

# APPOSITE CAPITAL LLP



## Annual Impact Report

*Apposite's mission is to build market leaders in healthcare by promoting excellence, innovation and good business practices. We seek to invest in businesses that are committed to making a positive impact by delivering high quality, efficient and cost effective care solutions for the benefit of all – patients, service users and healthcare payers.*



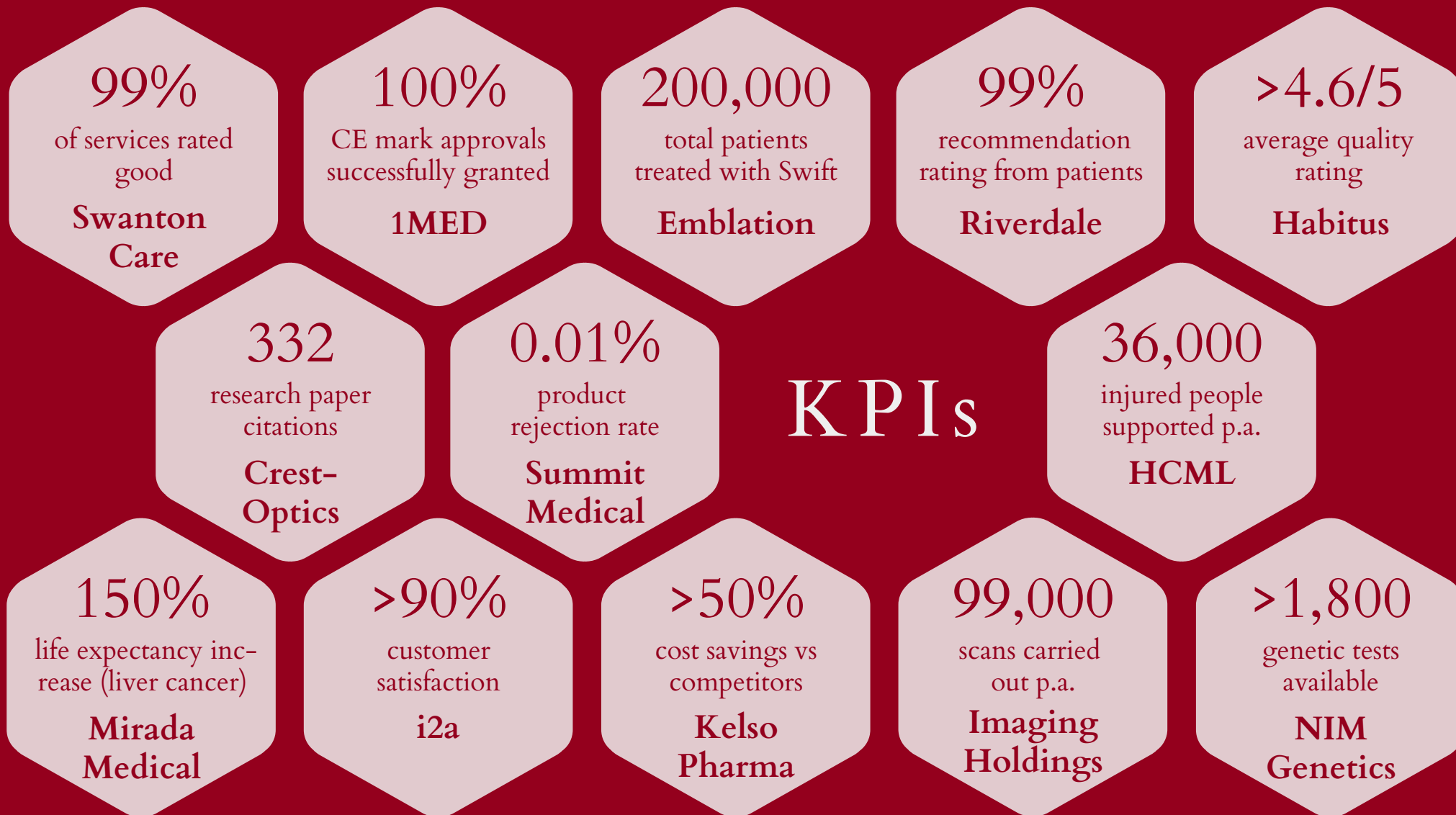
*Sam Gray*  
Managing Partner



*David Porter*  
Founding Partner



*Rory Pope*  
Partner



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APPOSITE  
CAPITAL LLP

## Introduction

The last 2 years have been remarkable for Apposite Capital.

We have made 7 new investments, across 5 countries.

We have finished raising our latest fund, above target, with over 40% of commitments invested with an impact focus and significant diversification of our LP base to include blue-chip pension funds and institutional investors.

We won "Private equity investor of the year" at the Health Investor Awards for the sixth time in 8 years.

All of our portfolio companies have continued to create meaningful health impact, described in detail in this report.



## Health impact

All of Apposite's portfolio companies are inherently driven to have a beneficial health impact and are helping to achieve one or more of Apposite's 6 health impact objectives. The following pages show how each company is helping to do so.

**I** *mproving Patient Outcomes*

**M** *aking Healthcare More Affordable*

**P** *utting Patients First*

**A** *dvancing Access to Healthcare*







**C** *reating More Capacity*

**T** *ransforming Healthcare Through Innovation*



# Health Impact Summary

*The table below shows which of Apposite's 6 health impact objectives each of its current portfolio companies is helping to achieve:*

	Imaging Holdings	NIM Genetics	Swanton Care	Summit Medical	Riverdale	Mirada Medical	Emblation	1Med	Habitus	i2a	CrestOptics	HCML	Kelso Pharma
 Improving Patient Outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
 Improving Patient Satisfaction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Increasing Access to Healthcare	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
 Increasing Capacity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Improving Affordability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
 Promoting Innovation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

*For each company, the following pages explain how each health impact objective is being achieved, together with key supporting indicators and case studies*



-  Improving Patient Outcomes 
-  Improving Patient Satisfaction 
-  Increasing Access to Healthcare 
-  Increasing Capacity 

*"It was a fantastic, professional service."*

- CQC inspector



*"We know that our services have the power to transform lives and every member of our team knows they play a crucial role in changing lives every single day."*

- Andrew Lennox, CEO

# Imaging Holdings

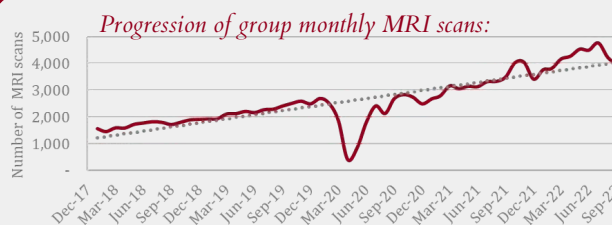
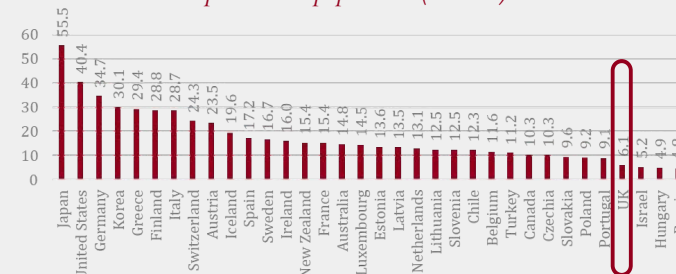
*A network of imaging diagnostic centres and clinics that is addressing the shortage of provision of MRI and CT scanners in the UK*

Mission: Deliver high-quality radiology services to transform lives

## Increasing Access to Healthcare:

- **Addressing UK shortage** – There is a chronic shortage of MRI scanners in the UK, resulting in extensive diagnostics waiting lists, especially following the COVID-19 pandemic (over 1.5m). With 10 MRI scanners currently, the company represents >2% of the total UK provision and is supporting increased access through the NHS Increasing Capacity Framework
- **Local supply** – Focus on delivering diagnostic imaging services in local communities, where there is a particularly acute shortage of capacity, using mobile scanners
- **Teleradiology** – This offering is being grown, giving access to excellent radiology in areas with a low capacity of radiologists

