



2024 SUSTAINABILITY REPORT

An aerial photograph of a vast forest with a mix of green, yellow, and orange trees, suggesting autumn. A thick layer of white mist or fog hangs over the canopy, creating a dreamy atmosphere. The forest is dense and covers a large area, with some taller evergreen trees visible through the deciduous canopy.

WHAT DRIVES US TO EXPLORE?

TO EXPLORE IS TO BE FREE, BOLD AND RESILIENT. IT'S TO DARE. TO GO BEYOND THE HORIZON.

IT'S KNOWING HOW TO READ AND NAVIGATE THE SEAS, THE WINDS, THE SKIES.

IT'S SEEING A BETTER FUTURE.

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DISCLAIMER

An aerial photograph of a vast forest valley at sunrise. The sun is low on the horizon to the left, casting a warm, golden glow over the scene. Thick mist or fog fills the valleys and clings to the slopes of the forested hills. In the far distance, a range of dark, rugged mountains is visible against a pale blue sky with wispy clouds. The overall atmosphere is serene and majestic.

01 —

| MESSAGE FROM OUR CEO

MESSAGE FROM OUR CEO

As we publish our third ESG report, I want to reaffirm Explorer’s unwavering dedication to transparency and our commitment to building a responsible, resilient, and forward-looking investment business.

Over the past year, our sustained growth has not only made us proud—it has deepened our sense of responsibility to our stakeholders, our portfolio companies, and society at large. We closed 15 new investments, managed 11 active funds, and successfully raised two new Article 8 funds under SFDR. With close to €500 million in assets under management and 11 successful exits, Explorer’s impact has never been more tangible.

This growth enables us to extend our positive influence. In 2024 the funds were able to distribute 80.6M€ (32% of the fair value of portfolio companies at the end of 2023) to investors and invested 111.6M€ in portfolio companies. These figures reflect our continued ability to create value while reinvesting in future growth.

We are particularly proud to be expanding our ESG efforts. The launch of two Article 8 funds underscores our commitment to sustainability. Our hospitality fund has already acquired two assets that are being operated under rigorous ESG policies and procedures. Moreover, we remain vigilant in monitoring our own environmental impact. Notably, our new offices are powered entirely by renewable electricity.

Our people remain at the core of everything we do. We are currently developing a new training framework to be implemented in 2025, which will

prioritize leadership development, cross-functional collaboration, and long-term career progression.

Giving back to our community is also central to who we are. We have committed to donating 10% of our net profits annually to educational initiatives that promote meritocracy and excellence. This year, we awarded five merit-based scholarships and seven academic prizes to students in schools and universities.

As we look ahead, we recognize there is more work to be done. However, we remain steadfast in our belief that responsible investment is not only a moral imperative but also a driver of long-term value. In an era marked by uncertainty and global challenges, Explorer is prepared to lead by example—building resilient companies and creating meaningful, lasting impact.

Thank you for your continued trust and partnership.



Elizabeth Rothfield
CEO & Founder

A wide-angle photograph of a rugged coastline. In the foreground, a steep, rocky cliffside covered in low-lying vegetation slopes down towards the ocean. The ocean is a deep blue, with white-capped waves crashing against dark, jagged rock formations. A large, billowing cloud of white foam is visible in the lower-left foreground. In the background, a large, dark mountain rises above the sea, its peaks partially obscured by thick, white clouds. The sky is a clear, vibrant blue. The overall mood is dramatic and powerful.

02 —

EXPLORER OVERVIEW

HISTORY —

EXPLORER INVESTMENTS

stands as one of the most experienced and reputable private equity firms in Southern Europe, with a legacy spanning over two decades.



Since its founding, Explorer has played a pivotal role in shaping the private equity landscape in Portugal and beyond, consistently identifying and nurturing high-potential companies across a broad spectrum of industries.

Leveraging deep sector knowledge, rigorous investment discipline, and an entrepreneurial mindset, Explorer has successfully managed and deployed multiple funds, driving long-term value creation for investors and portfolio companies alike. Its enduring commitment to excellence, governance, and strategic growth has enabled the firm to build lasting partnerships with management teams, co-investors, and institutional stakeholders.

Through its track record of successful investments, exits, and operational improvements, Explorer has demonstrated a unique ability to navigate market cycles, unlock hidden value, and contribute meaningfully to the development of the private equity ecosystem. Today, Explorer continues to lead with insight, integrity, and innovation—anchored in a rich history and driven by a clear vision for the future.

