



QUALITAS FUNDS

Sustainability Report 2024



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- 1. The future of Qualitas Funds

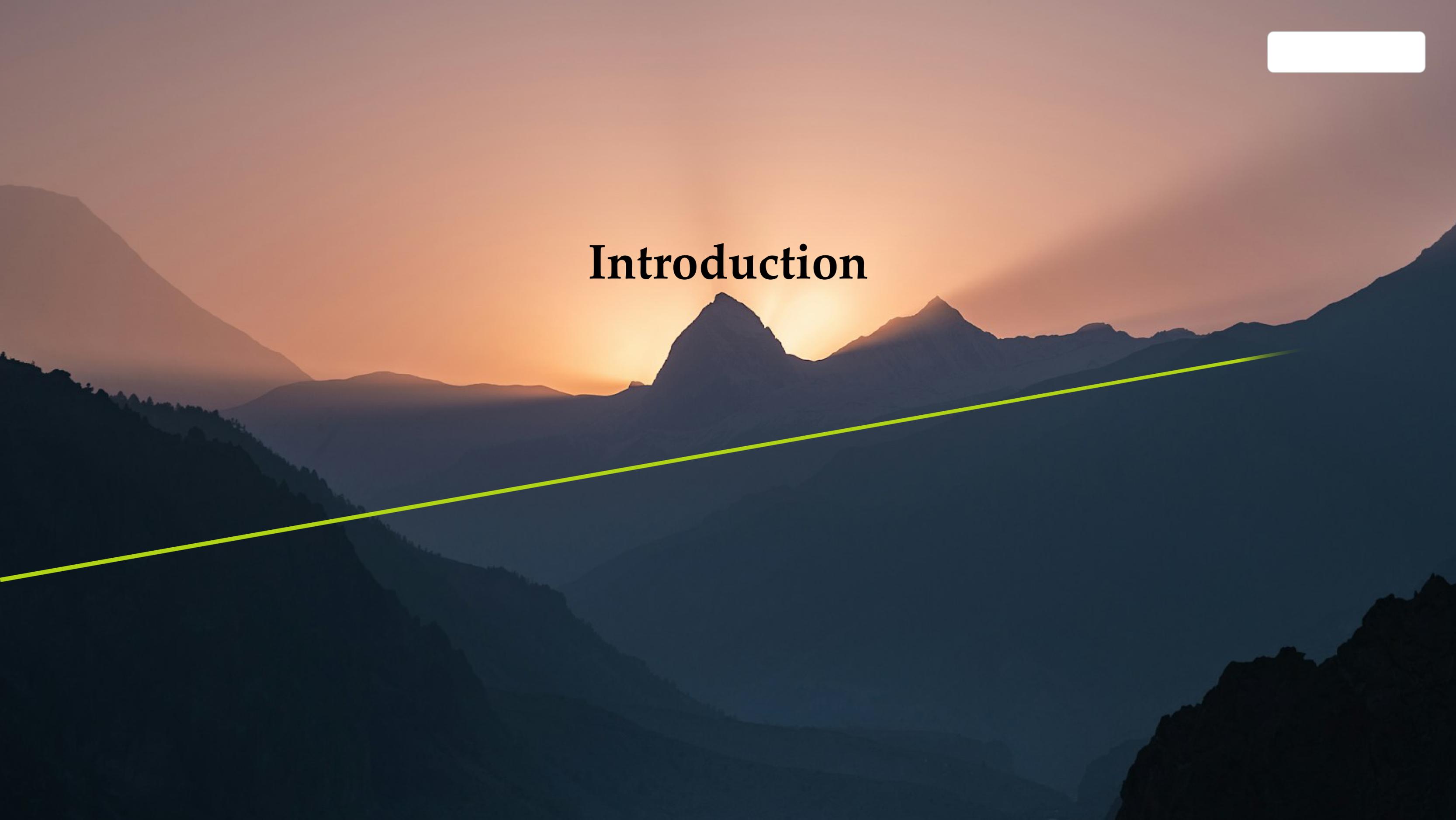
Annex



- 1. Qualitas Funds V and VI ESG KPIs



Introduction





Message to our stakeholders

Dear valued stakeholders,

When we shared our first Sustainability report, our goal was to strengthen your trust in Qualitas Funds by demonstrating that our commitment to society extends beyond investments. In that report, we highlighted our dedication to expanding sustainable investments, advancing Sustainability principles within our investment process, and addressing socio-economic challenges—all while upholding the promises we have made to our investors and the environment in which we operate: **peace of mind and solid returns**.

Guided by this commitment in every decision we make, we have continued to evolve. During the past years, we have been making significant strides in reshaping our investment strategy, transitioning from an exclusionary approach—avoiding investments with negative Sustainability impacts—to a proactive Sustainability strategy aimed at driving positive outcomes.

2024 has been another year of significant progress. On one side, we have strengthened our investment processes,

embedding responsible investment principles and Sustainability performance management, with oversight from our dedicated Sustainability Committee.

On the other side, the launch of Qualitas Continuation Finance I (QCF I) marks a pivotal milestone. As our first private debt fund, it embodies our renewed ambition: to establish Qualitas Funds as the leader capital provider in the European lower-mid-market segment. This milestone has also prompted us to refine our approach to Sustainability stewardship—grounding our strategies in common principles while tailoring our approach for each asset class to maximize value for both shareholders and the broader Qualitas Funds stakeholder community.

When we look at our portfolio, we take pride in fulfilling our fiduciary duty in the most effective way—investing in top-tier companies with exceptional managers, generating strong financial returns and meaningful Sustainability outcomes.

None of this progress would be possible without the dedication of the Qualitas Funds team—our most valuable asset. Their passion for investment, environmental stewardship, and social responsibility drives our ability to achieve short-, medium-, and long-term goals.

As we look ahead to 2025, we remain focused on generating positive portfolio-level impact, advancing climate integration, and strengthening governance, transparency, and accountability.

We deeply appreciate your ongoing support and look forward to sharing our progress with you. We hope this report provides valuable insights into our journey.

Sincerely,

Javier Alemán Sergio García Eric Halverson



This year in a snapshot

6 Funds of funds **2** Co-investment funds **1** NAV financing fund (launched in Q4 2024)

€ 976M Raised

+40 Dedicated professionals



+70 Underlying fund managers **+100** Underlying funds **+900** Underlying companies

30% of the workforce at Qualitas Funds are women

Women make up a big part of our team. We're serious about giving them equal opportunities to grow and move up in their careers at Qualitas Funds

Social involvement

In 2024, we kept supporting Timpers through our Pro Bono program, working with them to solve some of their funding hurdles

We actively participated in various initiatives from Fundación Soñar Despierto, helping fund the needs of young people who are about to reach legal adulthood and are forced to leave their foster centres

66% of underlying managers from Funds V and VI are signatories of the UN PRI

3 SFDR Article 8 funds registered as of Q4 2024

of which one was launched in 2024

Awards received in 2024

Diversity Initiative of the year: Management Company	Best Lower Mid-Market Fund Selector - Europe	Most Innovative for Co-Investment Fund Programs
Private Equity Wire - ESG AAA European Awards	Wealth & Finance Fund Awards	Wealth & Finance Fund Awards

1.94 tCO₂e

Scope 1 and 2 emissions

2024 has been the third year that Qualitas Funds measures its carbon footprint

Internal processes

One of our most significant achievements of the year has been the strengthening of Qualitas Funds' Sustainability Policy. We have updated the policy to reflect our deepened commitment to responsible investment

We successfully updated our Sustainability Policy in 2024

In 2024¹ Portfolio companies

63% calculated their carbon footprint

31% have a decarbonization plan in place

68% have created jobs

57% have a Sustainability strategy in place

¹ Data for portfolio companies in Qualitas Funds V and VI

100% of Qualitas Funds' workforce received ESG training



Our firm at a glance

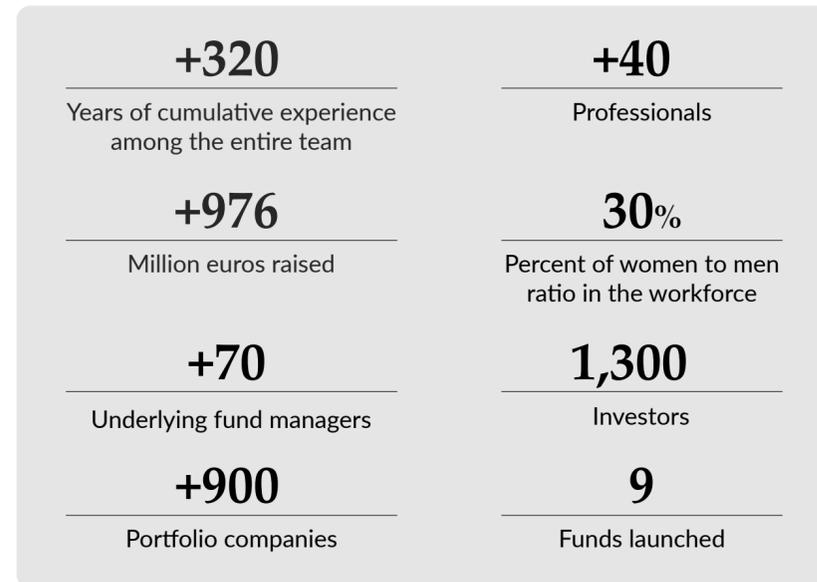
At Qualitas Funds, we strive to offer peace of mind and solid returns through our focused investment strategies in the lower mid-market.

We specialize in programs designed to deliver attractive, risk-adjusted returns by investing with top-tier, specialized fund managers.

Our belief is rooted in the conviction that the lower mid-market presents the most efficient and resilient segment for long-term value creation. By aligning our investment approach with strong governance and sustainable growth principles, we aim to generate consistent value for our investors while maintaining a low risk profile.

Experienced team

Qualitas Funds combines deep expertise with a rigorous selection process to identify and partner with top-performing fund managers across the lower mid-market. Drawing on decades of hands-on investment experience, our team designs resilient portfolios able to deliver strong, stable returns through varying market cycles. Our approach emphasizes long-term value creation, ensuring that our investors are well positioned for both attractive performance and downside protection.