*MRI scanners per million population (OECD):*



## Increasing Capacity:

- **New scanners** – 7 new scanners have been added since acquisition
- **Utilisation** – Capacity extended at existing sites through initiatives such as 7-day opening, extended operating hours, and efficient ordering of appointments

**100%** of sites  
rated  
good by the CQC

**60%** reporting  
completed  
same day (vs ~20%  
for the NHS)

**0.5/0.1%**  
incident rate (all low  
harm)/complaint rate

## Improving Patient Outcomes:

- **Quality** – Focus on providing a high-quality service and the company is Quality Standard for Imaging accredited (a patient-focused independent assessment and accreditation)
- **Expertise** – The team of radiologists comprises leading national experts in their field and they have individually and collectively developed a strong reputation for delivering superior scans, coupled with excellent reporting
- **Capabilities** – The 3T MRI capabilities offered give higher resolution images than industry standard 1.5T, enabling more effective diagnosis and treatment planning, as well as being quicker and more comfortable
- **Turnaround times** – Typically private patients are seen within 1-2 days and have images reported back within 1-2 days of their scan; an exceptionally quick turnaround that speeds up treatment pathways, which is vital to patient outcomes
- **Governance** – Formal clinical governance committee in place, chaired by the former Bupa Chief Medical Officer, and there is detailed monthly reporting to the board against quality metrics (incidents, complaints, and audit/peer review outcomes)

## Improving Patient Satisfaction:

- **Patient experience** – Focus on excellent experience, with a significant investment having been made in facilities
- **Availability** – The 7 day opening and extended operating hours enable patients to be seen when convenient for them, improving their experience

**97%**  
patient recommendation  
rating





# NIM Genetics

*A leading Spanish laboratory services company specialising in genetic testing, focusing on non-invasive pre-natal and paediatric testing, and next generation sequencing*

Mission: Improving people's health through high-quality genetic and genomic services



## Improving Patient Outcomes:

- **Personalised medicine** – Genetic testing is continuing to disrupt healthcare provision positively, by allowing earlier and more precise diagnosis, by identifying predispositions, and by predicting reactions to particular treatments. This allows treatment pathways to be tailored to individuals and the correct drugs or treatments to be provided
- **Quality** – NIM provides high quality testing from state-of-the-art, quality-accredited (ISO-certified) laboratory
- **Efficiency** – Continuously improving the turnaround times for tests, helping to ensure more efficient and effective patient pathways, which is essential to improving outcomes

**>50%**

*decrease in NGS product turnaround times since Apposite's investment*

 Improving Patient Outcomes 

 Increasing Access to Healthcare 

 Increasing Capacity 

 Improving Affordability 

 Promoting Innovation 

## Increasing Capacity:

- **Repertoire** – Extensive portfolio of different genetic tests, providing significant testing capacity in Iberia (where it is in the top 3 providers) and Latin America
- **Facilities** – Significant investment in expansion of testing capacity and technology, to help provide capacity for the ever-increasing demand for genetic tests

**>1,800**  
*tests available,  
covering a wide  
variety of genes  
and diseases*

## Increasing Access to Healthcare:

- **Local genetic testing** – First time access to some genetic testing (particularly non-invasive prenatal testing) in the current target markets of Spain, Brazil, and Mexico
- **COVID-19 testing** – Significant provision of COVID-19 testing kits in Iberia, during the pandemic, increasing access to testing

## Promoting Innovation:

- **New products** – Commitment to staying at the forefront of new developments in genetic testing, to provide the latest available solutions to patients and clinicians, with new products routinely introduced. During 2022, a test for early detection of colorectal cancer and precancerous lesions has been introduced, together with a rapid detection antigen test for vaginitis and a test of the vaginal microbiome to assess the probability of success in IVF/ICSI
- **Collaboration** – NIM carries out genetic research projects with universities and other institutions, in Spain and internationally
- **Data** – A database has been developed of genomic data that it has gathered over years of testing, which can be used to derive genetic insights

## Improving Affordability:

- **Personalised care** – Better treatment planning helps to avoid unnecessary, less effective treatments, making patient pathways more efficient and reducing costs for end payers



*“Clinical genetics is now becoming widely available and will make high-quality, efficient and cost-effective health outcomes possible.”*

– Enrique Samper, CEO



**B Corp Certification:** NIM recently became the first human genetic testing company in the world to be certified as a B Corp, thus accrediting its generation of positive social and environmental impact



-  Improving Patient Outcomes 
-  Improving Patient Satisfaction 
-  Increasing Access to Healthcare 
-  Increasing Capacity 
-  Improving Affordability 



*"The people we support are our priority and they are always the centre of our work. Being highly committed to them helps to improve their quality of life and experiences. We provide care and support with respect and empathy focused on each individual to promote their health and wellbeing."*

- Andrew Dalton, CEO

# Swanton Care

*A provider of high-quality, specialist care for adults and children with learning disabilities, autism, mental health disorders, and other complex conditions*

Mission: To maximise the quality of life and experience of the individuals supported



## Improving Patient Outcomes:

- **Quality** – Fundamental commitment to high quality person-centred care, with an underpinning ethos of "Every moment matters" and a formal culture and ethos plan
- **Technology** – Best-in-class care management software, ensuring reliable, consistent, and wide-ranging data, enabling rapid responsiveness and efficient, personalised care planning
- **Reporting** – Detailed monthly board reporting on quality indicators, including incidents
- **Training** – Staff provided with extensive, specialised education on providing residents with the highest level of care

**99%** of service users in facilities rated Good or above by regulators\*

incidents per 1,000 care hours (LTM at Sep-22, vs 2.8 at Dec-20) **1.6**

## Improving Patient Satisfaction:

of friends and family agreed their family member "is happy in their home" (2021 survey) **100%**

**<24%** staff turnover (vs 30% industry average and 35% at acquisition)

- **Personalised care** – Quality of life is the fundamental focus and mission of the business. Care is personalised to individuals, to help them to live their lives the way they want to
- **Supported living** – Focus on providing care in a supported living (rather than residential) setting, as demonstrated to improve individuals' independence, confidence, and quality of life
- **Investment in staff** – Substantial investment in staff satisfaction, including payment of a national living wage to all employees, numerous other benefits, and extensive training, to improve service user interaction and staff retention
- **Continuity of care** – Reduced turnover and low agency staff usage (<3%, through effective HR management) enables service users to maintain the same carers; a primary factor in maintaining service user satisfaction
- **Small units** – Residential care provided in homes with 7 beds on average, rather than large homes (the industry average being 20), as is most suited to helping those with complex needs to be part of their community, improving quality of life

## Increasing Capacity and Increasing Access to Healthcare:

- **Greenfield** – Development of new sites to provide care opportunities for the significant backlog of individuals in the stretched UK care system, with 12 new sites opened organically since 2019
- **Step-down** – Focus on helping individuals to move from residential care to supported living where possible, freeing up residential care capacity, in turn enabling individuals to step down from long-term hospital settings to residential care
- **Utilisation** – Focus on fully utilising existing capacity, to ensure the most effective use of resources in placing individuals
- **M&A** – Expansion of the Swanton model of high quality care through acquisition and integration

**675** people supported (vs 280 at Apposite investment)

**94%** occupancy at Sep-22 (vs <90% at Apposite investment)

**48%** of users in supported living rather than residential care (vs 28% at entry)

## Improving Affordability:

- **Efficient care** – Creation of additional capacity has a trickle-down impact in reducing the overall cost of care, as residential care is a much lower cost solution than hospital care, and supported living is, in turn, more affordable than residential care. This is vital given the funding crisis in UK social care
- **Economical pricing** – There is an ethos of only making a fair profit from the provision of care

\* "Good or above" refers to a Good/Outstanding rating from CQC/Ofsted, a rating of Adequate or above from Care Inspectorate Scotland or a Compliant rating from Care Inspectorate Wales



# Swanton Care case study

Development into a provider of excellent care under Apposite's ownership



*"The quality of individualised care and support provided by this home is outstanding."*

– Ofsted inspector, for one of Swanton's children's homes (Holly House)

*"Swanton have been fantastic in their support of sometimes the most complex patient. They respond quickly, and communication is second to none."*

– A third party professional to the CQC, as included in an inspection report for Swanton House