2003

- Incorporation of Explorer

2004

- Explorer I Fund raised

2007

- Explorer II Fund raised

2009

- Explorer III Fund raised

2012

- Investment advisor to Discovery Portugal Real Estate Fund

2013

- FRN Fund raised

2018

- Signatory of the United Nations Principles for Responsible Investment
- Definition of Responsible Investment Policy

2019

- EGF II raised
- Explorer IV Fund raised

2020

- Responsible Investment Policy updated
- EGF III raised

2021

- Hired ESG Manager
- EGF IV raised

2022

- ESG Framework launched
- 1st annual ESG Survey
- EGF V raised

2023

- ESG scoring system developed
- EGF VI raised
- First ESG report published

2024

- Explorer V (art. 8 SFDR) raised
- Hospitality Fund (art. 8 SFDR) raised

22

years in the market

40+

experienced professionals

~1095M€

capital raised

~100

investments

DISCOVERY PORTUGAL REAL ESTATE FUND

Explorer Advisors acts as the advisor to Discovery Portugal Real Estate Fund, one of the largest and most diversified real estate investment vehicles in Portugal.

With a **Gross Asset Value (GAV) exceeding 1 300 M€**, the fund holds a robust portfolio of **more than 40 assets**, including **19 hotels currently in operation**, **9 Real Estate properties** and **5 golf courses** strategically located across Portugal's most sought-after destinations—from the Algarve to the North of Portugal, including Lisbon and the Azores.

Through its hands-on approach, Explorer works closely with **Discovery Hotel Management (DHM)**, the fund's dedicated hotel management company, to actively manage and enhance the performance of the assets. A central pillar of this strategy is **sustainability**, with continuous efforts directed at reducing environmental impact, improving energy efficiency, and promoting socially responsible tourism practices.

DHM has successfully positioned the portfolio with a mix of boutique hotels, resorts, and urban properties, each offering authentic guest experiences while maintaining a strong commitment to operational excellence and sustainability goals.

To learn more about the hotels and management strategy, visit:
<https://www.dhmportugal.com>

EXPLORER AT A GLANCE —

BUSINESS IN 2024

15

new investments

11

funds in activity

2

funds raised - article 8 (SFDR)