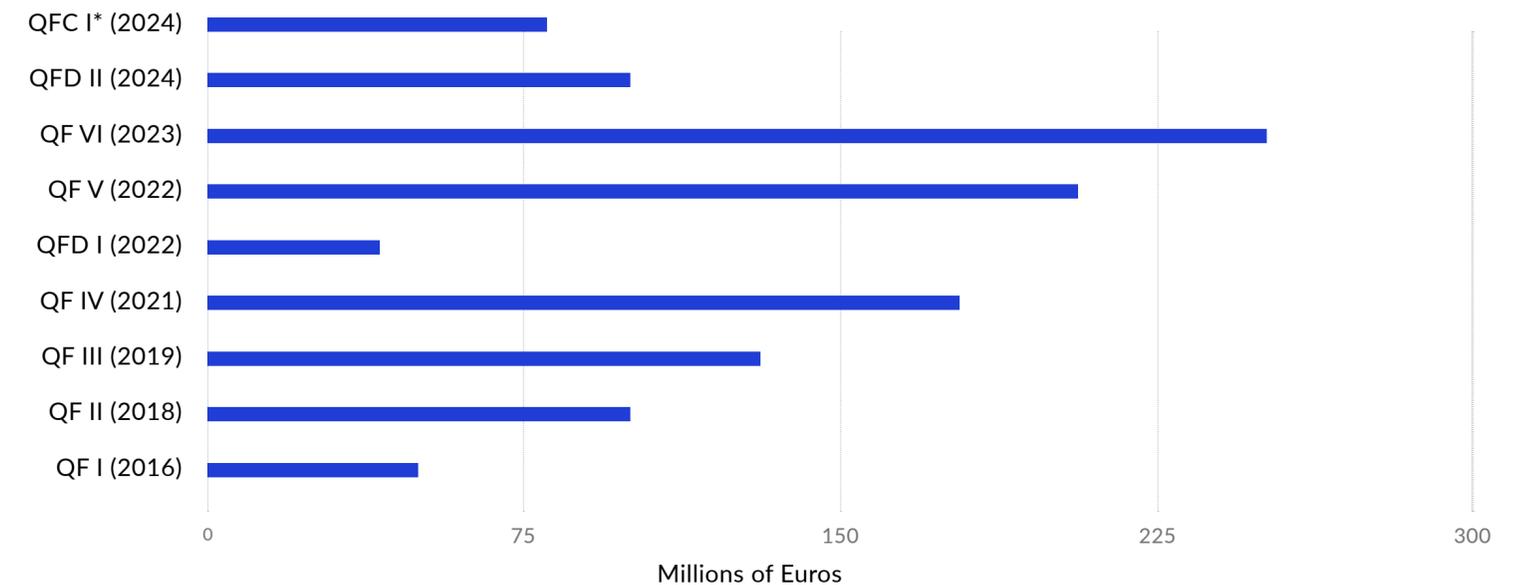


Figures as of December 31st 2024.

Our underlying investments



Our funds (in €M)



*This number represents the hard cap.



Our mission and values

Purpose

To deliver the best possible returns for our investors while upholding a low-risk profile and an unwavering commitment to professional and social responsibility. This commitment is grounded in six guiding principles that define who we are and how we operate.

These principles are not merely aspirational; they are operationalized across our investment decisions, internal governance, and engagement with stakeholders.

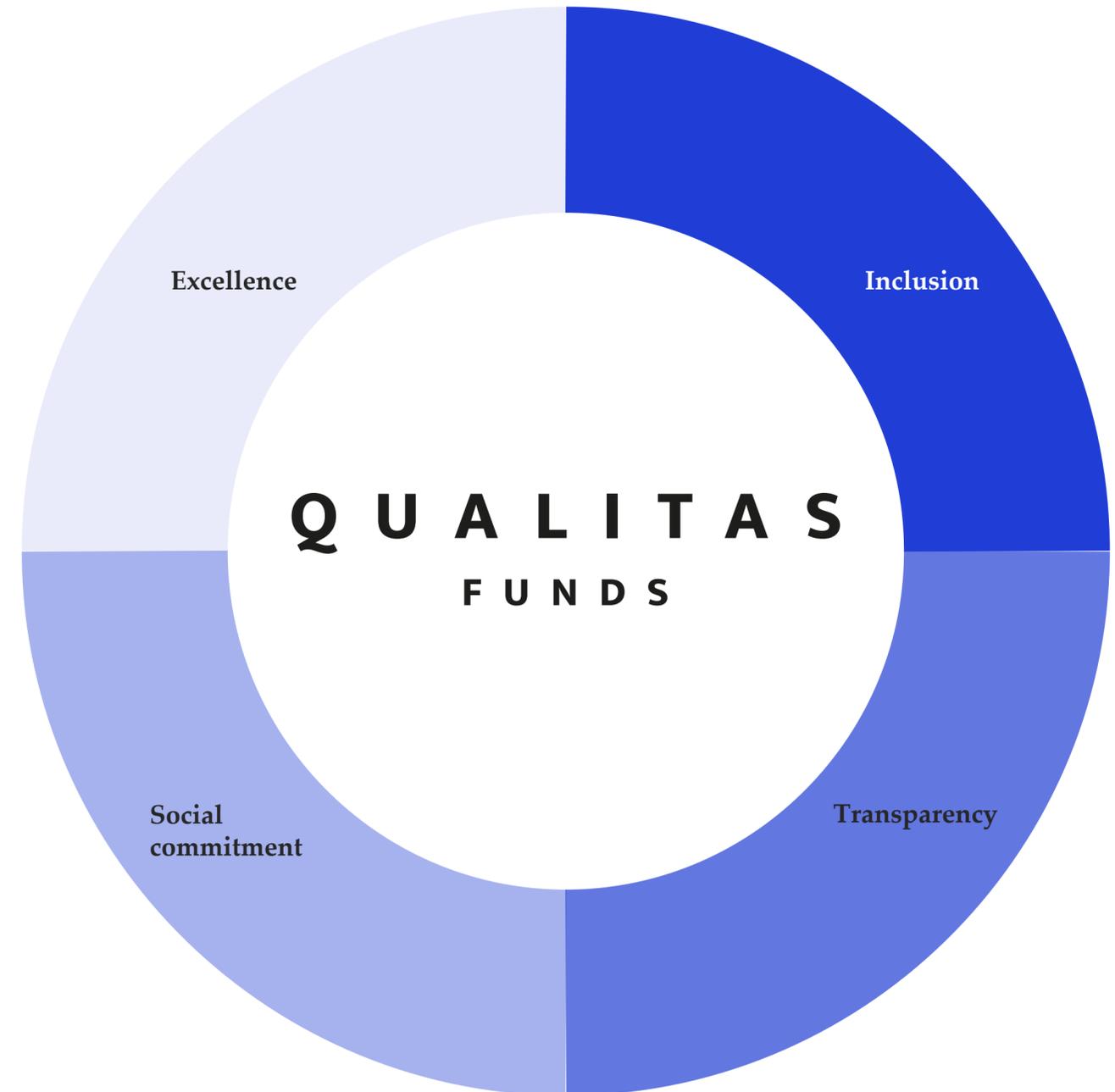
Values

We foster a collaborative environment where alignment with our investors is rooted in shared goals and mutual accountability.

Through continuous innovation and robust reporting practices, we strive to exceed expectations and ensure our investors are fully informed.

Ultimately, we view responsible investing not as an obligation, but as an opportunity to shape a more sustainable and inclusive future.

1. Prioritizing our clients' interests
2. Acting with integrity
3. Ensuring transparency
4. Striving for excellence & innovation
5. Partnering with reputable international managers
6. Contributing positively to society and the environment





Our mission and values

We partner with **leading investment funds** to unlock sustainable growth opportunities delivering strong returns while **creating measurable, long-term impact on society.**

We back mission-driven funds with resilient business models, advancing transformational growth through strategic consolidation, global expansion, and strengthened leadership teams.

We are committed to shaping a portfolio that delivers meaningful societal impact—investing in opportunities that foster socio-economic advancement and environmental stewardship, while aligning long-term value creation with responsible growth.

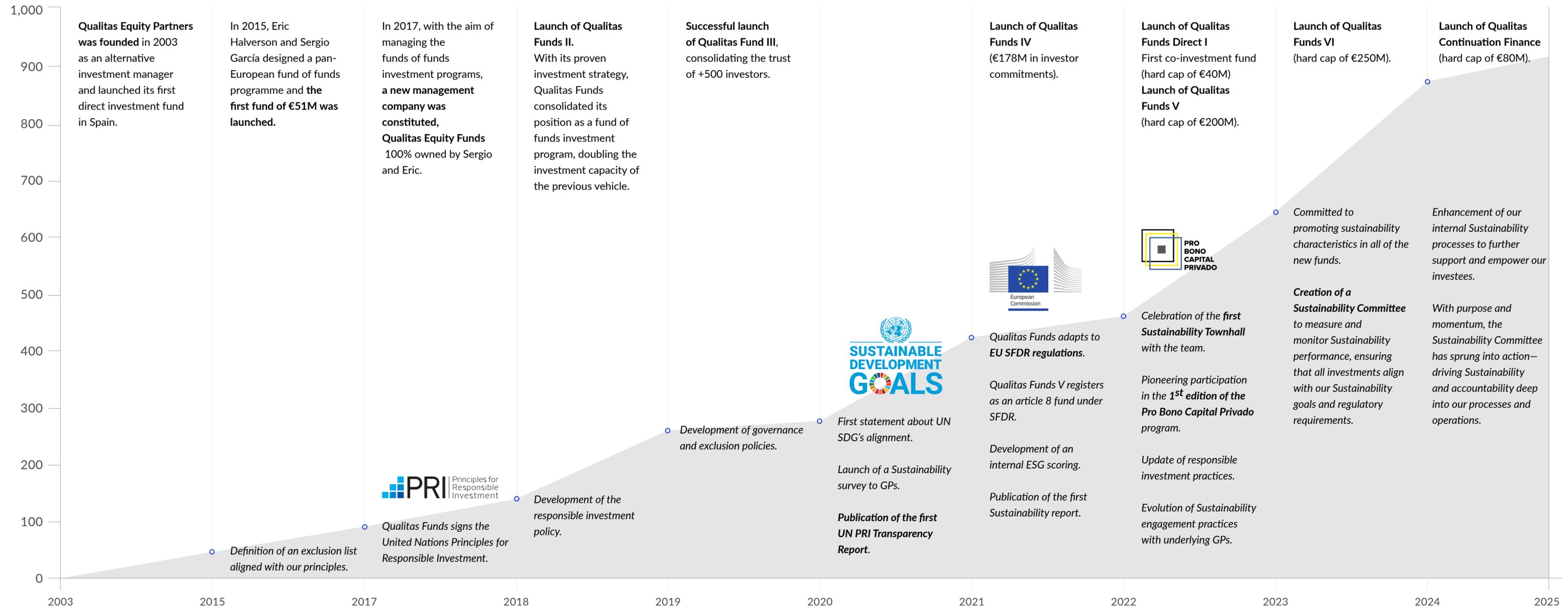


Our journey

○ AUM

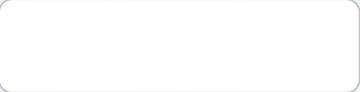
○ ESG milestones

Funds raised (€M)



A Sustainability journey with a focus on generating a positive impact

2024 marked a turning point, with the Sustainability Committee playing a hands-on role embedding Sustainability and accountability across our operations



Our commitments





Qualitas Funds' Responsible Investment Policy main pillars

1. Beliefs, principles and values

Qualitas Funds' Responsible Investment Policy aligns with the principles set forth by the Principles for Responsible Investment (PRI) of the United Nations.



