



Responsible Investment Report 2025



Introduction

Louise Corner
Partner & COO

We are delighted to share our latest Responsible Investment Report. In it we reflect on the highlights of the past year, and look ahead to the priorities that will continue to guide our approach. At Phoenix we remain committed to investing responsibly; it is key to what we do and the philosophy runs through every aspect of our firm. We believe it is not only the right approach, but also helps us to manage risk, capture opportunities and support our partner companies in building resilient, long-term futures.

Phoenix supports its partner companies on their ESG journeys every step of the way. Our partnership with an independent ESG specialist continues to provide objective insight and actionable recommendations, helping us and our partner companies to move forward with confidence. We are focused on fostering positive partnerships that lead to shared success, while also protecting, nurturing, and celebrating exceptional talent and culture across our portfolio.

Over the past year, we have seen encouraging progress across our partner companies. Nine of the twelve companies receiving an annual check-in showed improved performance on an ESG maturity scale, with many now adopting opportunity-focused approaches and embedding industry-leading practices. 75% of our partner companies now measure their carbon footprint, and a growing number are progressing from measurement towards setting formal decarbonisation and net zero targets. We have seen great examples of progress in a number of areas, including culture & employee wellbeing, diversity & inclusion, and cyber resilience, supported by dedicated initiatives and enhanced data monitoring to benchmark and help drive performance.

Looking ahead, our key areas of focus include helping our partner companies to set clear climate action plans, as well as continuing to build ESG knowledge and capability across our firm and portfolio. Through these combined efforts we are encouraging a more proactive, opportunities-focused approach, ensuring that responsible investment remains at the heart of what Phoenix does.

We hope you enjoy reading the report, and do let us know if you have any thoughts on what you find.





Executive *summary*

At Phoenix, we are committed to investing responsibly – it is key to what we do and the philosophy runs through every aspect of our firm.

We incorporate ESG considerations throughout the investment lifecycle, from pre-investment due diligence to post-investment monitoring, annual ESG assessments, and regular KPI reporting. Our integrated approach helps to drive improvement across key ESG pillars, from sustainability and minimising environmental impact to nurturing people and cultures, to best-in-class governance.

In keeping with this approach, Phoenix has been a signatory to the United Nations supported Principles for Responsible Investment (UNPRI) for many years and we incorporate the six principles into our ESG strategy. Phoenix also supports the objectives set out in the Paris Agreement.

We recognise that by following a broad set of policy commitments relating to ESG factors, we align ourselves and our investors with the broader objectives of society. Our responsibility as fiduciaries drives our commitment to continuously improve the ESG dimension of our investment activities.

This report assesses the performance of fifteen partner companies, including twelve receiving an annual update review and three partner companies that are new to the portfolio. It is based on independent ESG evaluations conducted by a specialist consultancy and tracks each company's progress since their initial assessment. Annual update reviews are conducted to evaluate progress against key ESG recommendations and explore any new initiatives implemented by the companies. These reviews also capture how companies have responded to emerging ESG issues, and each company receives an annual ESG score to reflect its strategic development.

To drive continuous improvement, we have allocated responsibility for specific elements of the ESG agenda to senior individuals within the firm. We believe this collective engagement helps to embed our approach to ESG management and ensures that every member of the Phoenix team plays their part in delivering a culture of continuous improvement in this area. Our firm's four shared values provide the bedrock to making this happen.

Phoenix's approach *to stewardship*

We view Stewardship as working proactively with our partner companies to maximise economic value while having regard to their positive social and environmental impact. As active partners, we help refine strategies and processes to add value responsibly and sustainably, drawing on over twenty years' experience and our specialist network.

As an investor we typically hold one or more seats on the board of each of our partner companies. This enables us to exercise Stewardship by contributing to discussions around strategy and ensuring that ESG matters are considered at an appropriately senior level. We aim to collaborate with partner companies in addressing ESG issues and opportunities throughout the investment period in line with Phoenix's Responsible Investment policy.



Phoenix's *shared values*



We Grow, Together

When we partner with you, we're not just investing in a business; we're investing in the people, the teams, and the cultures that help it thrive.



Hard Work, Made Enjoyable

We bring trust, transparency and a refreshing touch of light-heartedness. Our goal? To make the intricate journey of investment feel more human and genuinely enjoyable.



About You, Always

You, the people behind the business, are at the heart of everything we do. Our approach is designed to support, elevate, and back your vision, every step of the way. Whether you have a question, need guidance, or just want to debate ideas, our door is always open.



We Say It, We Mean It

When we commit, we're all in. Whether it's backing a project, providing capital, or simply offering advice, if we say it, we stand by it.



Summary observations *from across the portfolio*



Environment

Companies in the portfolio have implemented strategies to manage their environmental impacts. This includes measures for energy efficiency, waste reduction, and commitments to reduce carbon emissions. Many of these companies are striving to set net zero targets in alignment with the Paris Agreement, and the majority are measuring carbon emissions across all scopes. Additionally, some businesses are working to offset their carbon emissions to achieve carbon neutrality while developing more comprehensive decarbonisation strategies.



Health & safety

Portfolio companies typically operate in office environments with low safety risks; however, they prioritise employee safety by implementing appropriate policies and procedures. These measures include assigning accountability for safety management, providing adequate training for first aiders and fire marshals, and, in some cases, conducting external reviews of their safety management and risk assessments for employees working off-site.



People

Effective people management is essential for building successful businesses, especially in competitive sectors like data and technology. Companies are taking a proactive approach to Human Resource (HR) management by offering learning and development opportunities, establishing performance management frameworks, implementing wellbeing initiatives, and providing flexible working arrangements. Additionally, they prioritise diversity and inclusion by gathering equality, diversity, and inclusion (ED&I) data, setting targets, and providing training to enhance equality within the workplace.



