



Mobeus
Responsible
Investment

Report June 2023

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1. Overview

Welcome to our inaugural Responsible Investment Report

We are pleased to highlight the progress that Mobeus and its portfolio are making in this important area of our work.

Mobeus believes that responsible investment is not only the right thing to do, but that a high-quality approach enhances value for our stakeholders by improving operational performance of our investments and helping to achieve strategic asset prices on exit.

Over the last year we have implemented an improved, more detailed and quantitative ESG methodology to coincide with the launch of Mobeus V. We have also started a long-term project to measure, track and reduce greenhouse gas emissions for both our own firm and our portfolio companies.

Whilst there is no universal approach to responsible investment, we are aligned with a number of global standards and believe that a clear plan and a programme of continuous improvement of standards and measurement can and does deliver positive change for the long term.

Our intention is to consistently track these data points over time with the objective of reducing emissions on a pro rata basis and improving social and governance metrics.

We believe it is crucial that Mobeus not only implements ESG policies across its portfolio but that it also demonstrates its own commitment and leads by example by adopting the same approach to ESG reporting, progress and management that it demands from its portfolio.

We welcome feedback from our investors as we continue to evolve our approach to Responsible Investment.

Guy Blackburn
Partner



Sustainability
Leader

2. Our Approach

Mobeus is a responsible investor that believes that the consideration of environmental, social and corporate governance factors throughout the investment cycle contributes towards enhanced shareholder value. We are committed to backing companies that operate in a responsible and safe way, with management teams that understand their broader social and environmental responsibilities.

Our approach to responsible investing focuses on:

- board level engagement, with quarterly reporting to Mobeus;
- establishing and tracking performance metrics across our portfolio;
- encouraging broader company and management activities;
- compliance with applicable frameworks and legislation; and
- ensuring that Mobeus itself operates at the high standards it expects of its portfolio.

The Mobeus Responsible Investment Committee oversees this activity, maintaining senior focus on ESG goals and progress. The responsibility for DEI within Mobeus sits with the Managing Partner.

The committee comprises:



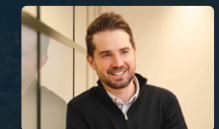
Ashley Broomberg
Managing Partner



Guy Blackburn
Partner



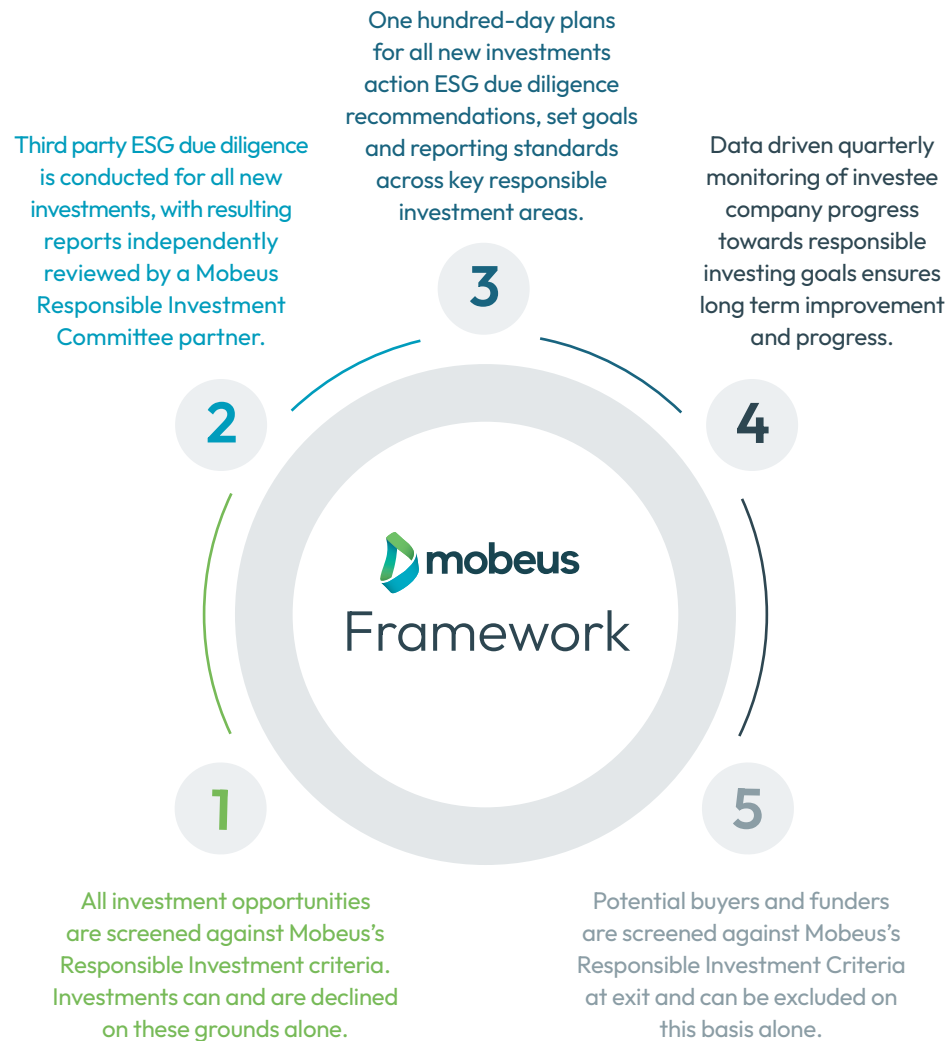
Justin Maltz
Partner



Sam Lipscombe
Finance Director

3. Our Framework

Mobeus's responsible investment framework applies across the full investment lifecycle, from lead generation to due diligence, portfolio management and realisation. Whilst we invest in a broad range of assets, they are all committed to responsible investment.



Mobeus:

4.

Our vision and practice

Mobeus seeks to uphold high ESG standards, practices and policies. Our vision is to engage in meaningful and fulfilling work that drives business growth, strong investment performance and positive change in society.

This includes but is not limited to managing and minimising our own environmental impact and investing in the learning and development of our people.

Our approach takes the ILPA ESG Data Convergence Initiative and SFDR objectives into consideration, as well as the UN Sustainable Development goals. Mobeus is also a signatory to the UN PRI.



We believe it is important to lead by example and so we have policies and processes and have instigated internal reporting to match what we demand of our portfolio and will hold ourselves accountable for progress.

Case Study: Mobeus initiatives

Include a mental health support program for staff, and the Mobeus Scholarship and Mobeus Connect programmes that we are proud to support.

As a small, office-based organisation our direct emissions are relatively low. Nonetheless, work conducted with eCollective, a specialist sustainability consultancy, has highlighted ways to measure and reduce our environmental impact.

This year, we upgraded our IT infrastructure and Mobeus was pleased to be able to refurbish and donate our old laptops to a Ugandan orphanage - avoiding waste and supporting a worthwhile charity.



Mobeus:

5. Mobeus Performance

Mobeus is firmly committed to a working environment where the different perspectives that diversity brings to the business are recognised, valued, and respected. We foster a working environment where differences are embraced as part of creating value for stakeholders and expanding our employees potential and opportunities.

Governance



Independent non-executive oversight

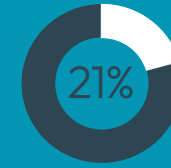
YES

People

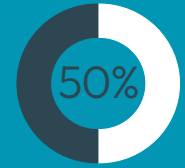


Size of team

14

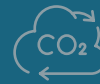


Proportion of non-male team members



Non-males as proportion of hires in last year

Environmental (2022)



Overall emissions

24,564 kg



Emissions by FUM

173 kg / £m



Emissions by source

Scope 1&2

137 kg

Scope 3

24,427 kg

Case Study: Mobeus Green House Gas Emissions

We have instigated measurement of scope 1 & 2 emissions for Mobeus V assets. As well as including ourselves in this project, Mobeus has gone one stage further. We chose to also measure our scope 3 emissions as a test case, ahead of considering whether to roll this out across our wider portfolio in due course.



Our Portfolio:

6. Governance

Mobeus sets high standards of governance for its portfolio. We believe that our businesses do best when they are run by their boards, led by capable independent Chairpersons. That said, Mobeus always appoints a senior member of its own team to portfolio boards.

We are pleased that our portfolio shows a reasonable diversity mix at board level which we will strive to maintain and improve. There is clearly a marked lack of minority representation which we will need to try to address in the future.

Mobeus Portfolio Performance



Chaired by independent person

100%

Companies measuring gender balance

50%

Proportion of non-male chairpersons

25%

Proportion with ethnic minority board members

0%

Proportion with non-male board members

75%

Proportion of ethnic minority board members

0%

Mobeus Investor Director on the board

100%

Companies measuring diversity mix

50%

Proportion of non-male board members

35%

Proportion with established risk register

100%

Proportion with appropriate policies for:

ESG	75%
Diversity, equality & inclusion	75%
Cyber protection	75%
Anti Bribery & Corruption	75%
Whistler blowing	75%
Modern slavery statement	75%
Corporate criminal offence	75%

Case Study: Rebecca Grattan

Rebecca joined LACE Partners as Chair in January 2023. She brings significant global leadership experience and a wealth of knowledge in HR consultancy and transformation. She has held CPO positions at PageGroup and Equiniti, was COO of Avast and has chaired another HR Consultancy. She also acts as mentor through the European Women on Boards initiative.