11

exits



54

portfolio companies

~500M€

in AUM

~1.2B€

in revenue from portfolio companies*

~7 000

jobs supported by our portfolio companies*

* Data from 2023

STAFF

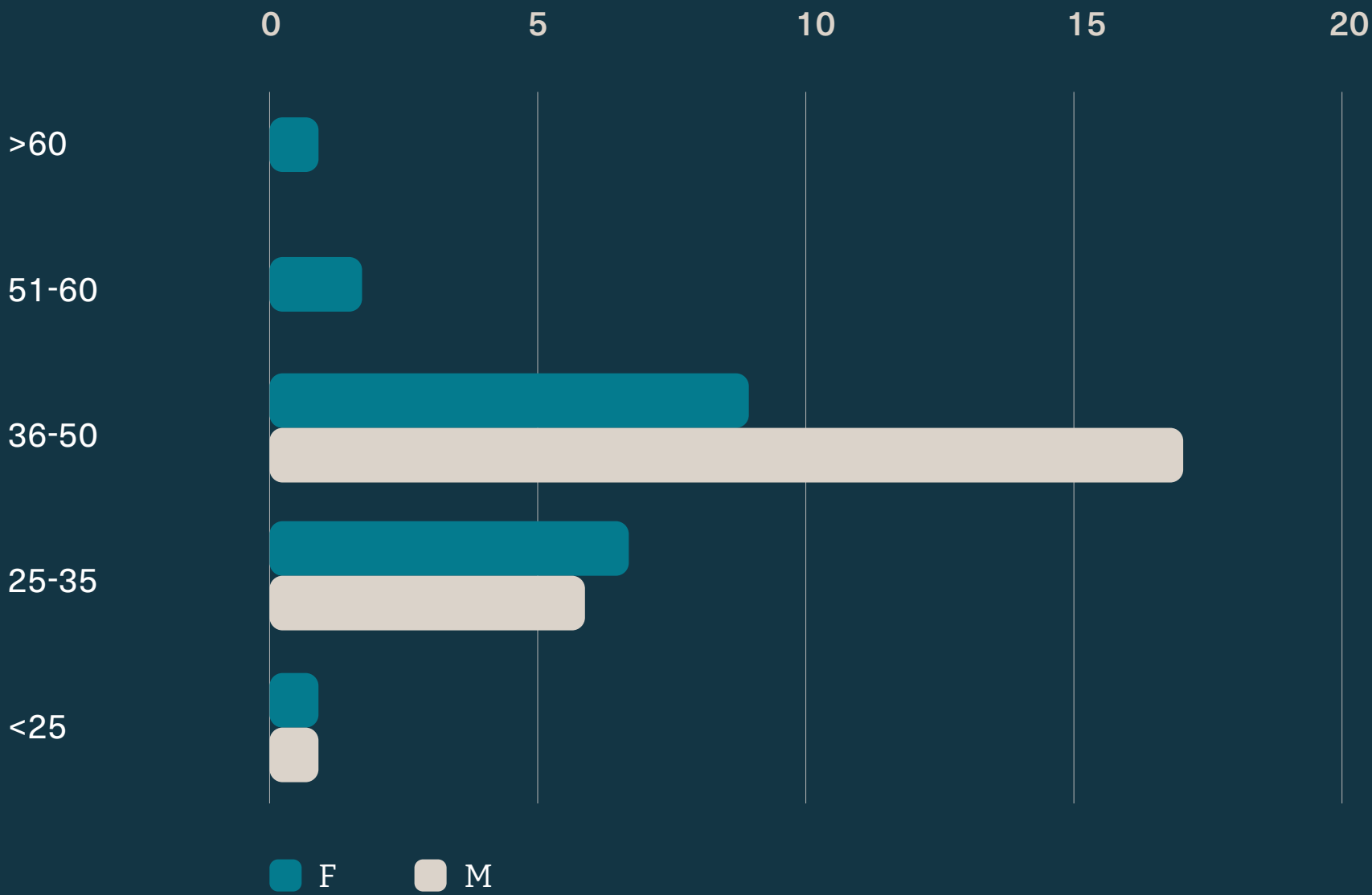
44
employees

6
new hires

100%
of investment team
attended ESG/Responsible
Investment training

2%
employee turnover

Employees by age group



SOCIAL RESPONSIBILITY

2

Explorer Excellence
Master’s Scholarship
at Nova SBE

1

Erasmus scholarship for
ISEG Business School
undergraduate students

5

Explorer Excellence
Merit Prizes to master’s degree
students at Universidade
Católica Portuguesa

2

Explorer Excellence
Merit Prizes to undergraduate
students at Universidade
Católica Portuguesa