Suppliers & customers

Companies generally operate within supply chains that pose low ethical and human rights risks. When any risks become apparent, companies implement appropriate policies and risk assessment processes to manage and mitigate their exposure as part of ongoing improvement efforts.



Charity & community

There has been continued support for local and national charities and community groups, demonstrating a commitment to responsible business practices and giving back to communities. This approach has become increasingly strategic, with staff appreciating the opportunity to volunteer for meaningful local causes that contribute to a broader ESG programme, including social mobility.



Governance

Companies are committed to protecting against bribery and corruption. There is also a strong awareness of the need to defend against cyber threats and establish data protection controls. Most portfolio companies have achieved accreditation for cybersecurity standards such as Cyber Essentials or ISO 27001. Additionally, Phoenix continues to offer direct support for governance frameworks, including cybersecurity, and has encouraged all portfolio companies to assess risks posed by the use of AI in their business.



Executive *summary statistics*

Overall, of the 12 portfolio companies that received an update review (as opposed to a Year 1 review), notable improvements have been observed in ESG strategy implementation, carbon measurement, and employee survey participation. However voluntary employee turnover slightly increased during this period.

The portfolio company-focused activities include:



75%

of the portfolio measuring
their carbon in 2024



50%

of companies with non-male
board representation



100%

governance reviews completed
across the portfolio



100%

of companies undertaking
regular employee surveys



0%

work-related injuries
across the portfolio



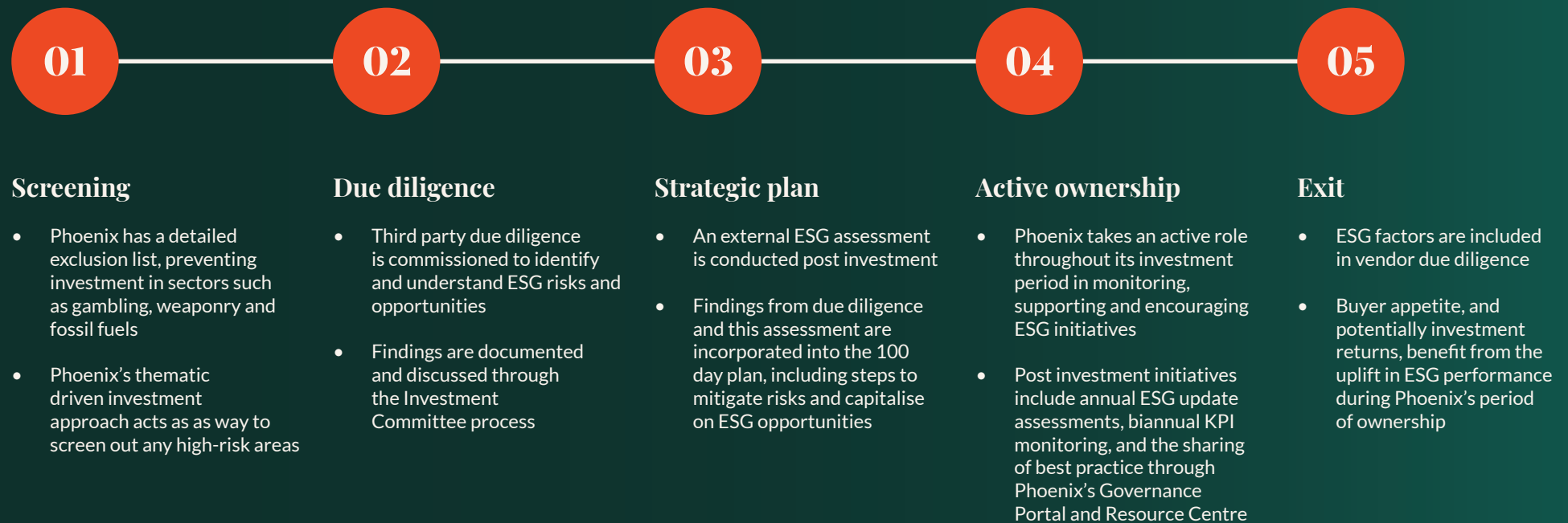
17%

average voluntary
employee turnover rate



Responsible *investment lifecycle*

Phoenix integrates ESG management throughout the investment cycle, from pre-deal screening to exit. The team understands the significance of managing business risks and identifying opportunities to enhance value and achieve market-leading positions.





How Phoenix is making a *positive contribution*

In addition to proactively managing portfolio company ESG performance, Phoenix has also initiated several ongoing activities to improve its own performance. The scope of this activity covers the areas of employee wellbeing, responsible investing, carbon offsetting, charity engagement and a range of diversity & inclusion initiatives:



Wellbeing

Employee Assistance Programme with Aviva Smart Health which offers support with mental, financial, physical, and emotional wellbeing. Mental wellness training for staff is provided through Cognacity.



Responsible Investing

Phoenix is a signatory to the Principles for Responsible Investment.



Carbon Neutral

Phoenix is a carbon neutral company, annually offsetting its operational and travel footprint.



Charity

Employees nominated The Felix Project as it's Charity of the Year in 2024, providing healthy meals to the most vulnerable in society. Phoenix also continued with its support for the Hope and Homes for Children charity who are working to reduce the use and need for orphanages.



Diversity

Phoenix are sponsors of Level 20 (promoting gender diversity in PE).