*Swanton Care is a really good provider*

– Commissioner, Gateshead council

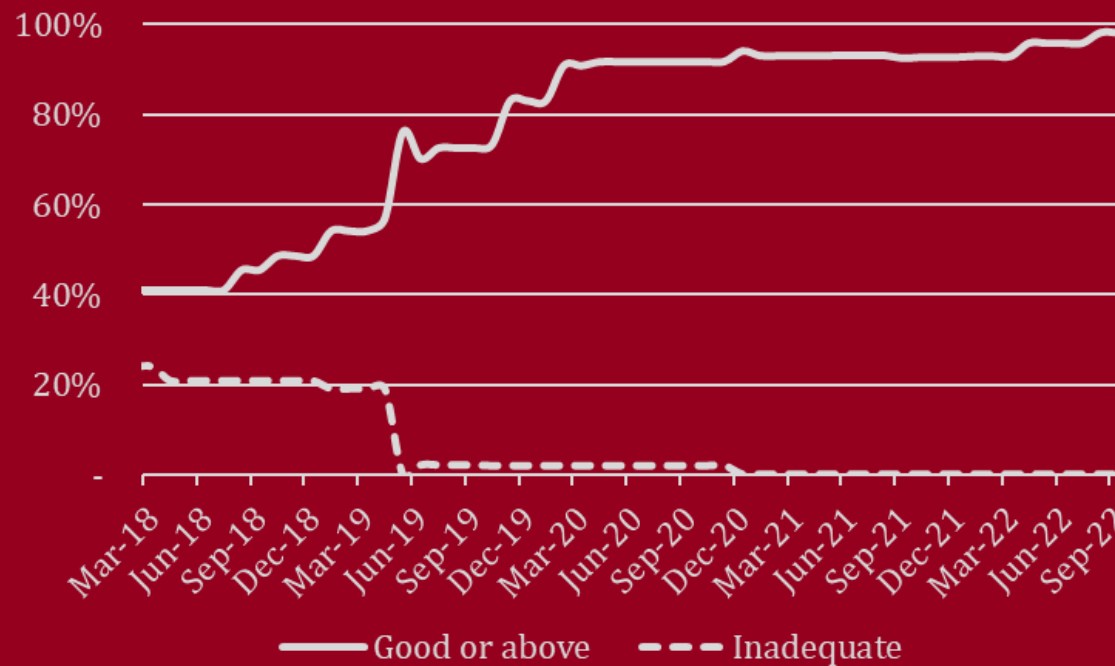
*From starting points that include compulsory detention in hospitals for their own safety, young people grow in confidence and develop aspirations for their futures. Through living at the home, their life chances are significantly influenced for the better."*

– Ofsted inspector, for one of Swanton's children's homes

*"My family member is happy in their home"*

– 100% of respondents to the 2021 friends and family survey agreed with this statement

Regulator ratings over the course of Apposite's investment:



*"Swanton has always been really forward thinking in a developmental way"*

– Social Care Commissioning Manager, Middlesbrough council

*"I have no concerns about the care my (relative) receives, the staff are fantastic."*

– Relative of a service user at Darwin Community Support to the CQC inspector





- 
 Improving Patient Outcomes 
- 
 Improving Affordability 
- 
 Promoting Innovation 

# Summit Medical

*A specialist manufacturer and distributor of high quality, single-use products that represent a vital component of orthopaedic surgical and infection control procedures*

Mission: To be the partner of choice in global orthopaedics through best in class products



## Improving Patient Outcomes:

- Essential products** – Summit's surgical cementation mixing products form a low-cost but vital part of a significant proportion of global orthopaedic surgeries, which are of great importance in improving the quality of life of individuals
- Quality** – The products for orthopaedic surgery are highly regarded by orthopaedic surgeons as being high quality. Cement mixing products such as Summit's have been shown in studies to double the strength of bone cement compared to mixing by hand. This quality helps to reduce revision rates, which improves patient outcomes, patient satisfaction and affordability for end payers
- Consistency in treatment** – Studies have demonstrated that Summit's cement mixing products improve consistency and reduce the likelihood of infection, therefore increasing the likelihood of success in orthopaedic surgical procedures. For instance, Summit's HIVAC Bowl, which features a rotational axis, produces cement which has been shown to be over 15% stronger than a fixed axis product

**0.01%**  
product rejection rate

**850,000**  
procedures per annum

*"I am extremely satisfied with the quality of [Summit's] products, the mixing devices are extremely robust and work very reliably. I have not had any complaints"* – Procurement Director, PPSA, NHS Supply Chain

*"Summit's products are much higher quality compared to competitors"* – Sales Director of a German distributor



*"We are an innovator in global healthcare and...we assist clinicians, physicians and hospitals in developing quality medical products for better patient outcomes."*

– Chris Lee, CEO

**>150**  
patents held

**6**  
new products in development

## Promoting Innovation:

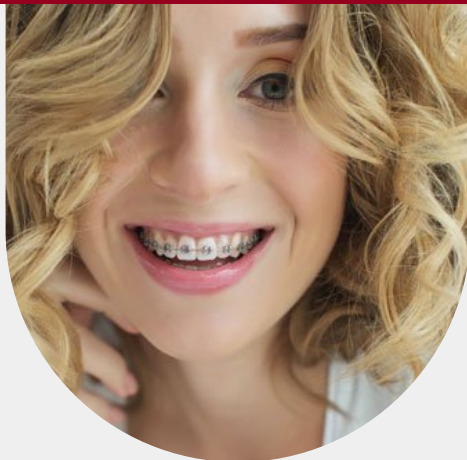
- New products** – Summit strives to drive medical advances through development of new products. It works directly with surgeons in order to understand their requirements and address their specific needs, helping to improve the efficiency and outcomes of high volume procedures

## Improving Affordability:

- Quality** – The quality and incremental benefits of Summit's products help to reduce revision rates compared to alternatives, improving economics for end payers







-  Improving Patient Outcomes 
-  Improving Patient Satisfaction 
-  Increasing Access to Healthcare 
-  Increasing Capacity 

# Riverdale

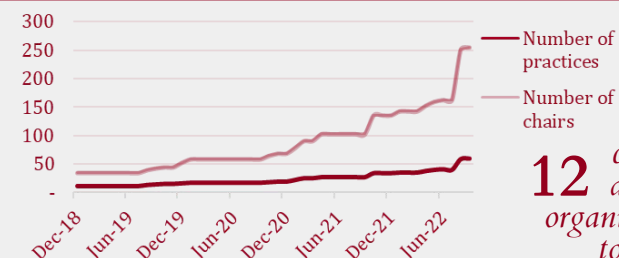
*A chain of dental practices that is focused on providing high quality, ethical care, and excellent patient experience, across NHS and private services*

Mission: To provide excellent dental, offering honesty, integrity and an ethical approach to dentistry



## Increasing Capacity:

- **Greenfield development** – Increasing capacity in underserved local communities by developing new greenfield sites and adding new chairs to existing practices
- **New dentists** – Strong commitment to training Foundation Dentists (newly graduated trainees), representing 15% of the dentist workforce (the highest proportion for any UK dental group of Riverdale's size), helping to alleviate the acute shortage of dentists in the UK



## Improving Patient Outcomes:

- **Quality** – Fundamental drive to provide excellent dental care for patients, supported by the group ethos, improved systems, and oversight
- **Governance** – Central oversight of clinical governance across all practices, to improve levels of quality and consistency compared to prior to each acquisition. A clinical advisory board has been instigated, chaired by a senior figure in UK dentistry

## Increasing Access to Healthcare:

- **Affordable private care** – Affordable private option alongside the core NHS offering, reducing the severe strain on NHS lists in local communities, while offering value for money in less affluent communities
- **M&A** – Through the buy and build strategy, it is bringing more practices up to its quality standards, improving access to high quality dentistry
- **Technology** – A digital platform is used for virtual consultations, putting Riverdale at the forefront of digitisation in dentistry. This makes consultations and reviews more efficient and convenient, increasing the number of consultations that can be provided and reducing waiting times