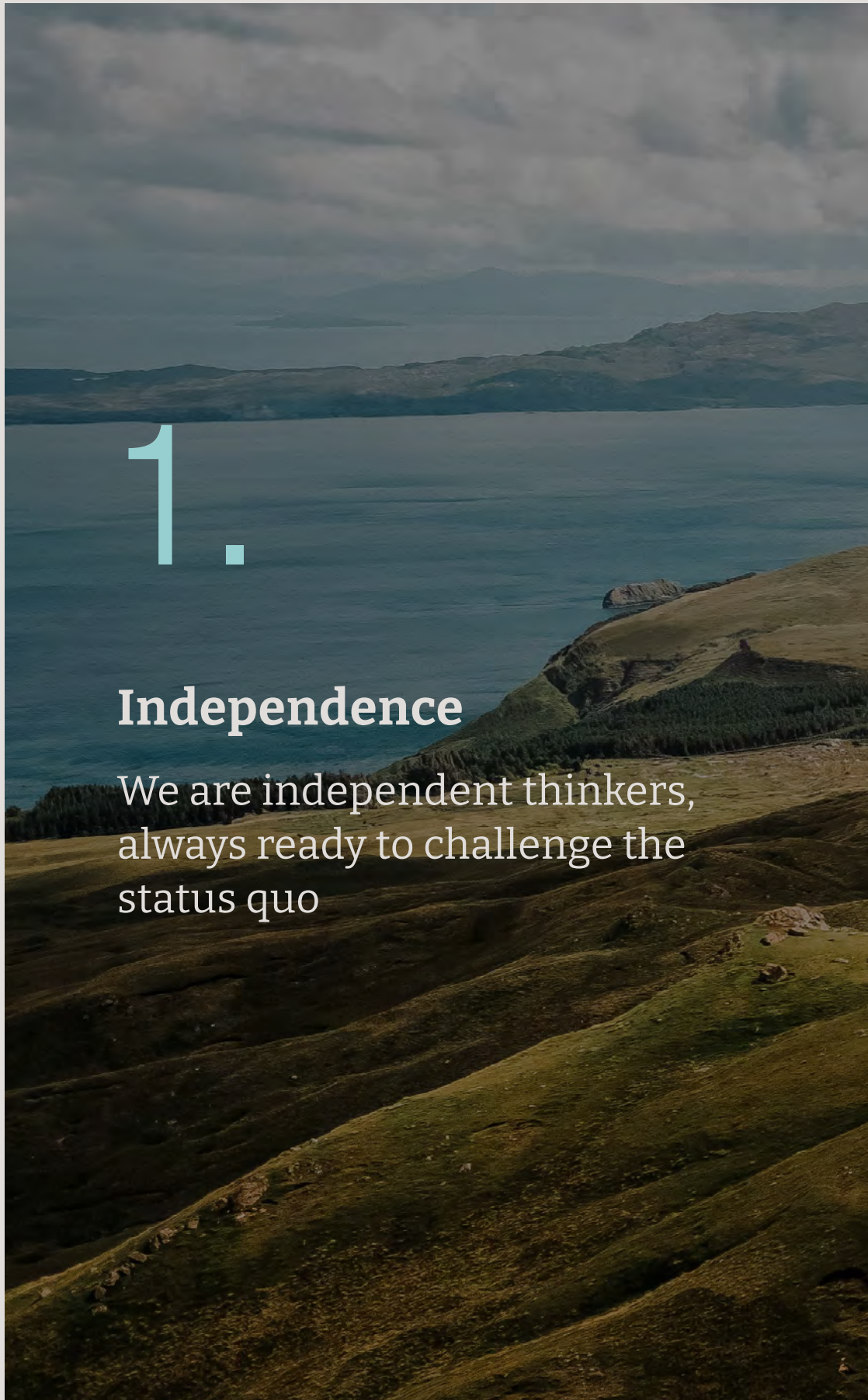
3

Education Scholarships
for students
in financial need



OUR VALUES —

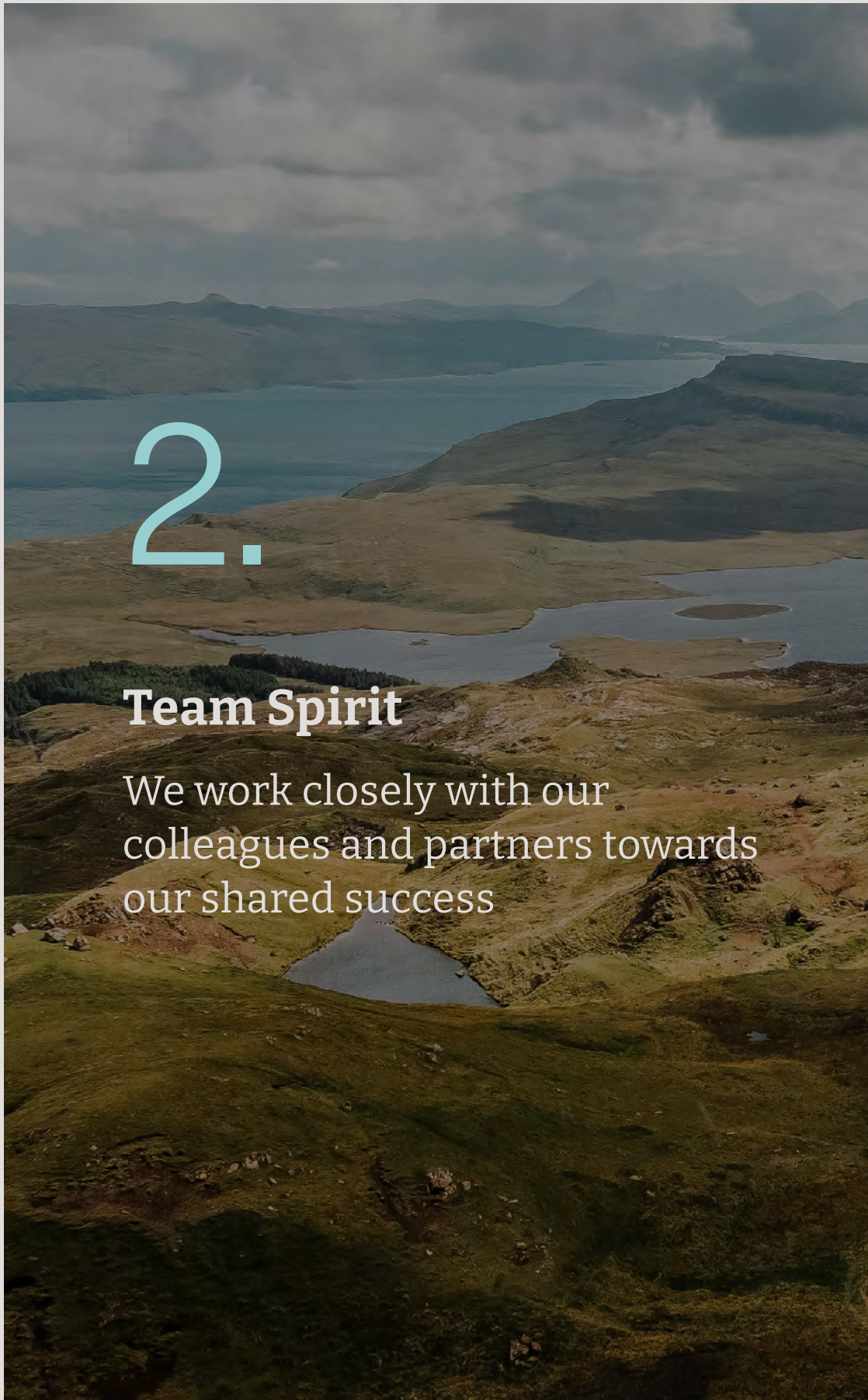
Generosity encompasses all our values, guiding how we think, collaborate, and overcome challenges together.