Material ESG *Issues & Risks*

Focus Areas in 2024

Following these update reviews, the top five focus areas identified for Phoenix portfolio companies over the past 12 months were:

- Carbon reduction (measuring carbon footprint and setting targets)
- Creation of a robust ESG strategy and framework
- Equality, diversity & inclusion (ED&I)
- Employee wellbeing and culture
- Cybersecurity and emerging AI risks

At the company level, this is not a significant change from the focus areas identified in previous years, with climate and carbon remaining key concerns for all businesses. This is driven by increasing carbon data requests from suppliers and customers, as well as a desire to reduce energy costs and contribute to addressing climate change.

There is a continued emphasis on tackling ED&I issues, and businesses recognise that they need to understand the challenges better through employee engagement and the measurement of ED&I metrics.

Employee retention is a key priority for businesses facing challenges in this area. While salary remains important, employees are increasingly valuing overall benefits and work-life balance. Many companies are now offering innovative wellness packages to support employees' mental, financial, and physical health. Portfolio companies have successfully navigated hybrid working challenges and continue to provide flexible options, recognising that such flexibility can enhance diversity within the organisation.

As global ESG compliance and reporting requirements grow, portfolio companies will start to experience a trickle-down effect from the reporting obligations of their larger suppliers and customers. The larger businesses in the portfolio are meeting legal requirements, including ESOS reporting in 2024 and annual SECR reporting. The most proactive companies are also developing ESG strategies, which embed ESG considerations throughout the business and provide a clear direction of travel with aligned KPIs and ESG frameworks.



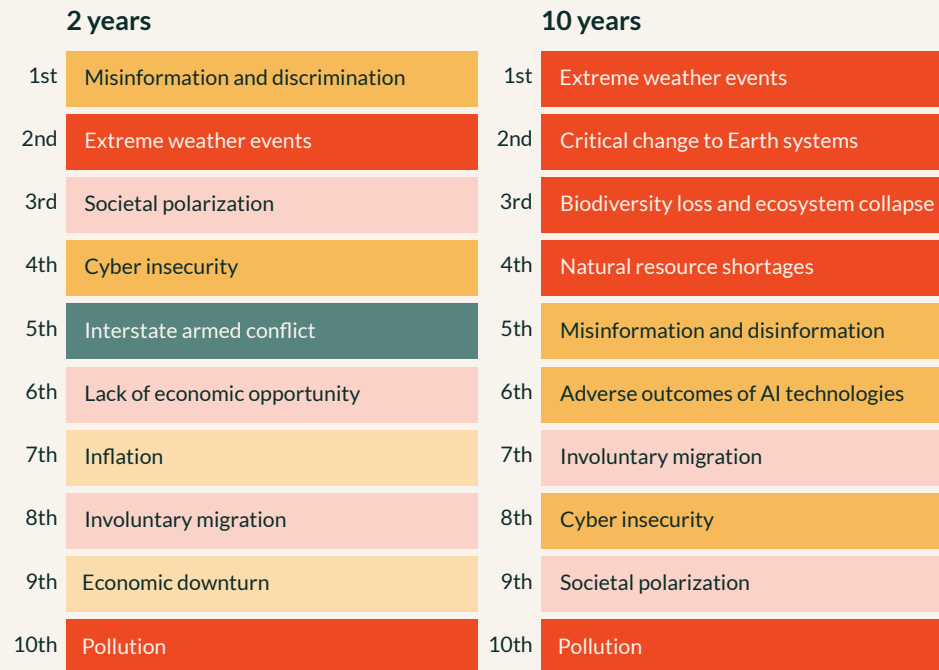


Looking ahead – short and long-term risk perceptions

Unsurprisingly, many of the key ESG issues currently facing portfolio companies continue to align with global trends. As highlighted below by the World Economic Forum's Global Risks Report 2025, approximately 50%-60% of the perceived risks over the next two years are ESG-related, increasing to around 90% of perceived risks relating to ESG over the next decade.

Global risks ranked by severity over the short and long term

Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period.



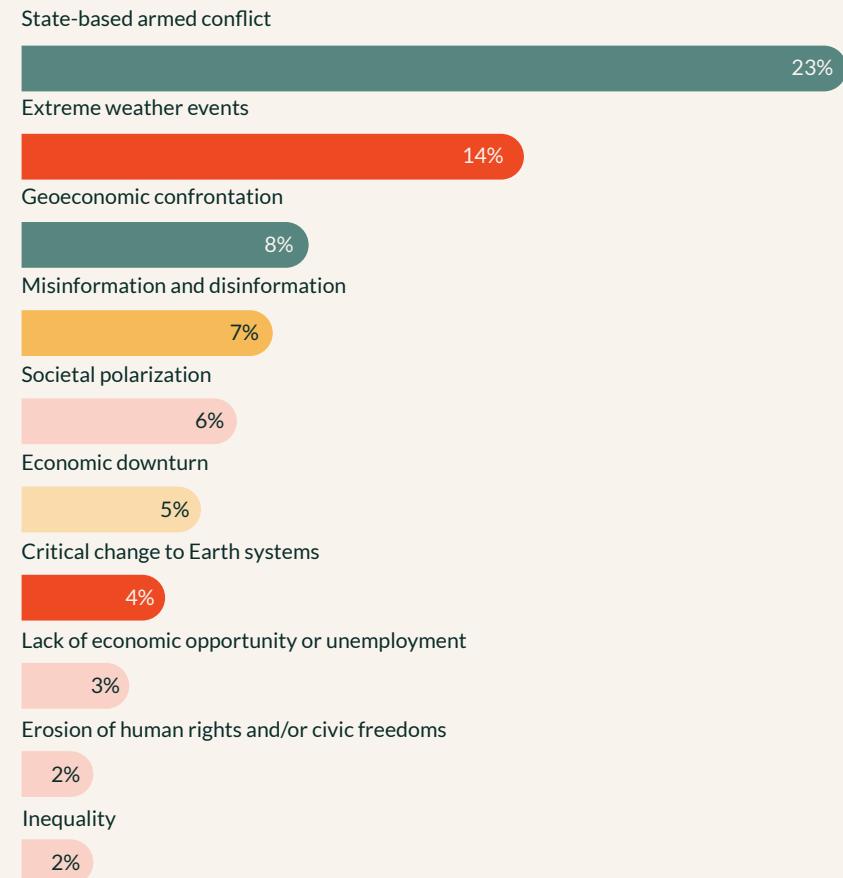
Source: World Economic Forum Global Risks Perception Survey 2024-2025