In addition, Qualitas Funds establishes its own principles and values, which define its approach to conducting business.

2. Sustainability integration in the investment process

Qualitas Funds applies common investment process across all investment strategies while implementing tailored steps to suit each specific approach, including funds of funds, NAV financing funds, and co-investment funds):

- | | |
|-----------------------------|-------------------------|
| 1. Sourcing and Triage | 5. Investment Committee |
| 2. Scoring | 6. Legal Due Diligence |
| 3. Due Diligence | 7. Holding Period |
| 4. Commercial Due Diligence | 8. Exit |

3. Sustainability governance at Qualitas Funds

Qualitas Funds partners
Oversee all Sustainability activities and ensure the integration of responsible investment principles.

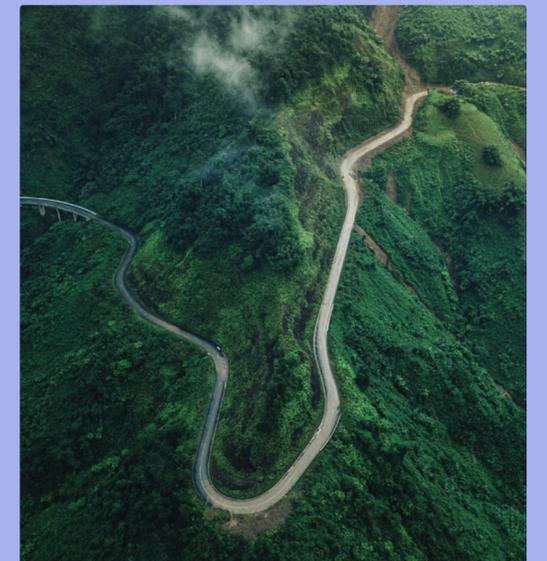
Compliance team
Ensures that Qualitas Funds adheres to all regulatory Sustainability requirements, including obligations such as the Sustainable Finance Disclosure Regulation (SFDR).

Sustainability Committee
Drives Sustainability policy development, investment integration, and performance monitoring to ensure continuous improvement.

Engagement with external Sustainability consultants
Support in reviewing our policies, internal processes and providing Sustainability training.

4. Stewardship, engagement and internal responsible business practices

- The UN Sustainable Development Goals (SDGs).
- Engagement with other relevant stakeholders (e.g., SpainCap).
- Internally, Qualitas Funds has also established Sustainability and CSR initiatives.

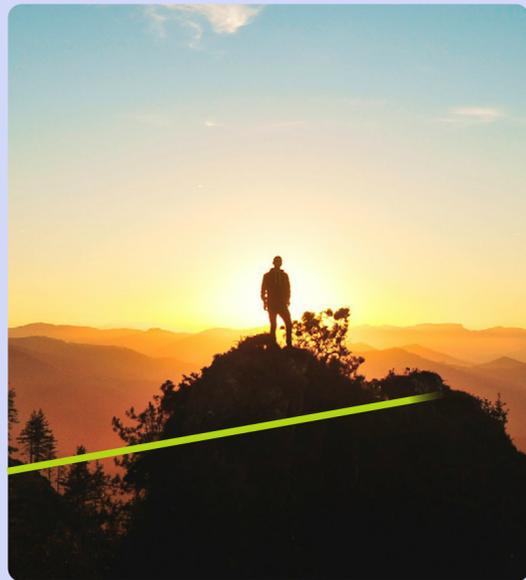




Advancing our responsible investment commitment

At Qualitas Funds, we recognize that responsible investing is an evolving discipline, requiring continuous adaptation to address emerging challenges and opportunities. In 2024, we updated our Responsible Investment Policy to reflect this dynamic approach, enhancing Sustainability integration across all investment activities while strengthening transparency and accountability.

These improvements underscore our proactive commitment to align with global best practices and meet stakeholder expectations:



Strengthened ethical and compliance framework

We have formalized our commitment to internationally recognized standards, integrating respect for human rights. Our principles are grounded in frameworks such as the International Labour Organization (ILO), and the OECD Anti-Bribery Convention that are considered into all investment decisions. This ensures that ethical behaviour and responsible practices remain fundamental to our operations.



Governance and operational upgrades

To institutionalize Sustainability excellence, we have appointed a dedicated Sustainability Partner to the Sustainability Committee, ensuring the real-time integration of Sustainability considerations into deal evaluation and management. This role collaborates closely with our investment team to uphold the consistent application of the Responsible Investment Policy.



Transparency and stakeholder engagement

We have conducted a comprehensive review and standardization of terminology and concepts to enhance transparency. This effort is complemented by reinforced Sustainability commitments across our operations and relationships with underlying funds.



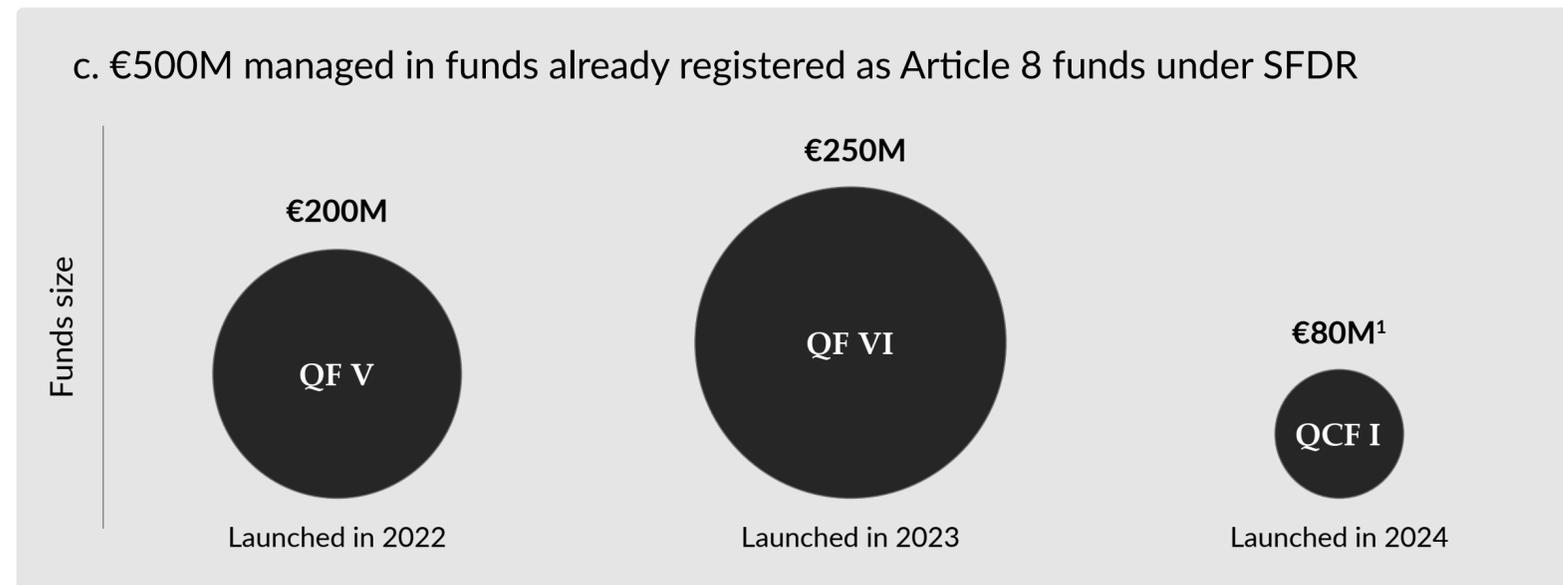
This policy update goes beyond procedural refinement—it reflects our deep conviction that rigorous Sustainability practices drive resilient value. By strengthening our ethical framework, enhancing governance, and increasing transparency, we empower Qualitas Funds to proactively navigate Sustainability trends.



Commitment to Sustainability

At Qualitas Funds, we are committed to integrating Sustainability factors into our investment processes. By adhering to these standards, we ensure transparency and accountability, reinforcing our dedication to sustainable investment practices. In line with this commitment, our latest funds are classified as Article 8 under SFDR.

This approach not only aligns with European Union regulations but also advances our goal of generating long-term value through responsible investment strategies. We firmly believe that responsible investing is essential for achieving strong financial performance while making a positive impact on society and the environment.



¹ Fund's hard cap

Our sustainable investment strategy

Qualitas Funds aims to implement a customized, tailored strategy to achieve its Sustainability goals. This approach is built on key principles that will be applied to every transaction and seamlessly integrated into the investment process:

1. Environmental and/or social characteristics (E/S) promoted by Qualitas Funds

- Our funds promote the improvement of their underlying investments' processes for integrating environmental, social, and governance factors as well as promote the contribution of each investment to SDGs.

2. Sustainability indicators used to measure the attainment of the E/S characteristics promoted

- Scoring of the underlying fund manager.
- Indicators that will evaluate the fund manager/GP, and the Sustainability performance of the investee companies within the GP's portfolio.
- This assessment provides a comprehensive view of how effectively the fund manager oversees Sustainability performance.

3. Binding elements of the investment strategy to attain each of the E/S characteristics promoted

- Exclusion list.
- Due diligence.
- Annual monitoring and collection of Sustainability indicators.

Sustainability roles carried out by the compliance officer for the new Qualitas Funds VI





Our commitment to the planet

At Qualitas Funds...

Leading by example, we demonstrate our commitment to Sustainability by adopting environmentally responsible practices within our own offices. This includes actively measuring and keeping our already minimal carbon footprint under control. Currently, the totality of our electricity is certified to come from renewable sources and we try to manage natural gas consumption for heating purpose at the minimum necessary.

... and in our underlying investments

We are continuously working to increase the proportion of portfolio companies in Qualitas Funds V and VI that not only measure their carbon footprint but also take active steps to reduce it. This is achieved through close collaboration with asset managers, diligent monitoring of key performance indicators (KPIs) that track progress, and our growing commitment to transparent communication.