**Independent Chair,
LACE Partners**



Our Portfolio:

7. People

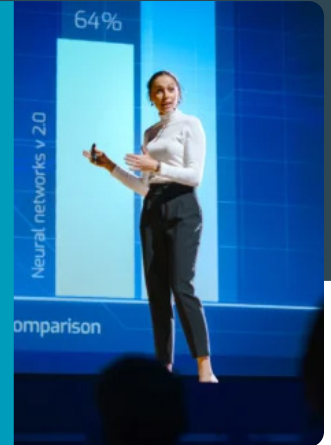
Mobeus is committed to being an equal opportunities employer and encouraging equality, diversity and inclusion in its portfolio.

Mobeus proactively promotes cultures that actively value difference, where all team members are empowered and respected and recognise that people from different backgrounds and experiences can bring valuable insights to the workplace that enable success as high-performing businesses.

Mobeus believes that employees should be recruited, promoted and rewarded based on merit, ability and performance. However, equality, diversity, and inclusion requires a strong commitment and concerted action to build an inclusive environment where opportunities are open to all, diversity is valued, and where everybody can reach their full potential without fear of harassment, prejudice or discrimination. It is also important to put in place training and development programmes for employees so that they can maximise that potential.

Case Study: Diversity & inclusion in practice

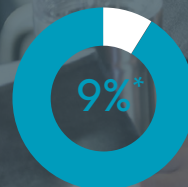
Amongst its broader HR focus, Mobeus V investee LACE Partners advises global businesses on the adoption of best practice approaches employee retention, engagement and satisfaction. LACE Partners adopts these best practice approaches itself, resulting in a 69% non-male work force, 98% of whom respond to staff surveys and 98% of whom agree that the company is a good or very good place to work. With 13% ethnic minority employees (compared to c.18% in the UK population), LACE Partners is reviewing ways to further improve its diversity. The company is also in the process of instigating gender pay gap reporting.



Staff Diversity:



Proportion of non-male employees



Proportion of ethnic minority employees

Positive employment:



Number employed in Mobeus V companies

282

Average percentage staff churn in period

43%

Proportion of employees on or above real living wage

100%

Av. gender pay gap

4%*

Proportion of companies conducting staff surveys

75%

Average response rate to staff survey

87%

Proportion of responses citing good place to work

83%

Proportion of staff with development plans

65%

RIDDOR reportable events

0

* of Mobeus V assets currently measuring this data, as at June 23

Our Portfolio:

8. Environmental

Mobeus has partnered with specialist carbon foot printing consultancy, eCollective, to instigate greenhouse gases measurement, both for itself and the Mobeus V portfolio. We are proud to be supporting our portfolio companies to develop a more data driven approach to their environmental goals.

We have chosen to follow GHG Protocol guidance in our approach to collecting GHG emissions data, with eCollective preparing the figures used in this report using both primary data from our portfolio companies alongside industry data provided by DEFRA.

The summary results of this first year exercise are reported here and Mobeus shares detailed GHG emission dashboards with each of the Mobeus V portfolio companies. This has enabled our portfolio to start thinking more strategically about mitigating their impact on the planet.

Work with eCollective is ongoing to both improve the accuracy of the GHG reporting and to set emissions reduction targets both for Mobeus and its portfolio.

Case Study: ABL Ambient Drying Paint

Mobeus IV investee ABL 1 Touch repairs some 25,000 cars a year, with most of these vehicles requiring partial re-painting as part of their repair process. Historically the paints used in this process required long 'baking' periods at high temperature, achieved using a combination of gas and electric heaters. Following a successful trial, Mobeus has supported ABL 1 Touch to rollout new, ambient drying paint across its entire network of 22 sites. ABL 1 Touch is the first to adopt this new technology in the UK, a move which has allowed the company to make significant reductions in its consumption of both gas and electricity, which is beneficial to both profitability and the environment.



Mobeus Portfolio Performance (2022)



Scope 1 & 2
emissions

29,436 kg



Scope 1 & 2 emissions
by revenue

0.9 kg / £k



Scope 1 & 2 emissions
by EBITDA

3.7 kg / £k

Feedback



We proactively sought feedback from a number of Mobeus IV & V investors, investee companies, other private equity firms, specialist consultants and other market participants when designing the current Mobeus Responsible Investment framework.

We would welcome further feedback on our approach to responsible investing, this annual report and our ongoing work in this area.

Please address any comments or questions to:

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