1.

Independence

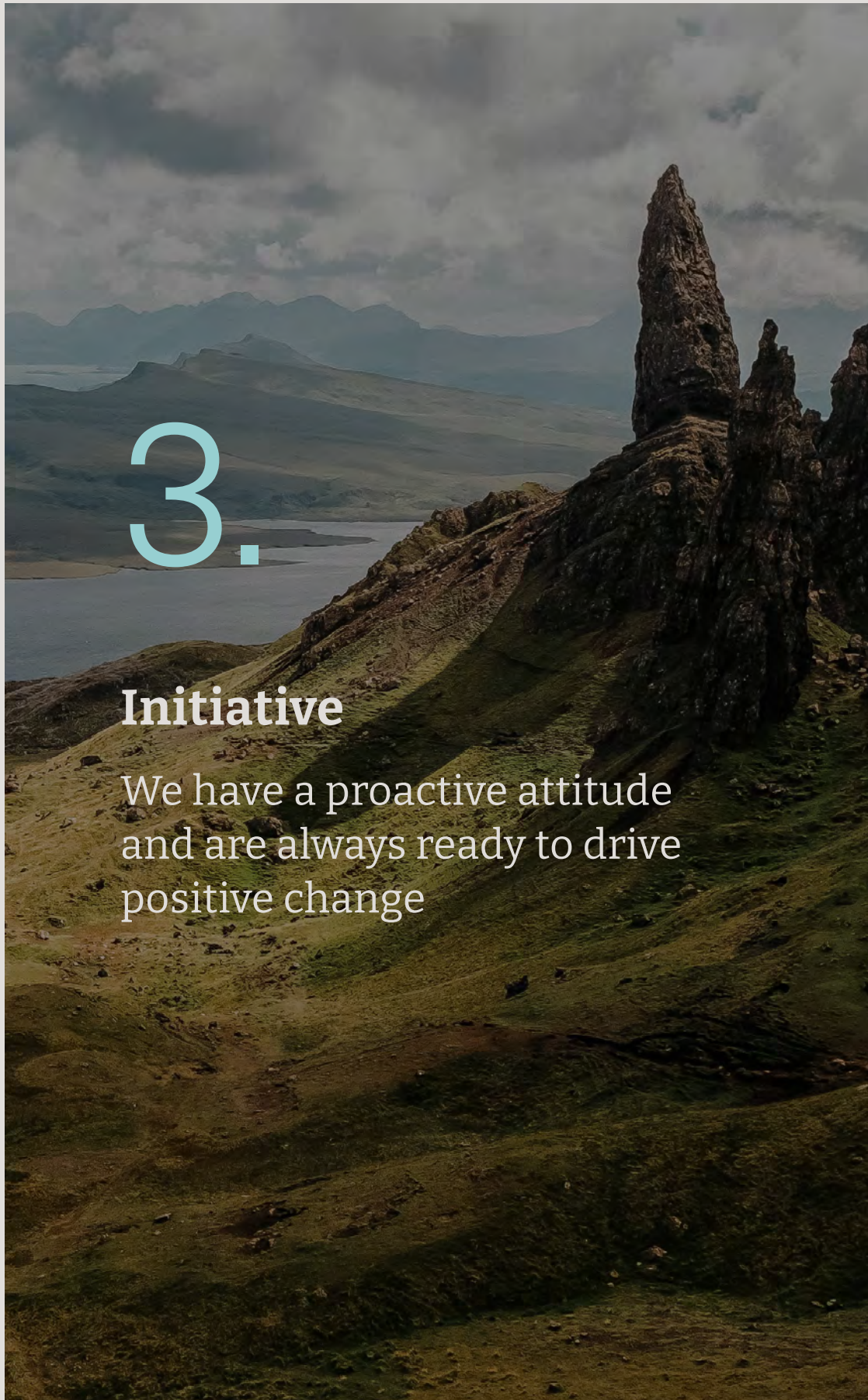
We are independent thinkers, always ready to challenge the status quo



2.