Environmental responsibility at Qualitas Funds

1.94 tCO₂e

GHG emissions at Qualitas Funds stem from natural gas consumption for heating (Scope 1).

Circular economy



To reduce our environmental footprint and minimise waste, we have implemented the use of reusable water bottles across our offices. Additionally, we use pens made from 100% recycled materials, which are also refillable, further supporting our sustainable office practices.

100%



Renewable electricity (certified with GoO¹)

Energy management

We promote remote working and low-carbon mobility to help minimise our scope 1 emissions.

Key milestones in Qualitas Funds V and VI



63%



of the underlying portfolio companies in QF V and VI measure their **carbon footprint**.

31%



of the underlying portfolio in QF V and VI have a **decarbonization plan in place**.

28%

of the underlying portfolio companies in QF V and VI have a **waste reduction plan in place**.

¹Guarantee of Origin



Our commitment to society

At Qualitas Funds...

Qualitas Funds is committed to the well-being of its team and to making a positive impact on society. This commitment is demonstrated through our active participation in community initiatives and our ongoing engagement with employees. We strive to cultivate a supportive work environment while contributing meaningfully to the broader community.

... and in our underlying investments

We are continuously working to increase the proportion of our underlying portfolio companies that actively contribute to positive social impact. This is achieved through close collaboration with our portfolio companies, diligent monitoring of KPIs related to social outcomes, and our growing commitment to transparent communication.

Championing diversity and talent development at Qualitas Funds

Our commitment to our team

- In 2024 we had:
- 2 team offsites
 - 2 teambuilding events
 - 2 townhall meetings

Diversity, equity and inclusion

We have strengthened our workplace environment and embraced our responsibility to promote inclusive labor practices by expanding opportunities for women and underrepresented groups within the financial sector.

Our partnerships and commitments

To continue promoting the workforce inclusion of people with intellectual disabilities, in 2024, members of Fundación Prodis were hired for the second year in a row to act as stewards at our Investor Day, a collaboration that we plan on maintaining for upcoming years.



What the future holds at our firm

Looking ahead, Qualitas Funds is focused on growing its team and embracing diversity, building on our strong track record while continuously enhancing our workplace culture. Our goal is to attract top talent, support their well-being, and foster a sense of pride in being part of the Qualitas Funds' community. By nurturing an inclusive and supportive environment, we aim to create a workplace where employees feel valued and empowered to contribute to our continued success.

Key milestones in Qualitas Funds V and VI

30%

of the underlying portfolio companies in QF V and VI have a R&D plan.



47%



of the underlying portfolio companies in QF V and VI have an equality plan in place.

68%



of the underlying portfolio companies in QF V and VI created jobs in 2024.

Deep dive into our social commitment



Pro Bono initiative: Timpers

In 2023, Qualitas Funds participated in the inaugural formal edition of the Pro Bono Capital Privado program alongside seven other fund managers. Inspired by the Pro Bono concept in the legal sector, this program connects social impact projects with private equity players. Qualitas Funds emerged as a key agent, forging strong collaborative ties with the social company Timpers, which sought advice to navigate its financial obstacles.

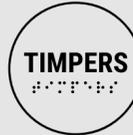
In 2024, we continued helping Timpers overcome the financial difficulties they were facing, continuing the work carried out in 2023:

STRATEGY
Designed a new go-to-market strategy within the B2B channel for safety footwear.

SCREENING
Mapped potential clients by gaining insights into industry sectors and customer behaviour patterns.

MARKETING
Enhanced the commercial marketing teaser by leveraging the expertise of our skilled employees.

“We’ve partnered with Timpers to foster their growth as a company, while also gaining invaluable insights into the challenges facing SMEs in Spain and their specific sector.”



“The most normal company in the world”



Timpers, born in Alicante, is renowned for its sneakers sold online. What sets Timpers apart is its strong commitment to social inclusivity, involving visually impaired individuals in the design process to ensure accessibility for everyone.

Emphasising a belief that barriers are meant to be overcome, Timpers employs staff with disabilities to demonstrate that abilities define individuals more than disabilities do.

Their vision is to set a social standard where people are valued for their capabilities, encapsulated in their motto, “the most normal brand in the world.”

Fundación Soñar Despierto

Soñar Despierto is a non-profit foundation dedicated to support children, adolescents and young people who are growing up or have grown up in shelters, after having been separated from their families as a protective measure.



“Cartas a los Reyes Magos”



“Letters to the Three Wise Men” is an initiative set forth by Fundación Soñar Despierto with the aim of ensuring children in situations of poverty are not left without Christmas presents.

While in past years Qualitas Funds supported Soñar Despierto by funding scholarships, in 2024 we also supported this campaign by donating one present per Qualitas’ employee.

“Noche por los sueños”



Since 2023, Fundación Soñar Despierto celebrates annually the charity gala “A night for dreams”, with the aim of raising donations to fund scholarships and housing for vulnerable young adults.

Qualitas Funds supported this charitable initiative for the first time in 2024 as a Gold Sponsor, contributing to raise more than €100,000 to fund the education and dreams of many youngster who have to move on from shelter homes when they turn 18.



Our commitment to good governance

At Qualitas Funds...

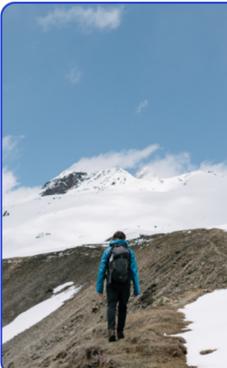
At Qualitas Funds, strong governance is the cornerstone of our investment strategy. Effective governance enables informed decision-making, risk management, and alignment with stakeholder interests. By maintaining rigorous governance standards, we foster transparency, trust, and a culture of accountability and ethical conduct. This commitment not only safeguards our integrity but also drives sustainable value creation. Underpinned by our robust regulatory framework, our governance approach is designed to minimize risks and uphold long-term resilience.

Governance for growth: sustainability and compliance at QF



Sustainability policies

Our Responsible Investment Policy gathers the principles that drive Qualitas Funds' sustainable returns and aligns with our investors' values, shaping a responsible investment future. It is designed on the basis of the principles defined by the UN PRI (Principles for Responsible Investment).



Frameworks and standards

Qualitas Funds has committed to some of the most important frameworks and standards worldwide. These include UN PRI, the SDGs, and SFDR. These commitments reinforce our dedication to responsible investment and sustainable value creation.

Sustainable suppliers

The fruit supplier for our office upholds strong CSR practices. Additionally, our coffee supplier has a program to recycle 100% of the used capsules. Our goal is to strengthen our supply chain and drive Sustainability throughout our entire procurement process.



... and in our underlying investments

Strong governance in underlying investments is fundamental to ensuring stability and long-term success. It enhances transparency, mitigates risks, and optimizes diversification while providing a structured framework for evaluating performance, facilitating informed decision-making, and driving portfolio optimization. At Qualitas Funds, we are committed to implementing best governance practices across all our underlying investments to uphold integrity and maximize sustainable value creation.

Key milestones in Qualitas Funds V and VI



72%

of the underlying portfolio companies in QF V and VI have a Code of Conduct.



57%

of the underlying portfolio companies in QF V and VI have a Sustainability strategy.



60%

of the underlying funds in QF V and VI are classified as Art. 8 or Art. 9 SFDR funds.



How we drive Sustainability and accountability through our Sustainability Committee

While the establishment of the Sustainability Committee was one of the most significant enhancements to our internal processes in 2023, 2024 marked the transition from planning to action—driving Sustainability and accountability across all aspects of our firm.

Main functions & responsibilities



The faces of our Sustainability Committee

 Sergio García Partner	 Bernardo Marques Dos Santos Partner	 Lucía Carrasco Director	 Emma Hernanz Director
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More professionals in our Sustainability Team

 Raffaella Otey Associate	 Helena Palacios Associate	 Jaime Martínez Associate
 J. Ramón Pamies Lawyer	 Íñigo Aristu Associate	 Santiago Nogueira Analyst

Our work in 2024:

Throughout 2024, the Sustainability Committee at Qualitas Funds assessed key progress in Sustainability, emphasizing the consolidation of reports aligned with SFDR and UN PRI and the implementation of a robust Sustainability strategy for the first private debt fund.

In every meeting held to date, the firm’s unwavering commitment to transparency, continuous improvement, and responsible value creation has served as the guiding principle—leveraging Sustainability as a strategic tool to uphold our promise to investors: peace of mind and solid returns.

Looking ahead



Sustainability integration owes its success to the dedication of our team and their unwavering belief in our firm....

+40 Dedicated professionals	7 Promotions in 2024	8 Nationalities
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The new Qualitas Continuation Finance I

At Qualitas Funds, we embrace innovation and continuous evolution. In 2024, we proudly introduced Qualitas Continuation Finance I, a NAV financing fund program that represents a strategic expansion of our investment expertise.

Domiciled in Luxembourg and registered as Article 8 under SFDR, this fund underscores our commitment to sustainable finance while delivering stable, risk-adjusted returns.

By providing tailored financing solutions to private equity sponsors and their portfolio companies across Europe, we empower the growth of leading, profitable SMEs in key sectors, including information technology, healthcare, industrials & materials, consumer goods, finance, and communications.

With a disciplined approach, the fund will deploy 10–12 senior secured loans, backed by the NAV of sponsor funds, ensuring enhanced downside protection. Targeting a cash annual coupon of 5–6%, we offer investors an attractive yield in today’s market while maintaining a strong focus on capital preservation. Our four-year deployment period ensures measured, high-conviction investments in lower mid-market champions, fostering value creation without compromising Sustainability.

At Qualitas Funds, we don’t just adapt—we lead.

This fund exemplifies our relentless pursuit of new opportunities, smarter capital solutions, and long-term partnerships.



João Pita Rua
Investment Director

Qualitas Continuation Finance I investment strategy

The fund applies core Sustainability principles to every transaction, seamlessly integrating Sustainability criteria into the investment process in full compliance with SFDR Article 8. This approach not only drives financial growth but also translates sustainable commitments into measurable, tangible outcomes.

1. Environmental and/or social characteristics (E/S) promoted by Qualitas Funds

The fund promotes the improvement in its investments’ processes for integrating environmental, social, and governance factors as well as promotes the contribution of each investment to SDGs.

2. Sustainability indicators used to measure the attainment of the E/S characteristics promoted

- Evaluation of the underlying fund manager receiving credit, assessing their management of Sustainability performance alongside that of the underlying company.
- Key indicators will measure both the fund manager/GP’s effectiveness and the Sustainability performance of investee companies within the GP’s portfolio.
- This assessment offers a comprehensive perspective on the fund manager’s ability to oversee and drive Sustainability performance effectively.