Risk Categories

● Economic ● Environmental ● Geopolitical ● Societal ● Technological

Current risk landscape

Please select up to five risks that you believe are most likely to present a material crisis on a global scale in 2025.

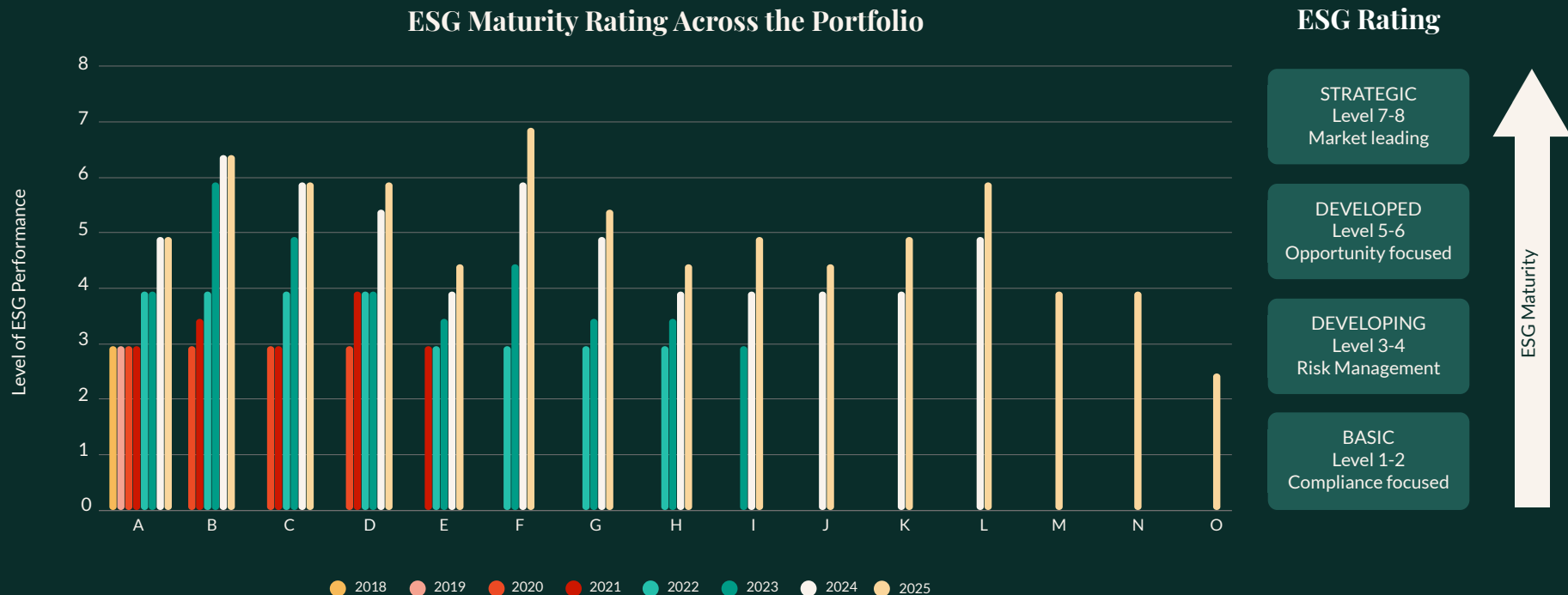


Source: World Economic Forum Global Risks Perception Survey 2024-2025

Portfolio company performance during 2024

In total, 15 portfolio companies received an assessment in Q1 2025. Of these, three companies received their first assessment (companies M, N and O), and the remainder received an update review. The following chart indicates the progress made by the companies since their initial assessment and compares performance across the portfolio. Of the 12 companies that received an annual review, nine have improved their performance compared to the previous year, while the remainder have maintained their score. There are currently 14 portfolio companies that meet or exceed a strong Level 4 'Developing' performance position, with nine companies in the 'developed' category and one in the 'strategic' category. This indicates a broad understanding of risks across the portfolio and a move towards a more proactive, opportunities-focused level of performance. It should be noted that company O is currently in the early stages of developing its approach to managing ESG. However, the business is expected to progress in several areas identified during the review process in 2025. This annual development towards a more strategic approach has been observed throughout the portfolio, and company F provides a good example of this, having progressed from Level 3 in 2018 to Level 7 in 2025.

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Strategic ESG Development

Phoenix made significant progress in driving strategic ESG management across its portfolio in 2024. Of the 12 companies that received an annual ESG update reviews, five companies have established ESG strategies, with an additional two companies set to develop their strategy over the next year. This commitment to sustainability underscores Phoenix's proactive approach to integrating responsible business practices into its investments.

Furthermore, a number of companies are using the B Corp framework to guide their approach. Envisage has achieved B Corp certification, demonstrating its commitment to high standards of social and environmental performance. 4most has submitted its B Corp assessment and is awaiting certification, and Dufrain has completed the B Impact Assessment for use as a gap analysis and to inform its ESG strategy.