## Improving Patient Satisfaction:

**99%**  
recommendation  
rating (NHS  
friends and  
family test)

- **Patient prioritisation** – A patient charter has been developed (see Riverdale's website) defining the many commitments to patients
- **Facilities** – Investment made in practices to ensure state-of-the-art facilities and top-class infection control procedures
- **Efficiency** – The virtual consultation platform ensures convenience for patients and, together with centralised booking via a user-friendly system and high quality practices, this ensures an excellent end-to-end experience for patients
- **Patient information** – A digital platform gives patients access to an extensive archive of educational videos, demonstrating procedures or outcomes so that they have an understanding of planned treatments to assist them in decision making

*"Dentistry doesn't have a lack of patients. We absolutely have patients who are underserved in the community. The opportunity is to make sure we can serve those patients and open the doors to them."*

– Emma Barnes, CEO







-  Improving Patient Outcomes 
-  Increasing Capacity 
-  Improving Affordability 
-  Promoting Innovation 



*"Everybody's cancer is unique, requiring a personalised and precise treatment."*  
 - Jon DeVries, CEO

# Mirada Medical

*A leading medical imaging software provider, which develops advanced and AI-based technologies to improve cancer care*

Mission: To accelerate cancer care



## Promoting Innovation:

- **Technology** – Industry-leading innovator in the development of advanced medical imaging software for use in cancer care, working across three specialties: diagnostic imaging; external beam radiotherapy; and treatment planning for interventional radiotherapy. It was the first company globally to use deep learning to automate aspects of radiotherapy treatment planning, to achieve FDA approval for such technology, and to deliver true "zero-click" automation in radiation oncology workflows
- **R&D** – Strong track record in innovation and an exciting pipeline of future technologies. The company intends to remain at the cutting-edge of developments, with a significant portion of the company's expenditure directed towards R&D, and it regularly publishes its own research to help drive forward industry-wide development
- **Grants and awards** – Numerous grants have been awarded (including from Innovate UK and the UK National Institute for Health Research), primarily to validate the efficacy of Mirada products within clinical practice and to support the development of novel products and modalities
- **Collaboration** – Mirada participates in the UK's National Consortium of Intelligent Medical Imaging, a partnership between NHS trusts, companies, universities, charities, and patient groups. This is a platform for global experts to collaborate to revolutionise the use of AI in healthcare, addressing unmet needs in the treatment of cancer, cardiovascular diseases, and metabolic health. It also gives Mirada access to significant volumes of data and expertise

**>40%**  
*of revenue spent on R&D*



**>90%**  
*recommendation rating from clients*

## Improving Patient Outcomes:

- **Personalised medicine** – The enablement of radiotherapy planning that is tailored to individual patients has been demonstrated to result in substantial improvements to outcomes for cancer patients (see case study on the next page)
- **Consistency** – The automated processes offered by Mirada software (such as its auto-contouring platform) have been shown to make image processing and radiotherapy planning more consistent, reducing unwanted variability in treatment. Mirada's deep-learning capability also enables the application of the skills of world-leading practitioners in areas with less capable clinicians
- **Efficiency** – Automation removes a bottleneck in imaging analysis and radiotherapy planning, reducing turnaround times, allowing for faster treatment, and therefore streamlining cancer patient pathways

## Increasing Capacity and Improving Affordability:

- **Efficiency** – Radiation oncology is one of the most effective forms of cancer treatment. With a predicted 27.5 million additional cancer patients each year by 2040, automated solutions such as those provided by Mirada will be required in order to keep up with demand. The use of DLCEXpert™ has been demonstrated to result in time savings of up to 90% for the contouring of individual structures and around 60% on average overall for each patient, which also makes the process more affordable for end-payers



# Mirada Medical case study

*Simplicit90Y: A technology that is dramatically improving outcomes for cancer patients*

The most clinically impactful solution in Mirada's comprehensive diagnostic suite is Simplicit90Y. This is customised software that is currently used exclusively to support the Boston Scientific product Therasphere™ (injectable glass microspheres embedded with radioactive Yttrium-90), which are currently marketed for treatment of liver cancer. Simplicit90Y is used to personalise the Therasphere™ radiation dosage given to patients and the benefits of this personalisation have been shown to be significant in multiple clinical trials.

In one trial with Boston Scientific, the focus was on liver cancer patients with a 9-10 month life expectancy with existing care. With Mirada's Simplicit90Y personalised dose plan, the patients achieved a nearly **150% increase in life expectancy**, compared to those without personalised dosimetry.

Furthermore the tumour was ablated, or shrunk, sufficiently in 36% of those patients to make them candidates for surgery where their tumour could be removed, which is a potentially curative procedure, i.e. more than a third of patients were given the prospect of being cured of liver cancer.

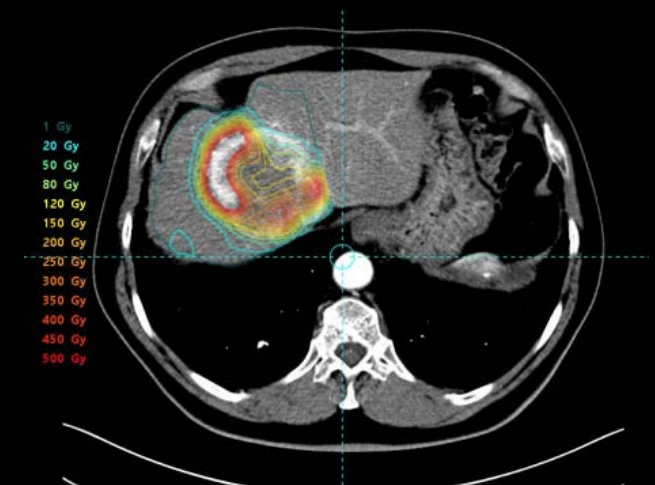
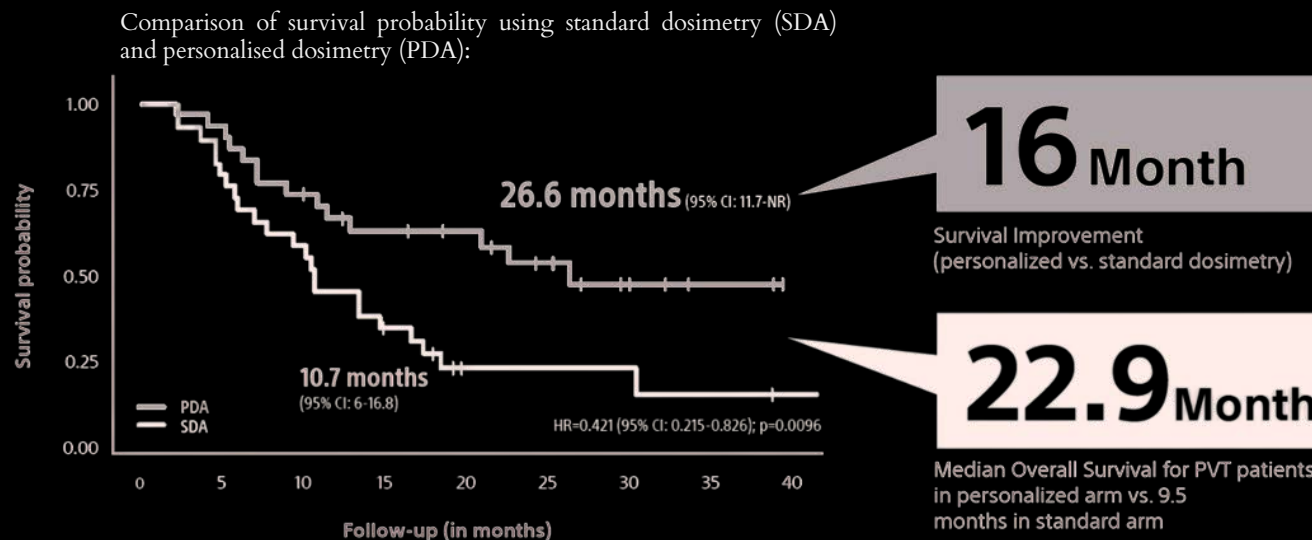
This represents a significant step forward in the treatment of liver cancer, and Mirada therefore intends to carry forward with the same approach in other indications, such as prostate, brain and colorectal cancers.