3. Binding elements of the investment strategy to attain each of the environmental and social characteristics promoted

- Exclusion list.
- Due diligence.
- Information undertakings.
- Annual monitoring and collection of Sustainability indicators.

Leveraging Luxembourg’s strategic advantage

- Gold-standard fund domicile recognized worldwide.
- Competitive tax environment for funds
- Robust EU regulatory supervision.
- Global investor access with local expertise.





Interview with João Pita Rua

Investment Director

Qualitas Continuation Finance I is your first fund domiciled in Luxembourg and focused on private debt – what motivated this shift from your traditional private equity strategy, and how does it align with your long-term vision?

Our decision to launch a private debt fund in Luxembourg reflects a natural evolution of the firm as we continue to position ourselves as a leading player in the lower-mid market across Europe. While our roots are in private equity, we have consistently seen strong deal flow and opportunities in the debt space, particularly where we can leverage our deep understanding of the lower-mid market ecosystem and our network.

Domiciling the fund in Luxembourg is also a strategic move. It is one of the most established and reputable fund jurisdictions globally, offering robust regulatory frameworks and strong operational infrastructure. This not only enhances our visibility and credibility as an asset management firm but also broadens our access to a more diverse investor base.

Ultimately, this fund reinforces our long-term vision of being a trusted partner for investors seeking tailored exposure to the European lower-mid market while maintaining the same level of discipline, Sustainability integration, and value creation mindset.



“As we grow beyond private equity, our commitment to responsible investing remains unchanged. Whether through equity or debt, we consistently apply our Sustainability principles to generate long-term value and drive positive impact.”

João Pita Rua
Investment Director

Why was it important for you to classify this new fund as Article 8 under the SFDR, and how do you plan to embed Sustainability considerations specifically in private debt investments?

We are deeply committed to integrating Sustainability factors into all aspects of our investment processes. Classifying this new fund as Article 8 under the SFDR was a deliberate decision that reflects our broader commitment to responsible investing. By adhering to these standards, we ensure a high level of transparency and accountability for our investors, while reinforcing our dedication to sustainable investment practices.

This classification aligns with the European Union’s regulatory framework, but more importantly, it supports our long-term vision of creating value not just financially, but also socially and environmentally. We believe that Sustainability integration is a key driver of long-term performance, particularly in the lower-mid market where companies are often at the beginning of their Sustainability journey and can benefit greatly from active engagement.

We actively assess environmental, social and governance risks and opportunities as part of our underwriting process, and we engage with borrowers to encourage the adoption of better environmental, social, and governance practices over the life of the investment. This proactive approach enables us to contribute to the positive development of our portfolio companies.

As Qualitas Funds expands beyond private equity, how are you ensuring consistency in your Sustainability principles across different investment strategies?

As we expand beyond private equity, maintaining consistency in our Sustainability principles is a top priority. At Qualitas Funds, we view Sustainability not as a product feature but as a core component of our investment philosophy –one that applies across all asset classes, including private debt.

To ensure alignment, we have established a firm-wide Sustainability framework that guides how we identify, assess, and manage Sustainability risks and opportunities throughout the investment lifecycle. This framework is embedded into our due diligence, decision-making, and ongoing monitoring processes, regardless of the type of investment.

This consistent approach reinforces our credibility with investors and portfolio companies alike, and it reflects our commitment to being a responsible and forward-looking asset manager, no matter the strategy pursued.

A wide-angle photograph of a mountain range at sunset. The sky is filled with soft, colorful clouds in shades of pink, orange, and blue. The mountains are rugged, with patches of snow and ice clinging to their peaks and ridges. The foreground shows dark, rocky terrain. A bright yellow line starts from the bottom left and extends diagonally across the middle of the image towards the right. In the top right corner, there is a white rounded rectangular box.

Our Sustainability strategy



Sustainability integration along our entire investment process

	Sourcing	Triage	Scoring	On-site DD	Commercial DD	Investment Committee	Legal DD	Monitoring
Explanation	<p>List all opportunities received or identified.</p> <p>Record the origin with the most important information: Placement Agent/ QF proactively found/ Re-ups.</p>	<p>Prioritise opportunities:</p> <ul style="list-style-type: none"> Re-ups go straight to a scoring update. All other opportunities are analysed to identify red and yellow flags. 	<p>For funds that have passed the Triage stage:</p> <ul style="list-style-type: none"> In-depth analysis and initial scoring. Request additional information and access to VDR. Scoring is added to database. 	<p>Face-to-face interview with the investment team of the fund manager.</p>	<p>Analysing the opportunity in depth and preparing the Information Memorandum (IM).</p>	<p>Approve or reject the investment.</p>	<p>Carry out legal checks.</p>	<p>Monitor the company's performance through the chosen indicators.</p>
Sustainability-focused actions	<p>Include in the pipeline only those funds that are transparent about their Sustainability policies and practices.</p> <ol style="list-style-type: none"> Track impact investment awards. Constant contact with advisors. Ongoing engagement with impact funds. 	<p>We exclude those funds that invest in¹:</p> <ul style="list-style-type: none"> Prostitution. Weapons industry. Coal mining. Oil sands. Tobacco. Pornography. Human trafficking. Gambling. Entities involved in violations of the principles of the UNGC or the OECD. Entities that have been involved in activities that negatively affect biodiversity, sensitive ecosystems, areas susceptible to water stress or protected areas. 	<p>Evaluate the KPIs related to Sustainability included in the Scoring using the 5 dimensions:</p> <ul style="list-style-type: none"> Quality of Sustainability reports. Sustainability DD for each identified opportunity. Team dedicated specifically to Sustainability. Annual Sustainability Committee. Efforts that go beyond legal requirements. 	<p>Prioritize that the manager follows the following SDGs at both manager and underlying asset level.</p> <ul style="list-style-type: none"> SDG 8: Decent work and economic growth. SDG 9: Industry, Innovation and Infrastructure. SDG 10: Reducing inequalities. SDG 12: Responsible consumption and production. SDG 13: Climate action. SDG 17: Partnerships for the goals. 	<ul style="list-style-type: none"> Track portfolio companies and identify which SDGs they are pursuing. Benchmark against Qualitas Funds' portfolio companies and assess pro-forma Sustainability performance. Ensure that the GP makes, or at least will make, an annual Sustainability report with a high level of detail. 	<ul style="list-style-type: none"> Include the outcome of the comprehensive analysis of upstream DD in both the Early Warning and the IM. Ensure that there is a discussion point on Sustainability on the agenda and that this discussion is recorded in the minutes. 	<p>Seek a written commitment from managers to:</p> <ul style="list-style-type: none"> Incorporate Sustainability in the management of the portfolios. Report annually on compliance. Report on the development of portfolio companies in implementing sustainable activities. Refrain from investing in red flag sectors. 	<p>Monitoring on an annual basis using a scoring questionnaire. This questionnaire is sent to GPs, enabling the assessment of their management of Sustainability performance. The collected Sustainability data and feedback from GPs allow for a consistent and thorough evaluation of investments, ensuring alignment with our broader investment strategy and goals.</p>

¹Qualitas Funds also avoids funds that invest in gas extraction activities or industries with a high level of greenhouse gas emissions, and, in general, investments in funds whose strategy may, in one way or another, have a significant negative impact on the environment.



Our scoring system

In order to assess Sustainability factors, Qualitas Funds has created its own internal scoring system that help us to make informed decisions about which funds to invest in.

We aim to improve long-term performance by making investments more resilient and sustainable, while ensuring regulatory compliance and protecting the company's reputation.

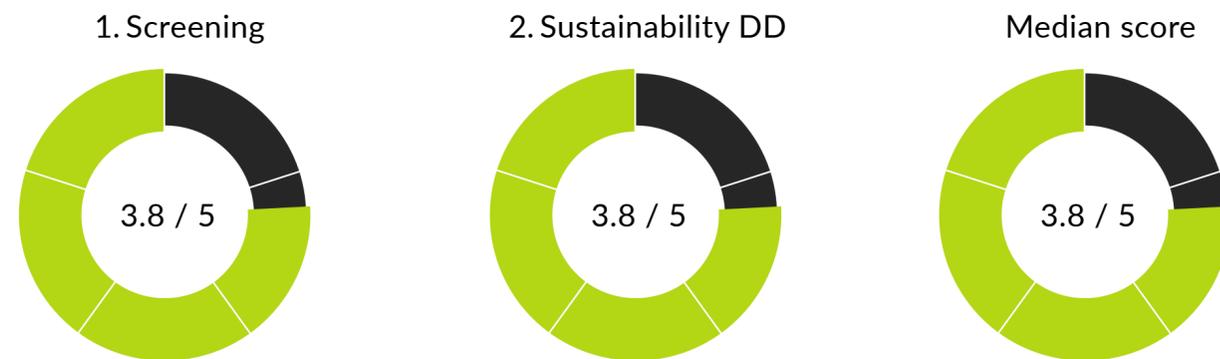
This is achieved by evaluating 5 dimensions for our funds' investments:

1. The quality of Sustainability reports.
2. Conducting an Sustainability due diligence for each investment opportunity.
3. The existence of a dedicated Sustainability team in the GP.
4. The existence of an annual Sustainability committee.
5. The implementation of Sustainability actions that go beyond legal compliance.

