



G Square Healthcare Private Equity LLP

Annual ESG Public Report

- 2023 -

Contents



03

Message from
the ESG Committee

04

G Square ESG
Framework

07

G Square Portfolio
Company Highlights

08

G Square Team
Activities

09

Portfolio Companies
Highlights

14

Contact Information



Message from our ESG Committee

G Square's investment strategy, rooted in building long-term value, selecting companies that deliver high-quality products or services, and upholding business integrity, is complemented by our evolving ESG strategy that meets current industry standards and emerging regulations.

Our Mission

- G Square's investment strategy is founded on three pivotal beliefs:
- Long-Term Value Creation: We are dedicated to building enduring value in our investments.
- Quality Investments: We target companies that are distinguished by their exceptional products or services.
- Integrity in Business: We maintain a steadfast commitment to ethical practices in all our dealings.

Progress for 2023

We hosted a D&O and cyber insurance webinar to educate our portfolio companies on risk management. We also established regular check-ins with our ESG champion to discuss ESG goals, and we initiated precise KPI setting for effective ESG tracking.

These steps are part of our ongoing commitment to integrate ESG considerations into our investment strategy, ensuring that we not only comply with current regulations but also set a standard for best practices in the industry.

G Square ESG Framework

G Square has integrated ESG issues in the investment process. Specifically, the analysis of ESG issues is included in the due diligence process and presented to and reviewed by the Investment Committee. In addition, G Square onboards investee companies post completion, monitors and track ESG performance during the entire holding period of the investment. However, ESG parameters do not constitute investment criteria on their own.



G Square ESG Cycle

Explained

01



Formalised ESG Policy and Strategy

ESG policy outlining G Square's strategy and practices in incorporating environmental, social and governance (ESG) in its investment decisions and operations. G Square has adopted guidelines from UNPRI as a signatory and industry associations such as Invest Europe to develop its ESG strategy. G Square has integrated ESG issues in the investment process.

02



Pre-investment Due Diligence

G Square has integrated ESG issues in the investment process with the analysis of ESG issues included in the due diligence process, and subsequently presented to and reviewed by the Investment Committee.

G Square will refrain from investing in companies if said ESG analysis results in findings that would put the company in violation of the above outlined standards G Square has committed to.

03



Post Acquisition - Portfolio Onboarding

- G Square onboards investee companies post completion, monitors and track ESG performance during the entire holding period of the investment. However, ESG parameters do not constitute investment criteria on their own.
- In addition, G Square has triggered the launch of initiatives at portfolio companies to drive an improvement of operational practices along the social and environmental dimensions. Discussions are initiated with each portfolio company's top management to review the company's situation and define meaningful and relevant objectives. The review of the progress made, and the assignment of new targets is performed at the board level of each company. G Square designates an ESG champion in every portfolio company (normally CFO or COO) that implements G Square ESG requirements at the portfolio company level.
- G Square helps the portfolio company define a set of relevant criteria, goals, and KPIs, the progress on which is reviewed at Board meetings.

G Square ESG Cycle Explained

04



Portfolio Company Reporting

G Square monitors and tracks portfolio companies ESG performance through annual surveys and annual ESG achievements reports, which is based on the UN Sustainable development goals (SDGs), InvestEurope and relevant healthcare standards.

05



Investor Reporting

G Square reports on ESG topics to:

- The UN PRI Secretariat, both on its internal program and on its practices as an investor, on an annual basis; and
- To the Funds' investors on portfolio companies' progress in both the annual investors' report and the funds' investors general meeting.
- Since 2018, G Square has been providing ESG related provisions in side letters with investors, where in select cases, G Square may provide ad hoc reporting on a best efforts basis.

