that all our companies, regardless of the time of investment, fully abide by these more ambitious policies and integrate them in their daily business. To that end, we are working closely with management teams and advisors facilitating additional training, applying improved reporting systems and implementing ESG-related incentives to ensure that ESG and sustainability matters are considered a priority.

The global convergence toward a single sustainability standards setting body has arrived with the announcement of the formation of International Sustainability Standards Board (ISSB), which incorporates the best practices of a large group of sustainability standards setters.

Going forward, we will begin to measure and report for each of our portfolio holdings the group of industry-specific sustainability KPIs established by the ISSB. We will also continue to embed sustainability-related portfolio themes across all our investments.

Magnum is working to foster stewardship and collaborative engagements with stakeholders.