While evaluating these two aspects for co-investments:

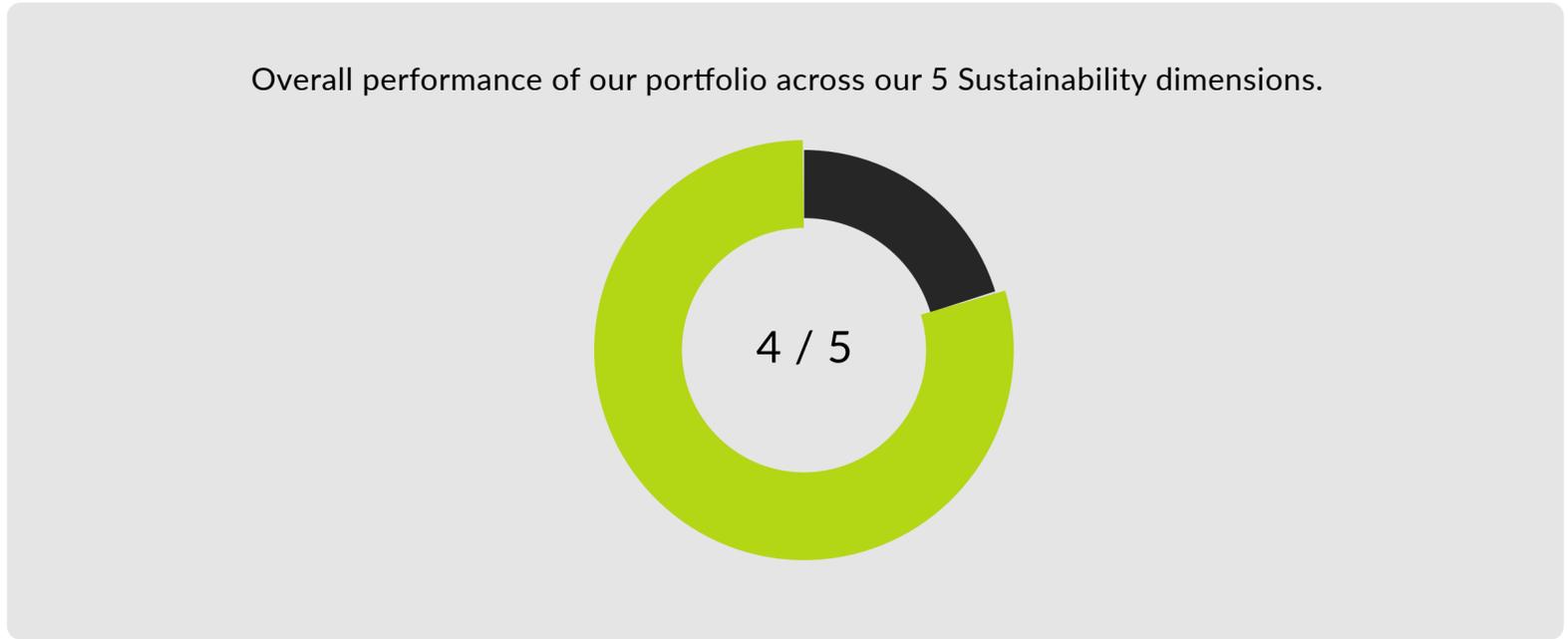
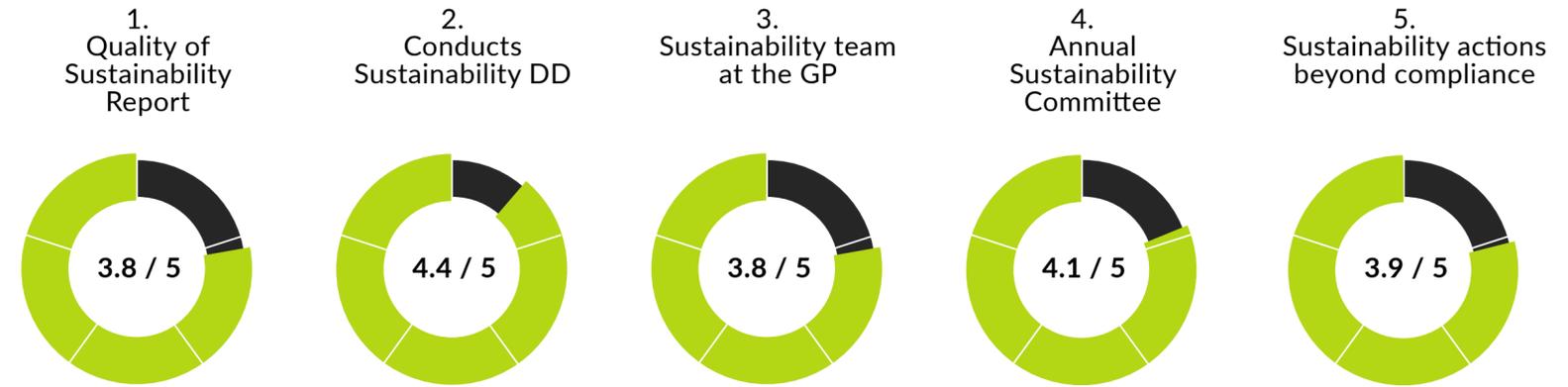
1. Sustainability screening.
2. Sustainability due diligence.

Co-investments score¹



22 co-investments were completed in 2024

Fund investments' scoring²



¹ Values are displayed after applying a one-decimal-place rounding rule on both pages.

² Scores refer to all underlying funds of Qualitas Funds V and VI as of December 31st, 2024.



Applying our scoring system

Consistently applied across all investments, our scoring system provides a clear framework to evaluate our portfolio's Sustainability maturity, identify strategic areas for enhancement, and ultimately unlock greater value.

Fund classification
Art. 8



From the beginning, Magnesium Capital has placed Sustainability at its heart—shaping its operations, values, and overall investment approach as a fundamental part of the GP's strategy.

Strategy

Magnesium has developed a sound Sustainability strategy in its investment cycle by:

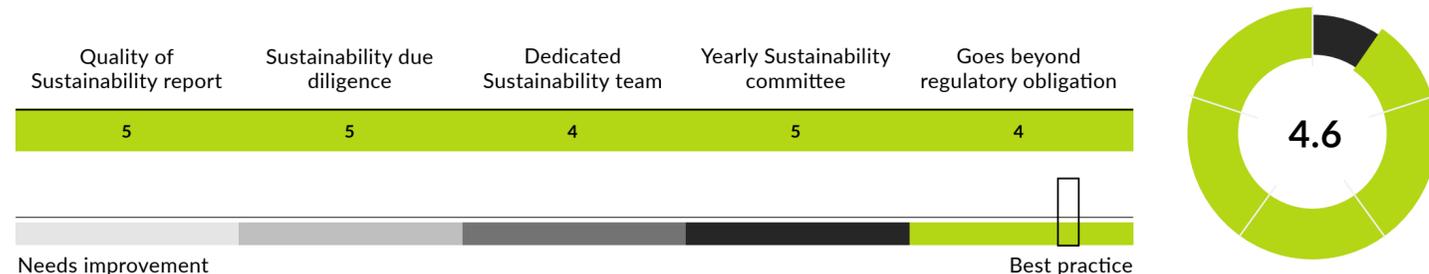
- Incorporating Sustainability factors into origination, due diligence and portfolio management processes with a stringent approach across the board.
- Only investing in energy transition technologies and businesses which contribute to a reduction of fossil fuel consumption, CO₂ emissions and the driving of general improvement in energy efficiency.

Manager

- Sustainability and impact related matters are the responsibility of the senior management team with overall remit to the board of directors of each portfolio company.
- The investment team systematically screens its investments for alignment with five key UN Sustainable Development Goals: clean water and sanitation, affordable and clean energy, industry innovation and infrastructure, sustainable cities and communities and responsible consumption and production.

Portfolio companies

- Magnesium requires portfolio companies to report on key Sustainability/Impact KPIs at board meetings and to produce a Sustainability report annually.
- They have an ESG Steering Committee responsible for ensuring ESG data is collected, processed and reported in line with industry standards. They committee also oversees the ongoing development and improvement of the firm's overall responsible investment framework.
- A Sustainability impact report is carried out as part of the due diligence and recommendations communicated to portfolio companies as part of the 100-day plan.



Fund classification
Art. 9



Xenon has embedded Sustainability principles at its core, driving meaningful progress and measurable value creation.

Strategy

Xenon integrates their Sustainability considerations into their deal making and portfolio stewardship by:

- Using the Circularity & Sustainability Scorecard during the due diligence phase, to first assess the target company Sustainability level.

Manager

- Xenon FIDEC will be focused on decarbonisation and circular economy. Given that, Sustainability factors will be integrated in decision-making in all investment phases.
- In accordance with SFDR Article 9 and its commitment to sustainable Development Goals, the fund considers Sustainability factors central not only to risk mapping, but also to the value creation process.

Portfolio companies

- During the management phase, Xenon will do the following: Annual monitoring of Sustainability milestones and remuneration of target companies' top management according to results; sharing of best practices in Sustainability factors management; circularity and Sustainability performance disclosure to investors, integrated in financial results reporting.
- Xenon FIDEC carried interest is linked to the Sustainability results achieved in the last year before exit.





We contribute to global sustainable development

At Qualitas Funds, we are committed to pursue the progress of the United Nations Sustainable Development Goals (UN SDGs). Below is an overview of how the underlying investments of Qualitas Funds V and VI contribute to the key SDGs we actively support.

Primary SDGs



Total contributions to the SDGs





UN PRI



Since becoming signatories to the United Nations Principles for Responsible Investment (UN PRI), we have worked diligently to embed these principles into every aspect of our investment process. The UN PRI framework has been instrumental in shaping our approach, driving us to continually elevate our Sustainability performance through:

- **Continuous improvement**

We raise the bar annually, refining Sustainability strategies to not only meet but exceed prior benchmarks, ensuring we consistently surpass stakeholder expectations.

- **Long-term value creation**

Sustainability integration serves as a cornerstone for mitigating risks and driving sustainable growth, aligning financial returns with positive societal and environmental impact.

- **Annual evaluation and progress**

Each assessment cycle fuels our ambition to enhance processes and achieve higher ratings, reinforcing our dedication to responsible investment principles.