*"This is Level 1 evidence that shows better outcomes in gold-standard survival, and in trying to convert patients to resection. A win-win-win on all fronts."*

– Professor Riad Salem, Interventional Radiologist, Northwestern University, Chicago USA

*"Simplicit90Y helps physicians make better decisions, enabling them to generate a treatment plan that is personalised to an individual's cancer symptoms, dramatically improving patient outcomes"*

– Jon DeVries, Mirada Medical CEO





# Emblation



*An innovative producer of microwave-based medical devices for treatment of skin conditions*

Mission: To deliver radical innovation in the treatment of HPV infections, dermatology, cardiology, and oncology by transforming the way microwave energy is being used in global healthcare

## Promoting Innovation:

- **Disruption** – Award-winning products that offer a revolutionary new standard of care in the treatment of skin conditions
- **R&D** – There is a significant portfolio of existing IP surrounding the company's novel method for treating HPV and dermatological conditions, with significant resource devoted to further R&D
- **Other indications** – The effectiveness of the technology is being explored for treatment of numerous other dermatological, gynaecological and pre-cancerous conditions, with 2.2bn patients living with conditions Emblation aims to treat

**>60**  
patents granted  
to date

**>15%**  
of staff focused on  
innovation

Improving Patient Outcomes ✓

Improving Patient Satisfaction ✓

Increasing Capacity ✓

Promoting Innovation ✓

**>76%**  
of viral warts/verrucae  
fully resolved after 6 months  
(vs 33% with other treatments)

**<1%**  
patients with recurrence

## Improving Patient Outcomes:

- **Efficacy** – Very high effectiveness compared to other treatment options, for warts, fungal nails, actinic keratosis and cervical pre-cancers. In particular, successful outcomes have been demonstrated in 'hard-to-treat' cases, where other modalities have failed
- **Consistency** – Treatment is straightforwardly and precisely repeatable, with predictable clinical outcomes
- **Low side effects** – No serious adverse events have been reported in the company's history

*"The treatment is quick, clean and easy for both clinician and patient. It was seamless and effortless to integrate and has provided the highest efficacy rates ever experienced"* – Podiatrist Paul Kirkland

## Improving Patient Satisfaction:

- **Cleanliness** – No smoke generated, no anaesthetic or post-procedural dressing required, and minimal debridement needed
- **Comfort** – Minimal side effects, unlike most competing treatments
- **Convenience** – Treatment can be completed in very short appointments (15 minutes), compared to competing procedures. 98% of patients are also able to continue with day- to-day tasks immediately after treatment
- **Efficacy** – Effective treatment reduces the need for reversion compared to competing procedures

**10/10**  
average treatment  
rating

**95%**  
recommendation  
rating

## Increasing Capacity:

- **Efficacy** – The level of effectiveness allows total time taken to treat a patient to be substantially reduced, by preventing the need for follow up treatments when procedures have been ineffective. Together with the speed of the procedures, this frees up the time of clinicians



*"Microwave technology has changed the face of modern medicine. Since the 1970s, it has been used to destroy diseased tissue while leaving healthy tissue intact. Today, Emblation leads the world with a range of microwave medical products that enable clinicians to treat a wide variety of conditions from skin lesions to various cancers."*

– Gary Beale, CEO





# *Emblation case study*

## *The life-changing potential of a novel treatment method*

Verrucae can be a blight for a lifetime. One patient, a 72-year-old grandmother called Jane, had suffered with one for more than 50 years before it was finally successfully cured using Emblation's Swift microwave therapy.

Jane had spent years visiting different podiatrists and undergoing conventional treatments for the condition. None of these worked: cryotherapy was tried first, but it was unsuccessful and was eventually abandoned.

Acid treatment came next, but this actually made things worse and also had to be stopped. At one stage she was told that her verruca was never going to go.

Over the years the pain came and went but Jane learned to live with it.

A period of routine podiatry treatment did reduce the verruca, though it then became very thick, possibly due to a friction trauma. She underwent a monthly session of debridement – the removal of infected, damaged, or dead tissue so a wound can heal properly – for four years. But it still persisted and she continued to suffer.

Laser treatment was then used. This reduced the pain, though the verruca remained stubbornly present and could not be eliminated.

Jane was then offered treatment with Emblation's Swift system. Her first session required treatment of just two seconds at 10 watts, repeated five times over different areas of the verruca.

This regime continued every four weeks followed by a three-month pause. The verruca regressed and finally disappeared altogether.

It had taken 56 years and numerous attempts to cure the condition before it was finally dealt with using Swift. Thanks to this pioneering treatment, Jane is now free of pain and enjoying life again.





# 1Med



*Clinical Research Organisation providing regulatory strategy, clinical trial management, and quality assurance services to the medical device industry*

Mission: To support clients' innovative product and technology development, in order that patients have quick and safe access to cutting edge therapies



Improving Patient Outcomes



Improving Affordability



Promoting Innovation



## Improving Patient Outcomes:

- **Patient safety** – The company's service is to support the development and approval of safe products, helping to improve results and reduce/eliminate negative consequences for patients. 1Med is supporting the move to MDR and IVDR, which constitutes a radical step up in the regulations ensuring patient safety
- **Quality** – Fundamental focus on the quality of the services provided, facilitated by best-in-class quality assurance procedures and deep specialist expertise. Quality certified under ISO 13485:2016
- **Efficiency** – Through a high-quality provision, the risk of clinical trial/approval processes needing to be repeated is minimised, expediting the route to market for innovations, helping them to treat patients earlier

**100%** CE mark approvals  
successfully granted to  
date where 1MED advised

**100%** ethics committee  
approvals granted to date for  
1Med advised processes

**0** findings to date from  
inspections by Notified Bodies

## Improving Affordability:

- **Through quality** – Provision of high quality, reliable advice minimises the chances of project failure, helping to ensure rapid approval processes and improving the affordability of clinical/regulatory processes for bringing products to market
- **Digital solutions** – Automation of data capture for post-market surveillance has been developed, enabling more efficient client processes

## Promoting Innovation:

- **Route to market** – Ultimately 1MED facilitates effective routes to market for medical innovations
- **Sharing best practice** – Best practice is shared with clients for product development and feasibility assessments, ensuring that time is spent on innovations that could most realistically be taken to market
- **Pro bono work** – Pro bono support and teaching is provided to local universities

*The volume of products taken to market using 1Med's services will be tracked over time and specific case studies will be provided*

*"1MED will be at the forefront as we...help manufacturers in bringing innovative solutions from bench to bed for patient benefit, while maintaining quality and regulatory compliance"*

– Enrico Perfler, CEO







# Habitus



*A leading Danish provider of specialist social care for adults with severe learning difficulties*

Mission: Maximise the quality of life for individuals with severe complex learning difficulties in Denmark

## Improving Patient Outcomes:

- **Quality** – Services centred around maximising quality of life for residents by creating a supportive environment, using a unique care model to reduce psychiatric admissions, use of medication, and use of force, increasing independence and autonomy
- **Compliance** – At the forefront in a highly regulated sector, with industry-leading practices (e.g. only group in Denmark with a dedicated quality/regulatory team)
- **Qualified staff** – A majority of care staff have relevant degree-level qualifications
- **Extensive training** – Staff are provided with extensive, specialised education on how to provide residents with the highest level of care and comfort, and are supported to obtain degree-level qualifications

**>4.6/5**

*average rating from the Danish Social Supervision Authority for 2021, vs average of 3.7/5 for peers*

**2/3**

*of employees have a degree-level qualification*

 Improving Patient Outcomes 

 Improving Patient Satisfaction 

 Increasing Access to Healthcare 

 Increasing Capacity 

 Improving Affordability 

## Improving Patient Satisfaction:

**<4%**  
*resident turnover (last 10 years)*

- **Personalised care** – Small care teams work with 1-3 residents to develop an intimate knowledge of each resident and develop individualised plans for personal development, which are re-evaluated twice annually
- **Robust monitoring** – Bi-weekly and daily scheduling for each resident to plan their daily lives and minimise frustration
- **Continuity of care** – Significant investment in staff to reduce turnover

## Increasing Capacity:

- **Greenfield** – Development of new residential sites to provide much-needed capacity in Denmark, with 32 apartments added
- **M&A** – Expansion of the Habitus model of high quality care through acquisition and integration