06



Exit Considerations

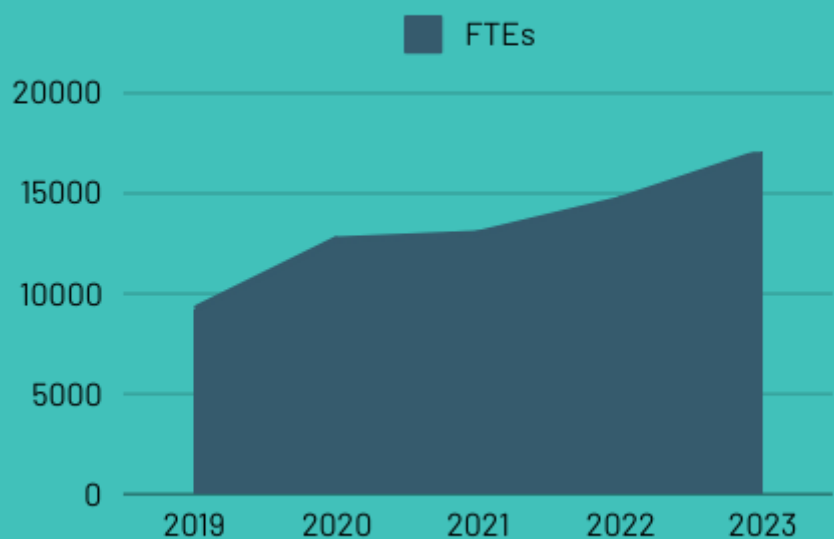
In 2022, G Square has launched the initiative to perform ESG due diligence on potential exit transactions.

G Square Portfolio Companies At A Glance (Funds II, III, IV, CV)

Community Initiatives in place	Quality of Service tracking measures in place
94%	100%

Full Time Equivalent (FTEs)

2017 - 2023





Team Activities

The G Square team held an offsite in Sicily to discuss a wide range of topics and partake in other team building activities.

The team completed the J.P. Morgan run in July, which raised money for Centrepunt, the UK's leading youth homelessness charity.



Pharmacy2U

Pharmacy2U is a leading online pharmacy in the UK. The group comprises three distinct divisions: home delivery of repeat NHS prescriptions, an online doctor consultation service, and online over-the-counter medical and health products retailer.



Carbon Footprint

Pharmacy2U achieved carbon neutrality for the fiscal year concluding on March 31, 2022 (FYE22), by measuring and compensating for all elements of its Scope 1 and 2, as well as certain elements of its Scope 3 greenhouse gas emissions.

Volunteering Efforts

The company introduced a colleague volunteering policy: Colleagues now benefit from 1 day paid time off for volunteering during each holiday year, they track volunteering hours throughout the year which will increase now policy in place.

Internal Leadership efforts

Pharmacy2U successfully launched their internal leadership development programme which is designed to equip their future leaders with the skills and approach to lead the business in a time of change and increasing complexity.

Employee Attraction

The company conducts semi-annual Colleague Health Check surveys, which serve as Pharmacy2U's gauge for employee satisfaction. The participation rate has stayed consistent, with a notable 10-point rise in the latest eNPS score compared to the previous one, and a significant 53-point leap since the inaugural survey in October 2022, marking a 26.5% climb on the eNPS scale. Furthermore, 75% of colleagues have expressed satisfaction with their current positions, while nearly 83% feel supported by their direct supervisors or team leaders.

Together Dental

Together Dental is a growing group of practices led by forward thinking, caring dentists with a shared vision to provide outstanding dental care for both NHS and private patients focused on education, learning and training. The company has sites across England and continues to show growth through a combination of practice acquisitions, NHS tender wins and capacity expansions.

Governance

Together Dental had 4 CQC inspections during 2023 and maintained 100% CQC compliance across all inspected sites. 18 sites also had a DMA Call (Direct Monitoring) with CQC.

Practice Refurbishments

The company have continued refurbishing practices: two practices underwent major refurbishments in 2023, which included provision of a better working environment with improved staff facilities. There are 6 remaining practices in the Group which are due for refurbishment or redecoration during 2024.

Community Engagement

The company have engaged with patients in practice by initiatives such as Oral Health Displays and Child Sensory events.



Employee Benefits

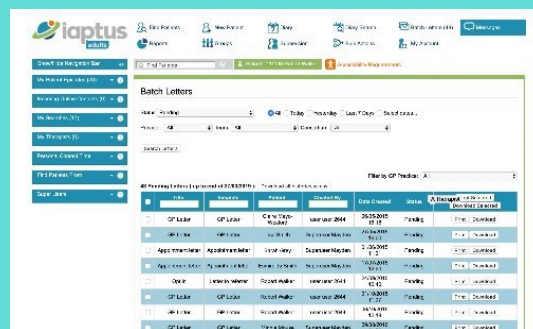
Benefits included Birthday Leave, Length of Service enhanced leave and 100% attendance enhanced leave.