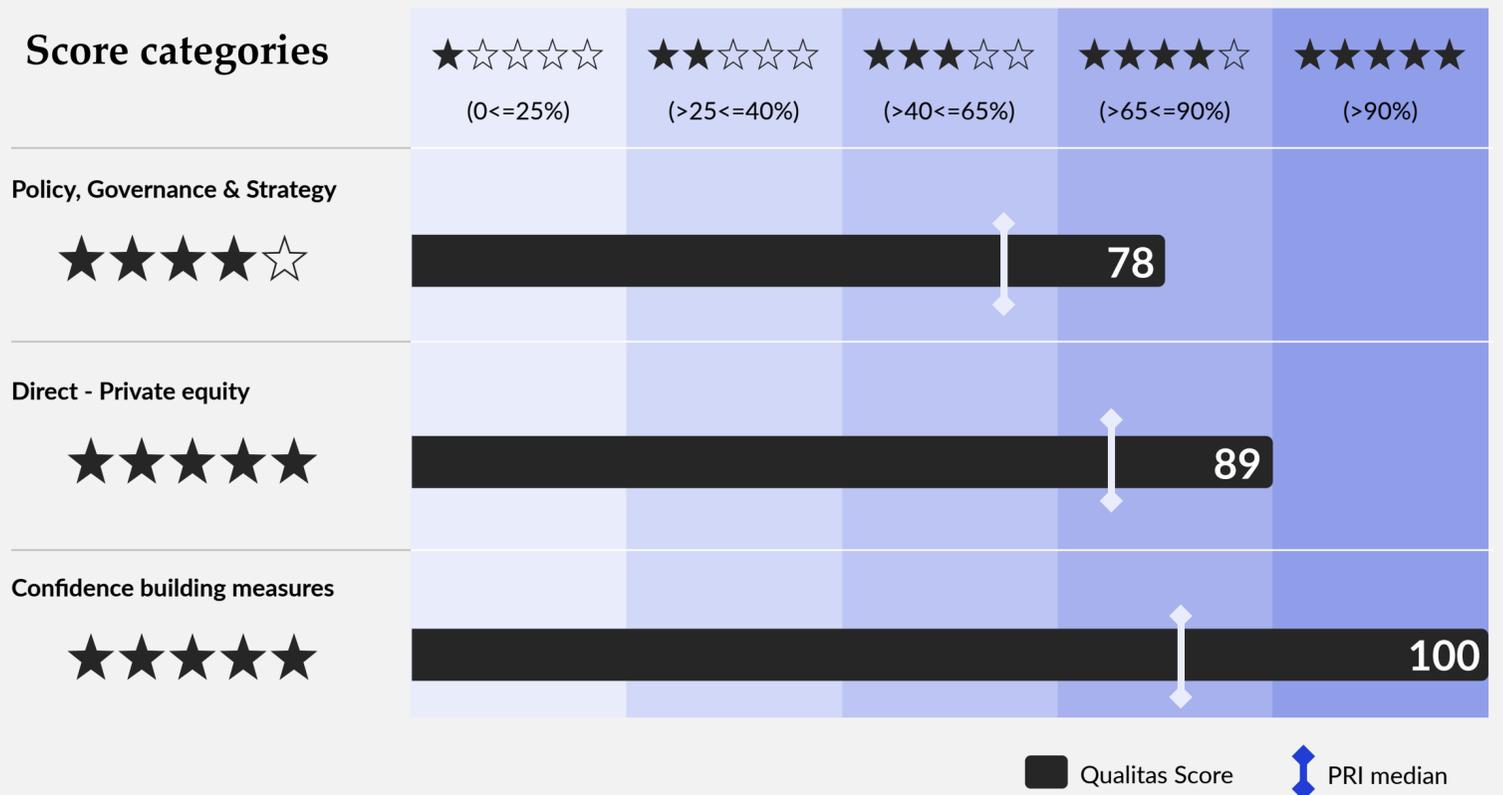
- **Sustainability as a cornerstone**

In 2024, we reaffirmed our leadership in responsible investing by renewing our pledge to the UN PRI. Through innovative Sustainability strategies, we contribute to a more equitable and resilient future.

For us, the UN PRI represents a culture of responsibility, innovation, and progress—one that delivers meaningful value to our investors and society at large.

Our UN PRI assessments result

The 2024 UN PRI Assessment represents a significant milestone for Qualitas Funds, showcasing our strong results and reinforcing the progress made in recent years.



Qualitas Funds has ranked above the median of PRI signatories in all three categories.

These results only further motivate us to continue striving for excellence and maintaining the high standards we are recognized for.



Exceptional ESG initiatives across our funds

Through our proprietary scoring system, we have identified standout funds demonstrating exceptional Sustainability leadership within our portfolio. These exemplars highlight how strong Sustainability integration not only drives meaningful value creation but also advances general partners' Sustainability maturity.

We are pleased to showcase four funds that represent best-in-class Sustainability management, illustrating the tangible impact of Sustainability-driven investment strategies (detailed case studies follow).

Fund manager

Portfolio company



Our portfolio's exceptional Sustainability performance has yielded important lessons: true Sustainability integration requires engagement at every level, evolving beyond a purely top-down approach to become embedded in the organizational culture.



Case study: Anzor I Climate change strategy

Key data

Vintage 2019	Fund size 130.0M*	Portfolio investments 5*	
N° industries the fund has invested in 4*	Targeted geography United Kingdom	UK-based investments 100%*	

Anzor is a UK-based private equity firm focused on micro buy-and-build strategies in the lower mid-market. The firm targets sectors with strong market fundamentals, combining deep strategic and operational expertise to accelerate growth and long-term value creation.

Anzor places a strong emphasis on sustainability, aligning its investment approach with the United Nations Principles for Responsible Investment. All portfolio companies are committed to achieving carbon neutrality, and two are actively pursuing B Corporation certification.

All Anzor portfolio companies are committed to achieving carbon neutrality. Anzor integrates environmental, social, and governance (ESG) considerations across its investment process and ownership model, with a particular focus on businesses that deliver measurable environmental impact



* Anzor I data as of Q4 2024

Portfolio company case study

Industry
Energy efficiency

Employees
+200

Based in
United Kingdom



21 Degrees Group, formerly known as Efficient Building Solutions, is a UK-based provider of renewable energy and building decarbonization solutions, acquired by Anzor in 2020. The company focuses on delivering integrated technologies—such as heat pumps and solar PV systems—to improve energy efficiency in residential and SME buildings. Its 4C division also serves large national and multinational clients with strategic carbon analysis to reduce the environmental impact of their procurement activities. Since joining Anzor, 21 Degrees Group has acquired and successfully integrated 14 complementary businesses, expanding its footprint to 17 locations across the UK.

By offering scalable renewable energy and efficiency solutions, the company directly addresses the decarbonization of the built environment—a sector central to national and global emissions reduction targets. Its integrated offering enables households and businesses to reduce energy consumption and carbon intensity while adopting clean technologies. With energy efficiency being a cornerstone of climate action in the building sector, 21 Degrees Group is strategically positioned to accelerate the deployment of solutions that make homes and commercial buildings more sustainable, affordable, and resilient

21 Degrees Group's contribution to the SDGs



By installing renewable energy technologies such as heat pumps and solar PV systems, 21 Degrees Group promotes the adoption of clean and affordable energy solutions in residential and SME sectors (SDG 7 – Affordable and Clean Energy).



By reducing building emissions and enhancing energy efficiency, 21 Degrees Group supports the development of resilient and sustainable communities (SDG 11 – Sustainable Cities and Communities).



By actively lowering carbon emissions through the deployment of renewable energy and energy-saving measures, 21 Degrees Group contributes to climate mitigation and the transition to a low-carbon economy (SDG 13 – Climate Action).



Case study: Beech Tree IV Climate change strategy

Key data

Vintage 2023	Fund size €137.8M*	Portfolio investments 2*	
N° industries the fund has invested in 2*	Targeted geography United Kingdom	UK-based investments 100%*	

Beech Tree Private Equity is a UK-based private equity firm investing in high-growth sectors such as technology, support services, and financial services. Founded in 2015 by Andy Marsh and Paul Franks, the firm operates from offices in Manchester and Birmingham.

Beech Tree views sustainability as a key driver of long-term value and has developed a six-pillar framework—People, Environment, Communities, Ethical Standards, Corporate Governance, and Reporting & Engagement—to guide its approach across all investments.

Sustainability considerations are embedded throughout the investment lifecycle, from deal sourcing and due diligence to active portfolio management and exit.

All portfolio companies have taken steps to reduce energy consumption and carbon emissions, implement fuel-efficient logistics strategies, and support tree-planting initiatives, reflecting a shared commitment to responsible and sustainable growth.



* Beech Tree IV data as of Q4 2024

Portfolio company case study

Industry
Sustainable Energy Services

Employees
+450

Based in
United Kingdom



Sustainable Energy First is a UK-based specialist in sustainable energy and utilities, invested in 2024 by Beech Tree. The company focuses on reducing the carbon footprint of UK businesses, currently addressing 3.5% of total power consumption. It offers a range of sustainability solutions—including net-zero strategies, regulatory consultancy, and Corporate Power Purchase Agreements (CPPAs)—tailored to its existing customer base. Sustainable Energy First aims to eliminate 327,000 tonnes of CO2 by 2028, equivalent to removing 73,000 cars from the road.

Sustainable Energy First advances the UK's transition to a low-carbon economy by enabling businesses to reduce reliance on fossil fuels and adopt renewable energy sources. The company's strategic plan focuses on expanding sustainability-related revenues from one-third to two-thirds of total revenue, driven by cross-selling and up-selling sustainability services within its existing customer base. By facilitating the implementation of sustainable infrastructure and low-carbon operational strategies, Sustainable Energy First fosters industrial innovation and enhances long-term environmental and economic resilience.

Sustainable Energy First's contribution to the SDGs



By delivering tailored sustainable energy solutions and efficiency strategies, Sustainable Energy First facilitates the transition of businesses to clean and renewable energy sources (SDG 7 – Affordable and Clean Energy).



By enabling companies to implement sustainable infrastructure and low-carbon operational practices, Sustainable Energy First supports the development of resilient and sustainable industrial communities Ç (SDG 9 – Industry, Innovation and Infrastructure).



By guiding organizations through carbon reduction and net-zero strategies, Sustainable Energy First actively contributes to climate action and the global effort to mitigate climate change (SDG 13 – Climate Action).



Case study: Omni Partners Diversity and inclusion

Key data

Vintage 2019	Deal-by-deal manager	Portfolio investments 7*	
N° industries the fund has invested in 3*	Targeted geography UK and Ireland	UK-based investments 100%*	

Omni Partners, founded in 2004 by Steven Clark as a hedge fund manager, expanded into private equity in 2019 with a deal-by-deal investment model, primarily financed through the firm’s own capital. Focused on the UK and Ireland, Omni targets sectors including Healthcare & Pharma, Education & Training, Software & Analytics, and Human Capital.

The firm is in the early stages of embedding sustainability across its investment lifecycle, viewing this integration as a strategic lever for value creation and positive societal impact. Through its sector focus, Omni aims to support initiatives that enhance public health, education access, and workforce development.

The firm also maintains a strong commitment to equitable compensation, upholding a fund-wide policy that ensures remuneration practices are free from bias across all dimensions of identity and background.

Portfolio company case study

Industry
Professional services

Employees
+70

Based in
United Kingdom



Compass CHC is a UK-based legal specialist in continuing healthcare (CHC) funding, invested in 2024 by Omni. The company focuses on securing and managing NHS CHC funding for individuals with long-term health needs, including those with chronic illnesses or disabilities. Founded in 2014 by CEO Tim Davies, Compass CHC provides expert legal support throughout eligibility assessments, appeals, and retrospective claims. By alleviating financial pressures and protecting inheritances, the company ensures vulnerable patients receive essential care funding outside hospital settings. Compass CHC has established itself as a trusted leader in a niche market driven by increasing demographic demand for long-term care.