**147**  
*residents (119 at entry)*

**32**  
*greenfield apartments added since acquisition*

## Increasing Access to Healthcare

- **Expansion into lower acuity** – Improve access to care for a wider range of the population with complex needs
- **Expansion of relationships** – Plan to work with more Danish municipalities (currently 38/78) to provide better national access to quality care

## Improving Affordability:

- **Efficient care** – It is widely considered that specialist private providers can provide high quality care more efficiently than the public sector in Denmark
- **Economical pricing** – Prices per resident are regulated and adjusted only with inflation, with further increases agreed with municipalities case-by-case



*"We value Apposite's knowledge in specialist residential care and our shared vision centred on resident care and well-being to continue to successfully grow our company."*

– Martin Godske, CEO



# i2a



*The leading French provider of integrated solutions (instruments/software) for the automation of bacteriology lab processes and antibiotic susceptibility testing*

Mission: To make antibiotic susceptibility testing accessible and allow for targeted, efficient and cost-effective antibiotic therapy to be prescribed and thus fight antibiotic resistance



-  Improving Patient Outcomes ✓
-  Increasing Access to Healthcare ✓
-  Increasing Capacity ✓
-  Improving Affordability ✓
-  Promoting Innovation ✓

## Improving Patient Outcomes:

- **Fighting antimicrobial resistance ("AMR")** – Over a million deaths worldwide are attributed to antimicrobial resistance each year and it is widely recognised as one of the most significant global health threats. i2a supports labs and clinicians with best-in-class solutions for antibiotic susceptibility testing ("AST"), so that antibiotic treatment can be targeted and data can be used to drive insights to combat AMR
- **Personalised medicine** – Personalised antibiograms allow targeted treatment for patients, improving individual outcomes
- **Speed** – Samples are automatically incubated, read and processed through i2a's proprietary software, allowing quicker turnaround times than competing methods and therefore more rapid treatment of patients
- **Quality** – i2a is recognised by customers for the high quality and durability of instruments, as well as the excellent maintenance services provided
- **Consistency** – The automated solutions offered improve the consistency of results read and reported

**>90%**  
*of customers very satisfied with i2a products, services and support*

**6 hours**  
*turnaround time, vs >8 hours for all competing systems*

## Improving Affordability and Increasing Capacity:

- **Efficiency** – Each dish allows for up to 8 antibiotics to be tested at the same time, including the interaction between them, which is cheaper than alternative methods, as well as being quicker and therefore improving lab productivity
- **Automation** – The automated process reduces the amount of time spent on AST by lab technicians, increasing their capacity and reducing cost

## Increasing Access to Healthcare:

- **Cost-effective** – The affordability of the solution increases access, especially in less wealthy areas, and the company has been working on a long term pro bono project with Médecins Sans Frontières
- **Expansion** – Apposite's investment is facilitating an expansion in Europe, to improve international access to the solution

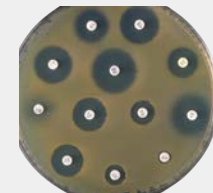
## Promoting Innovation:

- **Unique offering** – Only player providing an automated AST solution for solid bacteria growth, with the instruments and software protected by patents
- **R&D** – Further automation being explored in diagnostics support and auto-validation, to improve turnaround times yet further



*"i2a has a truly differentiated and integrated offering combining Antimicrobial Susceptibility Testing solutions and software."*

– Michel Emelianoff, CEO





# CrestOptics



*A world leader in the development and manufacture of advanced microscopy systems*

Mission: Support the global research community to sustain scientific developments and breakthrough innovation


## Promoting Innovation:

- **Technology** – The company's products are at the cutting-edge, offering the fastest spinning disk and largest field of view on the microscopy market, enabling the highest resolution live imaging. The highly innovative new super-resolution DeepSIM product has already been highly acclaimed, recently winning the prestigious Microscopy Today Innovation Award
- **R&D pipeline** – Exciting pipeline of new products for biological and medical research (particularly cancer/neuroscience)
- **Diagnostics programme** – Spin-out subsidiary D-TAILS is investigating novel early-stage diagnostics programmes for cancer, Alzheimer's Disease and viruses
- **Partnerships** – Well-established partnerships with leading universities and research institutes (e.g. IIT, Cineca, FBK, CNR)
- **Novel treatments** – Ultimately the company enables the development of novel treatments for patients, through sale to research labs conducting life science research, and through integration of CrestOptics technology into OEM high content imaging systems, for pharma company R&D

**20%**  
*of revenue  
spent on R&D*

**332**  
*research papers  
published using  
CrestOptics products*

 Improving Patient Outcomes 

 Increasing Access to Healthcare 

 Improving Affordability 

 Promoting Innovation 

## Improving Patient Outcomes:

- **Downstream benefit** – CrestOptics technology indirectly improves patient outcomes by enabling better imaging in pharma and clinical research, which is essential for the development of innovative drugs and treatments

**20–25%**  
*cheaper products  
than competitors*

## Improving Affordability:

- **Cost-effectiveness** – Industry-leading pricing for core products, helping to improve affordability for end-payers

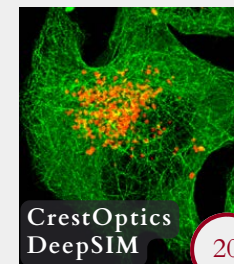
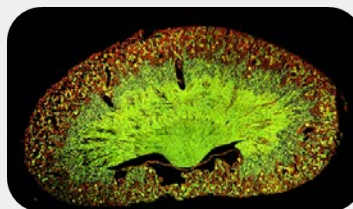
## Increasing Access to Healthcare:

- **Low-cost product launch** – A new product is in development, which will cost significantly less than the comparable CrestOptics module and competitor products and which is designed to target low budget institutions and emerging markets, increasing access to high-end microscopy tools



*"I believe CrestOptics brings excellence to the sector of microscopy and diagnostics."*

– Renato Giacobbo Scavo, CEO







# HCML

*A leading UK provider in physical and psychological rehabilitation and case management*

Mission: Provide next generation rehabilitation services, resulting in better outcomes



-  Improving Patient Outcomes 
-  Improving Patient Satisfaction 
-  Increasing Access to Healthcare 
-  Increasing Capacity 
-  Promoting Innovation 

## Improving Patient Outcomes and Improving Patient Satisfaction:

- **Ethos** – Fundamental focus on the quality of service provided often for individuals with complex, life-changing injuries
- **Excellent case managers** – Staff are highly qualified and trained and there is a detailed resourcing and retention strategy, with clear pathways for staff progression, to maintain top quality, specialist case managers
- **Governance** – HCML's IT system and processes facilitate strong quality control (e.g. through a management dashboard and a rigorous review process). A strong audit system exists, ensuring adequate analysis and documentation, clear and constant communication, and tracking of recommendations
- **Training** – Extensive educational programmes are in place, including funding of university courses for case managers to develop specialisms, and regular lectures are given by external experts. The clinical lead runs fortnightly huddles to share latest guidelines on management of specific injuries
- **Customer feedback** – The customer feedback process and KPIs are in the process of being developed

**86%**

*audit pass rate vs 80% target and vs case management industry standard of 70%*

**ISO 9001 certified  
(quality management)**  
*amongst other accreditations*

*"Everything was absolutely spot on. Laura did all of the work and put all of the effort in and between us we got there. She has been absolutely wonderful and I wouldn't be where I am now without her" – Rehabilitation client*



*"I am fortunate to be inheriting a strong business with a reputation for quality and clinical excellence, an enthusiastic management team and a real powerhouse of innovation at its core."*

– Nick Delaney, CEO

## Increasing Capacity:

- **Clinic rollout** – There is a plan to develop rehabilitation clinics and become the first truly national operator of rehabilitation services
- **Prevention** – The provision of corporate occupational health and wellness services is potentially a significant route to addressing the systemic lack of primary care capacity

**36,000**  
*injured people supported per annum*

## Increasing Access to Healthcare:

- **New services** – There is a plan to expand into new agencies for which the provision is currently less sophisticated
- **M&A** – Pursuit of acquisitions to expand HCML's model of high quality provision

## Promoting Innovation:

- **Digital solutions** – HCML has developed, and continuously invested in, an in-house bespoke IT system, creating a leading digital player. Developments include an internal patient management system, a customer portal, a supplier portal, an assessment platform for use by outsource triage providers, and a digital triage tool

*"This is a level of support that we've never had before. It is a comfort to know that the HCML team is there. They have achieved great outcomes and I see theirs as a truly innovative approach." – Head Of HR at the Press Association*

# HCML case study

## *Supporting an amputee to exceptional outcomes after a catastrophic road accident*

A 26-year old man sustained significant injuries following a road accident, including a serious ankle fracture and psychological symptoms.