Phoenix's ESG approach emphasises active collaboration with portfolio companies to set and achieve meaningful ESG goals. By providing strategic guidance and leveraging best practices, Phoenix ensures that its investments drive positive environmental and social impact while delivering strong financial performance.

Mobius Life's *Development of an ESG Strategy*

Mobius Life has documented an ESG strategy setting out how ESG considerations are integrated into its operations and throughout the business. ESG is also integrated into their products and services, and they actively support pension schemes in achieving sustainable investment objectives. The company regularly engages with asset managers on ESG matters, emphasising transparent reporting and active engagement.

The company has also developed digital tools to standardise ESG and climate data collection, aiding clients in meeting regulatory requirements such as the Task Force on Climate-related Financial Disclosures (TCFD). Additionally, the firm offers a wide range of ESG-focused investment options, including segregated bespoke solutions, where schemes can fully design their portfolios to align with their own sustainability goals.

Setfords *Development of an ESG Strategy*

Setfords has taken a significant step forward in its sustainability journey by developing a comprehensive ESG policy that directly aligns with its company values. This policy serves as a guiding framework to address key targets across the environmental, social, and governance pillars, ensuring that responsible business practices are embedded throughout its operations.

By linking ESG principles to its core values, Setfords demonstrates a commitment to long-term positive impact. The company actively monitors progress towards its ESG goals, fostering transparency and accountability. This proactive approach not only supports the wellbeing of its employees and communities but also positions Setfords as a responsible leader within its sector.

Envisage Dental's *Recertification to B Corp*

Envisage Dental will undergo the rigorous process of B Corp recertification over the next year, reaffirming its commitment to high standards of social and environmental performance, accountability, and transparency. As part of its recertification journey, the business will conduct a comprehensive review of its operations, focusing on areas such as employee wellbeing, environmental impact, community engagement, and governance practices.

This recertification underscores Envisage Dental's dedication to making a positive impact within the dental sector and beyond. By maintaining its B Corp status, the company aims to continue to lead by example, demonstrating how responsible business practices can drive long-term value for all stakeholders.



Environmental *management*

Key environmental impact areas for Phoenix portfolio companies have remained relatively unchanged over the past year. They include sustainable resource management, energy usage, and carbon and greenhouse gas (GHG) emissions. In addition to these challenges, businesses also face the risks associated with climate change, such as extreme weather events. To mitigate these risks, companies should undertake climate change scenario planning and integrate it into their corporate risk management processes. The loss of biodiversity remains a global concern, and it will become increasingly important for companies to assess, report, and act on their nature-related dependencies, impacts, risks, and opportunities in line with ESG recommendations and guidance.

Portfolio companies continue to proactively reduce energy consumption, primarily driven by the continued high energy costs and uncertainty in the energy market. Energy efficiency measures are generally at a good level across the portfolio, with companies replacing inefficient lighting and equipment while engaging with staff to improve general 'housekeeping' behaviours. At least one business is trialling the use of solar panels. The challenge remains for some companies that lack operational control over their office buildings, instead relying on influencing the landlord to implement energy-efficient improvements. In such cases, businesses are initiating proactive discussions with their landlords to determine their energy supply source and investigate renewable energy alternatives.

Waste production across the portfolio is generally low, primarily linked to office activities. Some unavoidable hazardous dental waste is managed by Envisage, with all waste disposed of responsibly through registered contractors. Businesses are seeking alternatives to single-use plastics, and paper use has been reduced through efficient practices such as electronic signatures and hybrid working. New waste legislation, 'Simpler Recycling,' set to take effect in 2025, will require the separation of recyclable materials from residual waste. The UK will also introduce Extended Producer Responsibility regulations to shift the management of packaging waste from local authorities to producers.

With the increasing awareness of environmental concerns, there has been a rise in employee engagement levels around sustainability. This presents an opportunity for companies to motivate and engage their employees to improve their environmental performance. It is also becoming an important factor in attracting young talent who want their values to align with those of the business they work for.





Climate *change*

Climate change remains in the global spotlight and is becoming increasingly politicised, with climate activists taking direct action worldwide. Global temperatures in 2024 rose more than 1.5°C above pre-industrial levels for the first time in a calendar year. As regulations related to climate change disclosures take effect, internal and external stakeholders are becoming increasingly aware of the potential future impacts on businesses. Smaller businesses will begin to see an increase in requests for environmental data as this information filters through the supply chain.

Although portfolio companies' physical and transitional risk exposure is generally low, we see the emergence of activity to measure and mitigate potential risks. This includes:

Carbon footprinting

75% of the portfolio currently calculates its carbon footprint (starting with Scopes 1 and 2) to help set targets and identify opportunities for reduction. All companies have identified this as a key focus for action, with the aim of having 100% of the portfolio measuring its scope 1 and 2 emissions by the end of 2025.