Employee Attraction

Pay bandings were introduced in April 2023 to ensure remuneration was competitive for the employed workforce and in line with market rates. The bandings recognized length of service pay uplifts and higher pay scales for those with specialist qualifications. Rates were also made subject to practice location with Outside and Inside London practice rates. Enhanced location allowances were applied to employees in practices where cost of living in such locations required a higher rate of pay to stay in line with market values.

Mayden

Mayden is a growing health tech company whose life's work is creating digital technology that changes what's possible for clinicians and patients. Mayden designs and builds insightful software that supports healthcare services to deliver data driven, outcome focussed and patient-centred care.



The screenshot shows the iaptus software interface. At the top, there's a navigation bar with icons for Home, Reports, Settings, New, New Users, and Batch Letters. The main area is titled 'Batch Letters' and contains a table with columns: ID, Name, Role, Status, and Date. The table lists several entries, including 'OP Letter', 'Appointments', and 'Letters'. Each entry has a corresponding 'Status' and 'Date'.



Employee Training

Every employee at Mayden has a personal training budget which they are free to use in their own way to support their ongoing professional development. In addition, there is a separate company pot for general and group training programmes. Every year, two employees are fully funded to complete the Bath Future Talent leadership development programme.

Diversity and Inclusion

Mayden have an Equality, Diversity & Inclusion policy which was recently updated (May 2023). Mayden has a Diversity & Inclusion Working Group which supports the HR team and directors on this agenda. The directors undertook a D&I training workshop with HR advisor earlier this year.

Community Initiatives

Mayden work with local charities in the Bath and North East Somerset area doing amazing work to support the local community. For example, with Designability and Mentoring Plus. Mayden also sponsors the Bath Festival, Bath Film Festival, Bath Digital Festival and Bath Philharmonic Orchestra.

They have recently paid and installed a defibrillator for the local community to use.

Workplace Culture

Mayden are delighted to announce the launch of their new book, "Made Without Managers: one company's story of creating a self-managing workplace". The book provides real world practical insights and guidance on transitioning to new ways of working, outlining how Mayden successfully moved from traditional hierarchy to a flat organisation, led by self-managing teams.

Keys Group

A leading provider of social care services to children and adults in England and Wales. The company manages ~250 residential care sites, 25 schools and a supported accommodation business. In addition, the Group provides c.30,000 hours of supported living care services per week to adults with complex needs within their own homes.



Employee Training

Keys Connect (internal therapeutically informed model) training achieved accreditation for continued professional development, expanding its impact beyond children's services to include supported living, activity, and learning disability services. With over 2,279 colleagues completing the training, Keys Connect is now integral to their residential childcare services, contributing to therapeutic goal setting, and fostering collaboration through regular forums as a catalyst for continuous improvement in their services.

Staff Retention

Staff turnover fell from over 42% to just over 30%. Significant progress was made on this front with record numbers of people applying to join Keys Group, a reduction in the number of people leaving the group resulting in overall net positive recruitment every month in the year.

Employee Diversity

Inclusion and diversity training continues to be a mandatory course for all colleagues with over 90% completion throughout 2023. Keys' Inclusion Forum is now well established and meets on a regular basis. The forum is comprised of representatives from all backgrounds and across the organization. Material has been prepared covering all protected characteristics and is available to all services to support in team meetings in the promotion and understanding of everyone's differences. The forum has developed an 'Including Me' process designed to encourage new colleagues to say how we can best support them.

Keys ran 'Keys Pride' for the second year running focusing on LGBT+ awareness but with inclusion at its heart. Two events were held, one for their schools and one across all other services

DISCLAIMER

SFDR Notice

G Square Healthcare Private Equity LLP ("G Square") proactively manages operational risk, including ESG considerations, in its investments and has adopted processes and procedures to integrate the assessment of sustainable risks in its investment decision-making process as appropriate. However, G Square does not consider or focus on the "adverse impacts of investment decisions on sustainability factors" as contemplated by European Union Regulation (EU) 2019/2088 on Sustainability-Related Disclosures in the Financial Sector ("SFDR") as it is not required to do so under SFDR. Nonetheless, G Square remains committed to the integration of ESG into both firm operations and portfolio company management.

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No duty to update

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