Over 3 years, the client underwent open surgery to repair the bone in his leg. However, he developed a contracture in his foot which resulted in him being unable to move or use it at all, as well as experiencing severe pain, which was diagnosed as complex regional pain syndrome. Following consultations with multiple specialists and a number of interventions, no relief was experienced, so he elected to undergo amputation. Shortly afterwards he was referred to HCML.

HCML carried out an immediate needs assessment within 2 weeks. The individual was restricted to using a wheelchair as there had been no prosthesis provided, and his home was unsuitable for wheelchair access. Prior to the injury, he had been an extremely active sportsman, so it was very difficult for him to adjust to home life and he was unable to work as a gardener, causing depression and anxiety.

The individual wanted to achieve independence with his mobility, to be able to complete basic activities of daily living, and to start taking part in sporting activities again, as well as to reduce the pain to a manageable level.

The HCML case manager worked with the client to establish clear goals and a bespoke rehabilitation plan was developed, which included: an occupational therapy assessment to make adaptations to the family home; a prosthetic assessment to get the client an everyday prosthesis and running blade; psychological support; physiotherapy for upper body strength; funding for personal training; and funding for motorcycle adaptations so that he could ride his motorbike again.

A major barrier to the client's progress was the pain he experienced in his residual limb, compounded by neuropathic pain and phantom limb pain. This was continually fluctuating and, despite improvements in function, was setting him back in his recovery. The HCML case manager researched and arranged a variety of interventions to help with pain management, leveraging his strong links with orthopaedic providers. He organised Neuromotus therapy (an innovative form of therapy that aims to reduce phantom limb pain through augmented reality software) as well as other pain management therapies such as lignocaine infusions. The case manager also arranged procedures for surgical revision to the stump to reduce secondary problems as a result of the amputation, laser hair removal to improve skin condition and reduce irritation, and cyst removal.

Having a strong programme of rehabilitation arranged by the case manager, in addition to determination on the part of both the individual and the case manager, has enabled the client to achieve some truly amazing goals. Just 6 months after the amputation, thanks to HCML the client was using his prosthesis throughout the day without use of crutches, and 2 months later he was riding a bicycle for 1.5 miles at a time. A further 2 months and he was attending the gym 3 times a week and participating in football, climbing, running and snowboarding. 18 months after the amputation, he climbed Scafell Pike (England's highest mountain), and 1 month later he climbed Ben Nevis (the UK's highest mountain).

With the support of the HCML Rehabilitation Case Manager, the client is overcoming adjustment disorder and the resulting psychological symptoms he was experiencing, making marked improvements in function and harnessing great self-belief. The client's ultimate goal is to become a Paralympian which, 3 years ago, would not have been deemed possible.








# Kelso Pharma



*A vision to build a significant, digitalised, European specialty pharma company providing innovative, cost-effective, and impactful medicines*

Mission: Bring innovative and value-adding specialty medicines to European markets, providing meaningful patient benefits and value to healthcare stakeholders

-  Improving Patient Outcomes 
-  Increasing Access to Healthcare 
-  Improving Affordability 

## Improving Patient Outcomes:

- **Direct treatment** – Provider of specialty products for individuals with serious medical conditions, improving their health outcomes
- **Regulation** – As a provider of prescription medicines, the company is highly regulated (by the MHRA/Department of Health & Social Care). The company aims to have best-in-class quality management systems, to comply fully with GDP and medical safety monitoring
- **Supply chain efficiency** – As the capabilities of the company are grown, the company plans to focus on reducing patient waiting times for medicines, which is fundamental to their outcomes and satisfaction

**2.7m**  
*patient treatments  
per annum*

**51%**  
*cost saving vs the  
originator brand  
for Cosmocol*

## Improving Affordability:

- **Mission** – Kelso was founded on the premise of providing cost-effective specialty pharmaceuticals to the healthcare system
- **Product cost** – Products provided by the initial Kelso platform (Stirling Anglian Pharmaceuticals) are significantly cheaper than originator brands in several markets. Healthcare payers (such as Clinical Commissioning Groups) therefore have the potential to make significant savings

## Increasing Access to Healthcare:

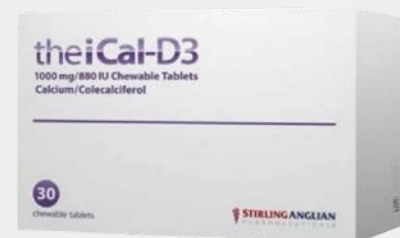
- **Cost-effectiveness** – By providing medicines which are affordable for payers, and providing additional options to healthcare professionals in managing patient treatment pathways, Kelso increases the number of patients able to receive access to such treatments
- **Supply security** – Focus on supply chain robustness, which has already enabled the company to continue supplying even when a competitor had a stock-out. This avoids the risk of patients not getting the medicines they need

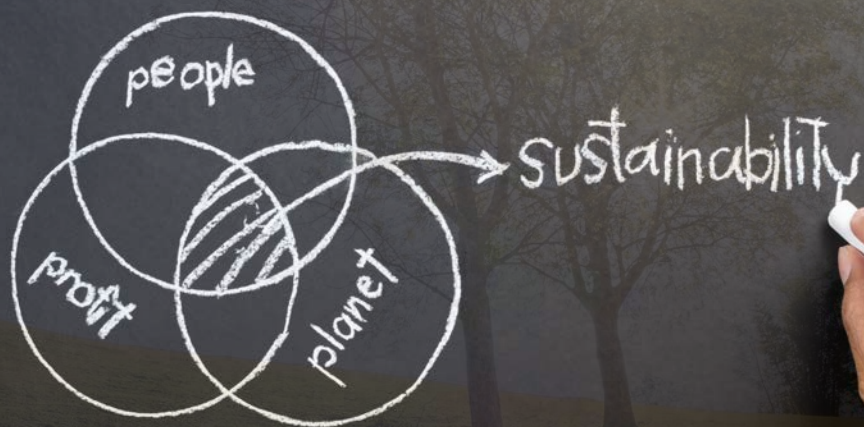
**10%**  
*of target  
markets served  
on average*



*“Our aim is to enhance value for the healthcare system by providing branded medicines that improve the lives of patients in a cost-effective and ethical way. Stirling Anglian’s business is a perfect fit with that vision and with Apposite Capital’s financial support it provides us with a UK platform from which to grow, not just in the UK but elsewhere, as we build a pan-European specialty pharma business”*

– Tom Stratford, CEO





## Other ESG areas

Health impact is the key area of impact focus for Apposite and its portfolio companies. However, Apposite also considers it to be vital to pursue best practices in regards to environmental impact, personnel management, community interaction, and overarching governance. We have outlined the key themes and actions being taken in these areas over the next pages.



Over 4,000 people are employed across the current Apposite portfolio. We recognise that these individuals are vital to the success of every portfolio company. Maintaining a satisfied, well-remunerated, diverse workforce is therefore of fundamental importance to the long term success of all of our investments.