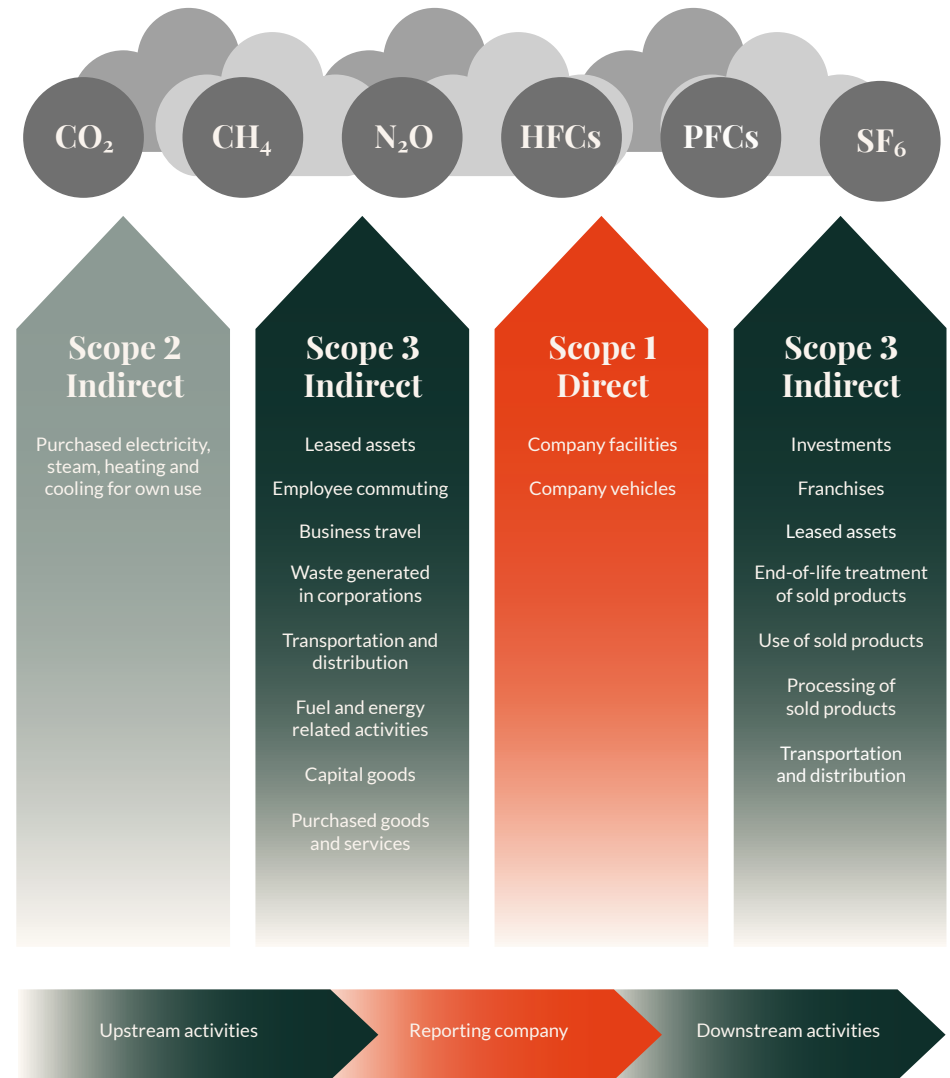
Net zero reduction targets

As companies begin to measure their carbon footprint, the intention is to set carbon reduction targets. Two companies within the portfolio have already made progress in this area, with one (4most) formalising this by signing up to the Science Based Targets initiative (SBTi).

Carbon offsetting

Some companies are using carbon offsetting instruments as a way to become carbon neutral (via offsets); 17% of the portfolio is currently offsetting either all or part of their carbon emissions. This is a reduction from the previous year due to companies exiting the Phoenix portfolio and a greater focus on decarbonisation over offsetting.

75% *of the portfolio measured their carbon footprint in 2024, up from 43% in 2023*



Source: Greenhouse Gas Protocol
WRI/WBCSD Corporate Value Chain (Scope 3) Accounting and Reporting Standard



Mobius Life's *Role in Advancing Sustainable Investment*

In June 2024, Mobius Life partnered with Smart Pension to provide a comprehensive investment platform supporting the management of £5 billion in assets for 1.4 million members. As a key enabler of Smart Pension's sustainability ambitions, Mobius Life offers a tailored platform that enhances flexibility and diversification. By facilitating access to both public and private market investments, Mobius Life empowers Smart Pension to align its portfolio with its long-term environmental goals, including its 2040 net-zero commitment.

Mobius Life's platform is designed to enable its clients to integrate ESG considerations into the investment decision-making process. Leveraging innovative investment solutions, Mobius Life enables pension schemes to navigate the complexities of sustainable investing. By providing transparency, efficient reporting, and access to ESG-focused funds, Mobius Life plays a pivotal role in supporting responsible financial growth. This collaboration highlights Mobius Life's dedication to driving positive environmental impact within the financial services sector, serving as a model for future sustainable partnerships.



setfords

Setfords *Employee Engagement around Sustainability*

Setfords implemented a comprehensive review of its Green Team practices in 2024 to strengthen its sustainability efforts. Recognising the value of diverse perspectives, the firm introduced new mechanisms that allow all employees, not just Green Team members, to provide feedback and suggest ideas on sustainability topics. This inclusive approach fosters greater engagement and encourages innovative solutions that contribute to the firm's environmental goals.

The Green Team will play a pivotal role in the firm's recently established Annual Sustainability Report. By gathering and incorporating employee feedback, the team ensures that the report reflects a broad range of insights and initiatives. This initiative demonstrates Setfords' commitment to transparency and continuous improvement in its sustainability journey.



Logiq *Drives Environmental Impact Through Local Action and Emission Tracking*

Logiq has demonstrated its commitment to sustainability by actively engaging in environmental initiatives and enhancing its carbon management practices. The company participates in a tree maintenance scheme in the Bristol area, where employees volunteer their time to help maintain local trees. This hands-on approach not only contributes to the preservation of green spaces but also fosters employee engagement in environmental stewardship. Building on the success of this initiative, the company plans to expand the programme to Chippenham, further supporting local communities and enhancing biodiversity.

In addition to its community efforts, the company has conducted a comprehensive assessment of its carbon footprint, encompassing Scope 1, 2, and 3 emissions. By re-baselining its carbon data, the company has established a more accurate and transparent baseline for measuring its emissions and tracking progress toward carbon reduction goals. These initiatives demonstrate the company's commitment to both environmental responsibility and ongoing improvement. Through employee-driven action and data-informed decision-making, the company sets a strong example of how the IT sector can contribute to a more sustainable future.