Compass CHC contributes to social sustainability by improving access to critical healthcare funding for vulnerable populations. While its primary focus is healthcare funding rather than energy transition, the company promotes economic resilience and well-being by safeguarding clients’ financial stability and reducing inequalities in access to NHS care. Through specialized legal advocacy and comprehensive client support, Compass CHC enhances social outcomes and supports the long-term health of communities.

Compass CHC’s contribution to the SDGs



By helping individuals secure continuing healthcare funding, Compass CHC promotes good health and well-being, improving quality of life for vulnerable populations (SDG 3 – Good Health and Well-being).



By providing specialized employment opportunities in legal and healthcare advocacy, Compass CHC fosters decent work and economic growth within its sector (SDG 8 – Decent Work and Economic Growth).



By supporting vulnerable groups through complex legal processes, Compass CHC actively works to reduce inequalities and ensure equitable access to healthcare support (SDG 10 – Reduced Inequalities).

* Omni Partners data as of Q4 2024



Case study: Verdane Edda III

Good governance practices

Key data

Vintage 2024	Fund size €1,000M*	Portfolio investments 5*	
N° industries the fund has invested in 4*	Targeted geography Europe	International investments 4*	

Verdane is a Nordic investor specializing in tech-enabled growth businesses, with a local presence across the Nordic region, the UK, and Germany. Leveraging nearly two decades of experience and deep sector expertise, the firm supports innovative companies positioned for scalable growth.

Verdane has raised ten investment vehicles across three distinct strategies, reflecting its long-term commitment to fostering innovation and transformation in the tech-driven economy.

Sustainability has been a foundational element of Verdane’s investment philosophy from the outset, viewed as a driver of both societal impact and financial performance. The firm has embedded ESG priorities across the investment lifecycle, supported by a dedicated Sustainability team within its Elevate operational unit. Through initiatives like Verdane Idun and an enhanced focus on impact metrics during due diligence, the firm actively advances its sustainability agenda.

Governance indicators such as employee engagement, gender representation, and turnover are continuously monitored to ensure transparency and accountability across the portfolio.



Portfolio company case study

Industry
Fitness/wellness

Employees
100

Based in
Austria



Eversports is an Austria-based provider of corporate fitness programs, invested in 2024 by Verdane. The company offers a digital platform that enables businesses across Europe to provide employees with access to a wide variety of sports activities—ranging from yoga and fitness to tennis—both online and at local facilities. Eversports aims to enhance physical and mental well-being, fostering healthier and more engaged workforces.

The company supports small and medium-sized sports providers by streamlining operations and helping them grow sustainably.

With a strong focus on responsible governance, Eversports prioritizes ethical growth, stakeholder engagement, and transparency to create long-term value for all stakeholders.

Eversports advances social sustainability by promoting active lifestyles and improving community health through accessible fitness programs. Its governance framework ensures responsible business practices, stakeholder feedback integration, and ethical technology use, supporting inclusive access to sports and wellness activities. By empowering local sports providers and fostering economic vitality in the fitness sector, Eversports contributes to resilient communities and sustainable economic growth.

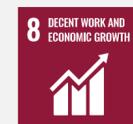
Eversports’ contribution to the SDGs



By providing corporate fitness programs and accessible sports activities, Eversports promotes physical and mental well-being, enhancing health outcomes for employees and communities (SDG 3 – Good Health and Well-being).



By promoting diversity and gender equality in sports participation, Eversports supports inclusive opportunities for all, advancing gender equality (SDG 5 – Gender Equality).



By empowering local sports providers with digital tools to optimize operations and grow sustainably, Eversports fosters decent work and economic growth in the fitness sector (SDG 8 – Decent Work and Economic Growth).

* Verdane Edda III data as of Q4 2024

Going forward





Our vision for the future

Strengthening governance:

We remain dedicated to aligning our governance practices with evolving market standards, reinforcing our position as a best-in-class Sustainability steward. In 2025, we will further refine our internal Sustainability processes and continue strengthening the role and structure of our Sustainability Committee, ensuring robust oversight and continuous improvement in our Sustainability commitments.

Driving portfolio-level impact:

We will focus on embedding effective Sustainability strategies that deliver measurable outcomes across our portfolio companies. By integrating Sustainability as a fundamental driver of value creation—rather than just a compliance requirement—we ensure sustainable growth, resilience, and long-term impact.

Advancing climate integration:

Through dedicated TCFD workshops, we will begin shaping our climate strategy, ensuring a structured approach to addressing climate-related risks and opportunities. As part of this effort, we will implement initial climate governance measures to establish a strong foundation for long-term, impactful climate action.

Transparency and robust Sustainability reporting

At Qualitas Funds, transparency is more than a compliance exercise—it is a fundamental pillar of responsible investment and a commitment with our investors.

We recognize our role in setting high standards for Sustainability disclosures and accountability, ensuring our reporting and policies serve as essential tools for investor engagement, trust-building, and long-term value creation.

As we move forward in 2025, we remain dedicated to refining our governance and reporting frameworks to align with best practices and evolving stakeholder expectations.

Strengthening internal processes and enhancing transparency will continue to be key priorities, reinforcing our commitment to integrity and responsible investment.

Signatory of:



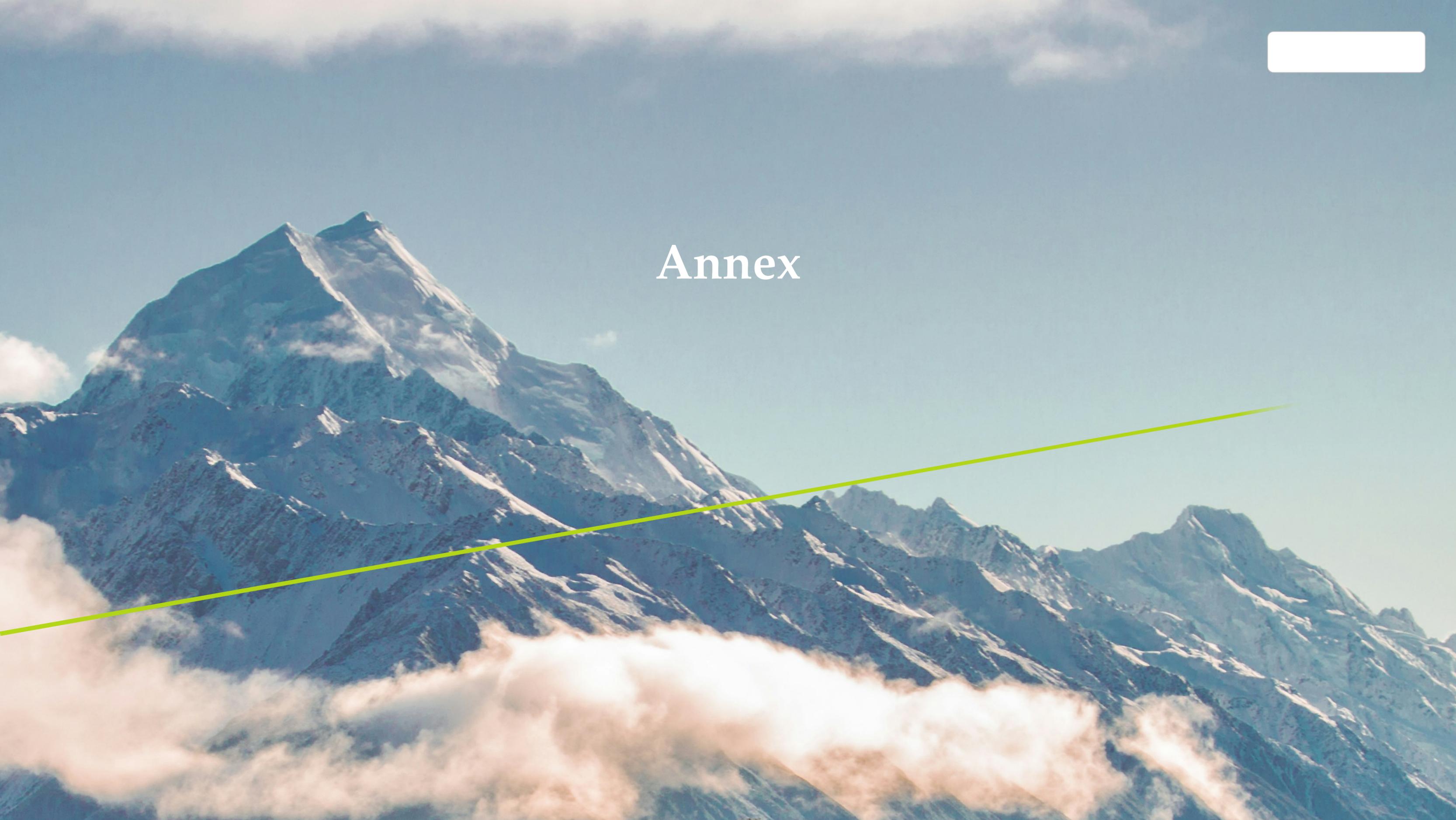
“In 2025, we are enhancing our Sustainability processes to unlock value, strengthen our portfolio companies, and drive long-term, sustainable returns for our investors”

Emma Herranz
Investor Relations Director





Annex





Results of GP Questionnaire for Qualitas Fund V and VI*

GP / Company	Question	Result
GP	Does your fund have a climate change strategy in place to address the potential risks and opportunities associated with climate change and promote Sustainability? (Yes/No)	46%
GP	Does your fund/management company have a diversity and inclusion (D+I) strategy in place? (Yes/No)	66%
GP	How many portfolio companies do you have in this fund? (#)	173 (total # of portfolio companies in QF V and VI)
Company	How many portfolio companies measure carbon footprint? (#)	63%
Company	How many portfolio companies have in place a decarbonization plan? (#)	31%
Company	How many portfolio companies have in place a waste reduction plan? (#)	28%
Company	How many portfolio companies have in place a formal R+D plan? (#)	30%
Company	How many portfolio companies have in place an equality plan? (#)	47%
Company	How many portfolio companies created jobs in 2024? (#)	68%
Company	How many portfolio companies have in place a Code of Conduct? (#)	72%
Company	How many portfolio companies have an Sustainability Committee?	31%
Company	How many portfolio companies have in place an ESG strategy or action plan? (#)	57%
Company	How many portfolio companies promote public, public-private and civil society partnerships? (#)	28%
GP	Are you a signatory of the UN PRI? (Yes/No)	66%
GP	Do you have any Art. 8 or Art. 9 SFDR funds? (Yes/No)	60%
GP	Do you have a Sustainability Committee at the fund manager level? (Yes/No)	54%

*Data presented from Q4 2024. Percentage in (Yes/No) questions refers to Yes answers.

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