Team Spirit

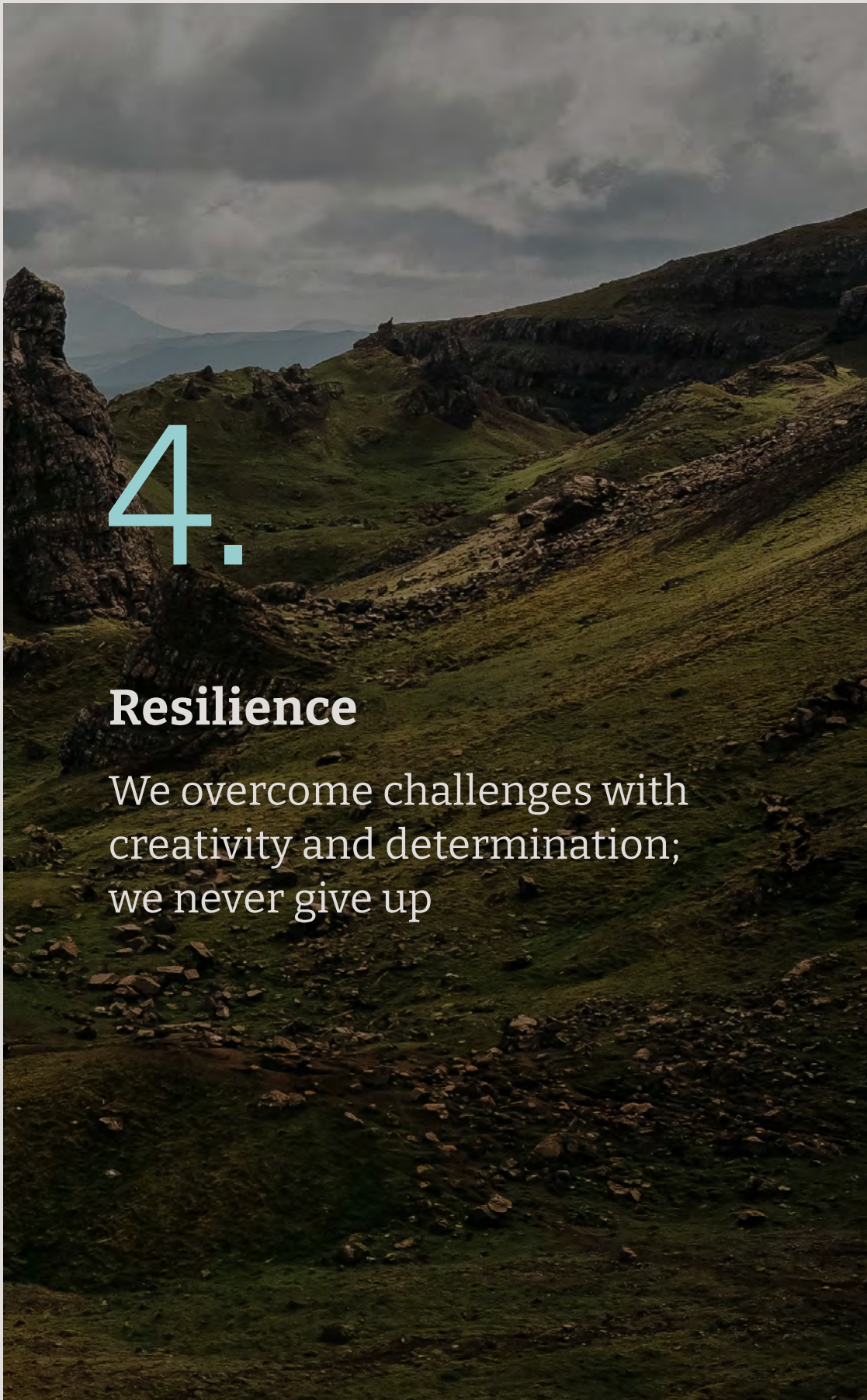
We work closely with our colleagues and partners towards our shared success



3.

Initiative

We have a proactive attitude and are always ready to drive positive change



4.