Envisage *Solar Panel Trials in the Dental Sector*

Envisage has taken a proactive step toward sustainability by installing solar panels at one of its dental practices as a pilot initiative in partnership with one of its landlords. This trial aims to explore the feasibility of installing solar panels across all 13 sites owned by the landlord. By generating clean energy on-site, Envisage intends to reduce its reliance on grid electricity and lower its Scope 2 emissions.

The pilot project will monitor the performance and energy savings achieved through the solar installation. The insights gained will inform the group's future renewable energy investments and guide a potential rollout across its network of practices.


REDEFINING GROUP DENTISTRY

Universally Speaking *Knowledge Centre Introduces Solar Energy*

In 2024, Universally Speaking made a significant investment in renewable energy by fully fitting its Knowledge Centre with solar panels. The installation boasts a generation capacity of 311.88 kWp (kilowatt peak), contributing directly to 100% of the centre's energy needs.

The shift to solar power is expected to substantially reduce Universally Speaking's Scope 2 emissions, which are generated from purchased electricity. Any electricity generated by the solar panels and consumed on-site can be excluded from the company's carbon footprint under the market-based reporting method under the GHG protocol. This transition supports Universally Speaking's sustainability goals while providing long-term cost savings and energy resilience.


UNIVERSALLY
SPEAKING



People *management*

Phoenix portfolio companies are people businesses that rely on talented individuals to help create successful organisations. All companies understand the importance of supporting employees to attract and retain talent. There is also a recognition that businesses must identify and manage skills gaps in a competitive marketplace to support staff. This will continue to be important in 2025, as across the UK more broadly, nearly one in four UK workers plan to leave their jobs over the next year, marking a 3% increase from 2024. Additionally, 13% of employees do not foresee remaining with their current employer by 2026.¹

Following the annual ESG update reviews, progress has been observed in the following areas, supported by a dedicated People/HR resource across the portfolio:



Learning & development opportunities

Further investment in personal development and providing opportunities for progression in the company. Companies have been undertaking succession planning and skills gap analysis to provide opportunities for employee progression. Many of the portfolio companies utilise third-party training platforms to support employees and track their progress. This is then linked to performance appraisals.



Benefits & wellbeing

Mental health support is now commonplace, and all businesses have some level of provision in place, with several appointing mental health first aiders or third-party counsellors. This is supported across the portfolio by comprehensive benefits programmes.



Diversity & inclusion

Activities related to promoting diverse and inclusive workplaces continue to be widely adopted, and companies are seeing the benefits this can deliver. Proactive companies in the portfolio have been conducting workshops and pursuing additional training in this area.



Communication

Open and transparent two-way communication has continued to be an important tool for keeping employees engaged and helping them understand how they can positively contribute to business success.

¹ Source: Culture Amp, Commitment to Stay Benchmark Data, as reported by Personnel Today (January 2025).



Health & safety

Employers recognise the importance of maintaining a safe and healthy work environment. Health and safety management involves conducting risk assessments in the workplace, updating essential policies, and raising awareness among employees through induction programmes for new hires and regular training sessions. Additionally, companies ensure that they have sufficiently trained and designated first aiders and fire marshals on staff.



Supplier & customer management

The companies in the Phoenix portfolio typically operate within low-risk supply chains. However, where supply and customer risks do arise, businesses remain proactive in mitigating any potential risks by establishing policies that include ethical expectations for suppliers in terms and conditions. Additionally, companies conduct internal and external audits where necessary to ensure compliance with these policies. Increasingly, companies are also developing supplier codes of conduct to collect and manage ESG-related information throughout their supply chains.



Community & charity support

There has been continued support for local and national charities and community groups, providing invaluable support to various causes. This is through a combination of fundraising, volunteering and staff engagement to support outreach projects and align chosen charities with their business purpose. For many of the portfolio companies, community activity centres around supporting local social mobility and helping to educate the next generation of potential employees around job opportunities through relationships with local schools and colleges.





Capital Economics

Promoting diversity and social mobility

Capital Economics is committed to promoting diversity and inclusion through its successful ED&I internship programme. This 8-week initiative is specifically designed for individuals from underrepresented backgrounds, offering them valuable professional exposure to the field of economics. The programme's primary objective is to increase awareness of a career in economics to a wider audience, rather than solely focusing on converting interns into full-time hires.

The internship has consistently delivered positive outcomes, providing participants with hands-on experience and networking opportunities while enhancing the company's talent pipeline and giving development opportunities to existing employees. With plans to host 3-5 interns per year, the business remains dedicated to fostering a more inclusive and equitable future, supporting the development of diverse talent within the economics profession and beyond.



CAPITAL ECONOMICS

Mobius Life

Employee Awards

Mobius Life has implemented an employee engagement initiative through its quarterly recognition programme, the 'Mobius Awards'. This is designed to celebrate employees who exemplify the behaviours of the company's five core values of: "Look Forward," "Think Differently," "Aim High," "Stay Agile," and "Keep Collaborating." It celebrates individuals and teams who make meaningful contributions to the workplace. The awards provide an opportunity to recognise outstanding performance, innovation, collaboration, and commitment to customer service.

By publicly acknowledging and rewarding employees, the company fosters a positive workplace culture that encourages high performance, motivation and reinforces its core principles. Employees are nominated by their peers and leaders, creating a sense of inclusivity and participation throughout the organisation. Winners receive recognition and rewards, which further enhance morale and job satisfaction.