Apposite's key objectives with respect to employees are shown in the table below, together with the indicators we have suggested that portfolio companies should track (those underlined being those we are requiring every company to report against):

Objectives	Indicators
Promote a focus on staff satisfaction and motivation	<ul style="list-style-type: none"> <li>• <u>Staff satisfaction level</u></li> <li>• <u>Employee turnover</u></li> <li>• Staff complaints</li> <li>• Absenteeism rate</li> </ul>
Ensure non-discrimination (fair treatment and diversity)	<ul style="list-style-type: none"> <li>• <u>% women at board level</u></li> <li>• <u>% women in management roles</u></li> <li>• <u>Gender pay gap</u></li> <li>• % employees with disabilities</li> </ul>
Ensure appropriate compensation, benefits and training for staff	<ul style="list-style-type: none"> <li>• Benchmarking of compensation</li> <li>• Number of staff paid a Living Wage (or equivalent)</li> <li>• Training budget per employee</li> <li>• Level of training compliance</li> </ul>
Promote positive and safe work environments	<ul style="list-style-type: none"> <li>• Average accident frequency rate</li> </ul>

Key developments with respect to employees are as follows:

- Almost all companies have introduced formal mechanisms for obtaining feedback from staff (with the others expected to do so in the near future). A highlights from recent surveys is a 92% rating from Swanton staff that it is a great place to work (vs 72% in 2019), with Swanton accounting for approximately 50% of employees across the Apposite portfolio;
- Average staff turnover across the portfolio (weighted by number of employees) is around 1.8% per month, and generally remains low compared to industry averages, especially in the social care businesses which represent the majority of employees;
- Across the portfolio, around 64% of staff are female, and the proportion of management roles occupied by women is similar, though the proportion of women in executive management remains at around 22%; and
- Apposite has established a diversity and inclusion committee, which has resulted in various initiatives with respect to the diversity of its talent pool, Apposite becoming a Level 20 member, and unconscious bias training for all Apposite staff.

It is expected that aggregated data against the indicators above will be available across the entire portfolio in 2023.



*We recognise the importance for every business to actively consider its impact on the environment actively, given the issues the world is facing. By their nature, the companies in our portfolio typically have a relatively small environmental footprint. However, more can always be done, by every business and individual.*

Apposite's key objectives with respect to the environment are shown in the table below, together with the indicators we have suggested that portfolio companies should track (those underlined being those we are requiring every company to report against):

Objectives	Indicators
Ensure appropriate use of energy, water and other materials	<ul style="list-style-type: none"> <li>• <u>kWh of energy consumed</u></li> <li>• <u>kWh of renewable energy used</u></li> <li>• Cubic metres of water used</li> </ul>
Ensure adequate waste management	<ul style="list-style-type: none"> <li>• <u>Tonnes of waste generated</u></li> <li>• <u>Tonnes of waste recycled</u></li> <li>• Tonnes of waste to landfill</li> </ul>
Pursue reduction of emissions and carbon neutrality	<ul style="list-style-type: none"> <li>• <u>Carbon emissions scope 1 (direct emissions)</u></li> <li>• Carbon emissions scope 2 (indirect emissions from purchased electricity/gas etc.)</li> <li>• Carbon emissions scope 3 (other indirect emissions)</li> <li>• Amount/% of carbon offset</li> </ul>

The two portfolio companies with the greatest environmental footprints (the social care businesses Swanton Care and Habitus, which together represent more than 70% of the portfolio's energy usage) have worked with a consultant to collect baseline data against all of the indicators above (amongst others), to set improvement targets, and to design initiatives. Key initiatives that are being enacted include:

- More efficient lighting;
- Focus on energy efficiency as a priority when replacing equipment;
- Issuance of a best practice energy/water usage guides;
- Engagement of an energy broker to procure renewable energy;
- Centralisation of waste management, with more waste to be recycled or sent for incineration to generate energy;
- Use of electric/hybrid vehicles in the corporate fleet; and
- Purchase of carbon offsets to offset emissions (which is currently done by Apposite too).

It is expected that aggregated data against the indicators above will be available across the entire portfolio in 2023.





*Many of Apposite's portfolio companies are local by their nature, providing vital local health and social care services, as well as being significant employers in some communities. It is therefore essential that these companies are embedded in, and acting in the best interests of, the communities in which they operate. Whilst this is a less directly significant area of impact for the businesses that manufacture or develop products or services that are sold internationally, these companies are key local employers in their communities and we expect them to aspire to be good corporate citizens and to be considerate of the communities in which they operate.*

Apposite's key objectives with respect to communities are shown in the table below, together with the indicators we have suggested that portfolio companies should track (those underlined being those we are requiring every company to report against):

Objectives	Indicators
Promote job creation	<ul style="list-style-type: none"> <li>• <u>Number of permanent jobs created</u></li> <li>• Number of individuals recruited</li> </ul>
Promote support for local people/businesses	<ul style="list-style-type: none"> <li>• <u>Presence of a policy with respect to sustainable supply chain</u></li> <li>• % of suppliers local to the company</li> <li>• % of services/products sold in local communities</li> </ul>
Promote charitable support, where relevant	<ul style="list-style-type: none"> <li>• <u>Amount of funds donated to/raised for charity</u></li> <li>• Number of staff hours committed for volunteering</li> <li>• Amount of pro bono services/products provided</li> </ul>

Key developments with respect to communities are as follows:

- The portfolio companies in Apposite Funds II and III have supported the creation of over 1,000 jobs since inception;
- Most of Apposite's portfolio companies have corporate citizenship programmes in some form. Within these, they work with and support charitable causes relevant to their purpose and offer time to staff to volunteer with local charities. Several companies also provide pro bono services (e.g. 1MED provides training at local universities and i2a is carrying out a significant pro bono project in collaboration with Médecins Sans Frontières). Amongst other charitable commitments, Apposite has committed 2% of carry payable in respect of Fund III to a foundation to support healthcare charities; and
- All companies have been encouraged to put in place a supplier engagement programme, such that they can work in partnership with their supply chain on sustainability issues.



*Apposite invests in companies which are often founder owned or controlled prior to investment. Regardless of their practices prior to Apposite’s investment, our goal is to encourage companies to improve, professionalise, and formalise governance structures.*

Apposite has an expectation regarding the structures and policies to be in place at every portfolio company, as shown below:

Objectives	Expected structures and policies
Ensure adequate independence of boards/committees	• Independent chairperson and members of the board
	• Audit and remuneration committees, with non-executive members
Promote appropriate risk management	• Policy and procedures for the identification and management of conflicts of interest
	• Code of conduct and code of ethics
	• Anti-bribery and corruption policy
	• Data security policy
	• Whistleblowing policy
	• Regular staff training on key policies
Promote oversight of ESG issues and company ethos/culture	• Member of senior management nominated as impact/ESG champion, responsible for oversight, planning, and reporting
	• Formal culture and ethos plan

We have worked to ensure that these structures and policies are in place for all portfolio companies. All have nominated impact/ESG champions. 60% of members of portfolio company boards are independent (i.e. not part of the executive leadership of the company), including Apposite directors.

## Appendix - Health impact objective definitions

Below we have provided a definition of each of the health impact objectives and common indicators that may be used for each:

	Definitions	Indicative Indicators
<b>Improving Patient Outcomes</b>	Ensuring the delivery of safe, effective, patient-centred care on a timely and efficient basis	<ul style="list-style-type: none"> <li>• Quality ratings from third parties</li> <li>• Number of serious incidents</li> <li>• Turnaround times</li> <li>• Revision/mortality rates</li> <li>• Results of clinical studies</li> </ul>
<b>Improving Patient Satisfaction</b>	Ensuring the comfort and happiness of patients during and after the provision of care	<ul style="list-style-type: none"> <li>• Patient feedback and complaints</li> <li>• Patient satisfaction surveys</li> <li>• Patient retention rates</li> <li>• Revision rates</li> </ul>
<b>Increasing Access to Healthcare</b>	Improving the ability of individuals in a population to receive the care they require	<ul style="list-style-type: none"> <li>• Proportion of the relevant population with access to the product/service</li> </ul>
<b>Increasing Capacity</b>	Improving the ability of the healthcare system to deliver the volumes of care required to maintain/improve population health	<ul style="list-style-type: none"> <li>• Number of facilities</li> <li>• Number of patients</li> <li>• Number of visits/appointments/ procedures</li> <li>• Occupancy/utilisation rates</li> <li>• Time savings</li> </ul>
<b>Improving Affordability</b>	Ensuring that end payers can cover the cost of required care, especially for low to middle income individuals and government organisations	<ul style="list-style-type: none"> <li>• Price benchmarking</li> <li>• Cost savings for stakeholders</li> <li>• % of revenues from government</li> </ul>
<b>Promoting Innovation</b>	Developing new products/processes to positively disrupt healthcare provision, helping to achieve the other health impact objectives	<ul style="list-style-type: none"> <li>• Number of new products/services</li> <li>• Number of patents held</li> <li>• Grants awarded/awards received</li> <li>• Scientific publications</li> </ul>

# Disclaimer

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