Resilience

We overcome challenges with creativity and determination; we never give up

COLLABORATION —

Explorer has been a signatory of the United Nations Principles for Responsible Investment since 2018.

The six basic Responsible Investment principles govern our approach to investment and the development of a more responsible financial system.

As a signatory of the United Nations Principles for Responsible Investment, Explorer commits to the following:

- 1

We will incorporate ESG issues into investment analysis and decision-making processes.
- 2

We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3

We will seek appropriate disclosure on ESG issues by the entities in which we invest.

- 4

We will promote acceptance and implementation of the Principles within the investment industry.
- 5

We will work together to enhance our effectiveness in implementing the Principles.
- 6

We will each report on our activities and progress towards implementing the Principles.



UNPRI (United Nations Principles of Responsible Investment) is an international organisation which works to promote responsible investment through the incorporation of ESG factors in investment decisions and to support its international network of signatories in this process.



APCRI – Associação Portuguesa de Capital de Risco e Desenvolvimento is the organisation that represents venture capital in Portugal. Its mission is to protect the common interests of venture capital investors.



Invest Europe is the world’s largest association representing Europe’s private equity, venture capital and infrastructure sectors, as well as their investors, including major pension funds and insurance companies. Its mission is to build global understanding of venture capital, enabling its members to improve their asset management, and generate higher returns for their investors.



BCSD Portugal is a non-profit association representing over 140 renowned companies in Portugal, which are actively committed to the transition to sustainability. Created in 2001, it has strong sector representation and includes different size companies, ranging from PSI 20 listed to other smaller companies.

ESG APPROACH —



At **Explorer**, we are guided by a conviction that responsible management – rooted in an understanding of the material aspects of each business – is essential to long-term value creation. We believe that sustainability is not only a matter of compliance or ethics, but a driver of performance, resilience, and opportunity.

Grounded in our value of **Independence**, we take a deliberate and informed approach to Environmental, Social, and Governance (ESG) factors, progressively and rigorously integrating them across all stages of our investment process. This ensures that we remain aligned with our fiduciary duty while cultivating investment portfolios that are resilient and well-positioned to thrive in the face of evolving global challenges.

Resilience is central to our philosophy. By embedding ESG considerations into our risk management frameworks, we help our portfolio companies anticipate and mitigate issues such as regulatory liabilities, operational inefficiencies, and reputational risk. Equally, we recognize the role of ESG in enabling innovation, operational excellence, and sustainable competitive advantage.

As a firm, we live our values. Our **Team Spirit** drives us to work collaboratively across all functions to ensure that our internal practices reflect the same principles we promote externally. We are committed to fostering a healthy and inclusive work environment where our people are empowered and engaged. We have calculated our carbon footprint and continue to implement measures to reduce our environmental impact, particularly across our office operations.

The value of **Initiative** is deeply embedded in Explorer’s culture. We support and lead multiple social responsibility initiatives, including programs that promote education and career opportunities for students in the financial sector. Through these efforts, we seek not only to give back to society, but also to inspire the next generation of professionals committed to sustainable finance.

In every step we take, we aim to ensure that Explorer’s culture, actions, and footprint reflect our ESG commitments – contributing positively to the communities in which we operate and building a more sustainable future for all.

An aerial photograph of a dense forest, likely a mountain range, covered in mist or low clouds. Sunlight rays (crepuscular rays) are visible, streaming down from the top of the frame through the canopy of evergreen and deciduous trees. The overall color palette is warm, with golden yellows and oranges from the light, contrasting with the deep greens of the forest.

03 —

| RESPONSIBLE INVESTMENT

ESG INTEGRATION —

ESG PRIORITIES

Since 2018, Explorer has been actively mapping its Environmental, Social, and Governance (ESG) priorities.

This initiative is grounded in best market practices, our extensive experience in investment management, and a thorough understanding of the evolving ESG landscape within the Portuguese market.

To establish a robust ESG framework, we have facilitated a series of internal workshops engaging the Board of Directors, investment teams, and dedicated sustainability professionals. These collaborative sessions have enabled us to identify and define key ESG factors to be implemented, monitored, and evaluated throughout the lifecycle of each investment, where applicable and materially relevant.

Our ESG approach is further refined by integrating material factors tailored to the specific context and operational realities of each portfolio company. In identifying these material ESG aspects, we leverage the combined expertise of our team alongside guidance from internationally recognized standards and frameworks, including the Sustainability Accounting Standards Board (SASB) and MSCI, Inc. (Morgan Stanley Capital International).