Mobius Life



Spy Alarms *Training & Development*

Spy Alarms is committed to employee growth and development as part of its approach to ESG management. The engineers' 'Spy Academy' has been successfully providing bespoke training for several years, offering engineers up-to-date training every six months to help them stay at the forefront of industry standards. Additionally, Spy Alarms has recently introduced a management training programme for future leaders and launched the 'Administrator Academy' to provide structured training for customer service and sales admin roles, supporting career progression at all levels.

In 2024, Spy Alarms also introduced a mentoring programme to support succession planning by pairing managers with employees identified as future leaders. This initiative fosters leadership development and ensures a strong internal pipeline for senior management roles.



Nostra *Pay Gap Reporting*

Nostra has made progress over the past year in promoting diversity and inclusion by completing its first Gender Pay Gap report. This report reflects the company's commitment to legal compliance, transparency and addressing gender pay disparities within the organisation.

The company has also established a Female Forum, providing a platform for women to discuss challenges, share experiences, and collaborate on initiatives to advance gender equality in the workplace. These actions are part of a broader ESG approach aimed at creating an inclusive environment where all employees feel valued and supported.





Ava Global's *Charitable Foundation*

Ava is planning to establish a charitable foundation over the next year to support communities in the regions where it operates, in alignment with its broader Environmental, Social, and Governance (ESG) strategy. The foundation aims to strengthen the company's social license to operate by fostering positive relationships with local communities through strategic charitable initiatives.

The foundation aims are still to be finalised, but are likely to prioritise:

- Empowering women's groups, enabling economic and social advancement.
- Children's welfare and education, including supporting student groups to improve educational opportunities.
- Advancing community development and environmental projects that enhance local infrastructure and social well-being.

The foundation will be overseen by a board of trustees, which will be responsible for ensuring that the activities align with the company's ESG objectives. The trustees will consider recommendations from employees and subcontractors operating in different regions, with the final decision on project selection based on their alignment with the company's social credentials and projects that offer the greatest potential for positive social impact and align with sustainable development goals.



Cyber security & data protection

In 2024, UK businesses faced several pressing cybersecurity challenges that threatened their operations and data security. A significant concern was the sophistication of phishing attacks, with cybercriminals increasingly employing advanced tactics, including AI-generated emails, making it increasingly difficult to distinguish between legitimate and malicious communications. This sophistication led to a surge in successful phishing attempts, compromising sensitive information and financial assets.

The increasing risk of cybersecurity breaches can lead to significant operational disruptions. To prevent, detect, control, and recover from such threats, companies are becoming more proactive around managing their data and IT infrastructures by developing cyber-resilient systems, policies, and processes. Phoenix has implemented these measures and provides cybersecurity training to staff to raise awareness and maintain online safety.

To verify the effectiveness of these security measures, portfolio companies are seeking external certification. The ISO 27001 Information Security Standard is the primary international standard for information security, and many businesses are pursuing this certification. Others are opting for the Cyber Essentials Plus or Cyber Essentials scheme, which is a government-backed programme aimed at safeguarding against common cyber threats and demonstrating a commitment to cybersecurity.

Modern slavery

Across all portfolio companies, the general profile shows a low risk of involvement in acts of modern slavery, whether it is close to home or overseas. In cases where companies are obligated under the UK's Modern Slavery Act, they have published Modern Slavery statements that are reviewed and updated annually.

Anti-bribery & corruption

All portfolio companies have demonstrated a high level of responsibility towards complying with the Anti-Bribery & Corruption (ABC) Act. Their ABC policies are regularly updated and include strict controls on gifts and hospitality. Companies provide employee training on ABC awareness, regardless of their job roles, which is often delivered through online platforms.

Companies also conduct anti-money laundering checks on new customers and screen for financial crime using risk checklists and tools. Screening processes are also increasingly applied to suppliers through rigorous onboarding practices. Strict protocols have been developed to identify countries of concern. Where suppliers or customers are located in high-risk areas, businesses proactively manage this risk by checking international sanctions lists. Where possible, businesses will seek to work proactively with suppliers to help manage and improve ESG performance and protect workers' rights; terminating a contract is always a last resort.

Whistleblowing procedures are also provided across the portfolio, outlining how concerns can be raised within the business. Some companies have also provided access to external whistleblowing hotlines as an alternative channel for employees to discuss ABC concerns.



Setfords *AI Ethics Policy*

Setfords has proactively developed a comprehensive AI ethics policy to address the risks and opportunities presented by the use of AI in the legal sector. This forward-thinking initiative offers clear guidance on the responsible use of AI tools, with a focus on key issues such as data privacy, bias, and transparency. The policy ensures that AI technologies are used to complement human judgment, while maintaining client confidentiality, fairness, and regulatory compliance in legal services such as research, document review, and contract analysis.

By implementing this policy, Setfords demonstrates its commitment to ethical innovation and its responsibility to manage AI risks effectively. The firm's leadership ensures that the policy is regularly reviewed to stay aligned with technological advancements and regulatory changes, maintaining the firm's core values of integrity and fairness.

setfords

Logiq's *Certification to ISO 27001*

Logiq strengthened its commitment to information security in 2024 by achieving ISO 27001 certification. This demonstrates the company's dedication to maintaining a robust Information Security Management System (ISMS) that protects sensitive data, in addition to meeting the stringent security standards required by government contracts. The company's security measures in line with ISO 27001 include comprehensive risk management, regular audits, and advanced encryption technologies, ensuring the confidentiality, integrity, and availability of client and organisational information.

The ISO 27001 certification is part of Logiq's broader commitment to continuous improvement in security and compliance. By regularly reviewing and updating its security protocols, the company stays ahead of emerging threats and meets the evolving requirements of government agencies.

 LOGIQ



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