The ESG criteria identified serve as the cornerstone of our ongoing engagement with portfolio companies and are progressively embedded within our investment decision-making and monitoring processes. This approach reflects our commitment to driving sustainable value creation across our portfolio, aligned with evolving market expectations and stakeholder interests.



/ ENVIRONMENT



Energy and production efficiency



Plastic, water, and paper consumption reduction



Environmental pollution reduction

/ SOCIAL



Creation of a healthy working environment



Social awareness



Continuous employee development

/ GOVERNANCE



Ethics



Robust internal supervision



Duly skilled Board of Directors

RESPONSIBLE INVESTMENT PROCESS

Explorer has developed a comprehensive internal ESG framework to integrate sustainability considerations throughout the investment lifecycle.

This framework was designed to equip our investment teams with practical tools that identify and manage ESG risks and opportunities at every stage of the process.

The framework includes the Risks & Opportunities (R&O) tool, which prompts analysts to flag significant risks, opportunities, scandals, controversies, and adherence to Explorer’s exclusions list. It also incorporates the Due Diligence (DD) tool — a detailed survey of approximately 40 questions that assesses companies across the three ESG pillars. The DD survey is used both at the due diligence stage and annually for ongoing ESG monitoring.

This structured approach allows us to assess a company’s ESG maturity, track progress over time, and benchmark performance relative to peers. Scores are adjusted based on the company’s context and materiality — for example, emissions monitoring is not applicable to office-based businesses.

We are currently applying this ESG framework to the assets within the two green funds that Explorer actively manages under Article 8 (SFDR), while progressively extending its application across our remaining funds.



ESG GOVERNANCE

Explorer’s ESG Governance model underscores our commitment to integrating sustainability at every level of our organisation. Through strong leadership, collaborative processes, and continuous engagement, we aim to drive positive impact while delivering sustainable financial returns.

At the core of our sustainable investment strategy lies a robust governance framework that ensures transparency, accountability, and alignment with our ESG (Environmental, Social, and Governance) commitments.

Our Board of Directors provides overarching guidance and strategic oversight for both financial and non-financial performance. The Board appoints the Executive Committee, which is entrusted with authority to make investment decisions aligned with our long-term objectives and ESG values.

The Board also receives regular reports from the Chief Operating Officer (COO), ensuring that ESG-related risks and opportunities are embedded in operational and investment activities.

The Executive Committee serves as the central decision-making body on investment matters. Its decisions are informed by a comprehensive ESG analysis and are designed to create long-term value for stakeholders.

The COO, supported by the ESG Manager, oversees the integration of ESG principles across our operations and portfolio. The ESG Manager maintains a direct reporting line to the COO, providing detailed updates on ESG performance, risk assessments, and stakeholder engagement outcomes.

In turn, the COO consolidates and escalates ESG insights to the Board of Directors, ensuring ESG performance remains a core component of executive oversight.

A cornerstone of our sustainability approach is the collaboration between the Investment Team and the ESG Manager. This partnership ensures that ESG considerations are embedded into the investment lifecycle—from due diligence to ownership and exit. This collaborative model fosters innovative, responsible investment practices and enhances portfolio resilience.

Our Portfolio Companies are critical stakeholders in executing our ESG strategy. Both the Investment Team and the ESG Manager engage with portfolio companies through continuous communication and support mechanisms. This two-way dialogue allows us to monitor progress, identify emerging risks, and unlock value through sustainability-led transformation.



PORTFOLIO COMPANIES —

At Explorer, we are strongly committed to fostering continuous improvement in ESG maturity across our portfolio companies. We believe that integrating robust environmental, social, and governance practices is essential not only for sustainable growth but also for creating long-term value.

As part of this commitment, we engage with each portfolio company annually through our comprehensive ESG survey. This year, between December 2024 and March 2025, we conducted our third Annual ESG Survey, designed to assess a broad range of practices including ESG governance and oversight, overall ESG maturity, monitoring of standard industry KPIs—both environmental and social—as well as climate change-related initiatives.

The survey provides us with valuable insights into each company's current ESG performance and areas for development. After collecting and analyzing the responses, we share detailed results and customized recommendations with each company. This collaborative feedback process helps companies identify strengths and gaps, enabling them to prioritize improvements effectively.

Moreover, the findings from the survey inform the definition of future ESG strategies and the setting of specific KPI targets, ensuring that ESG considerations are embedded into the active management of each investment. Our approach encourages transparency, accountability, and continuous progress, aligning portfolio companies with best practices and evolving stakeholder expectations.

Through this ongoing engagement, we aim to support our companies in building resilient, responsible businesses that contribute positively to society and the environment, while also delivering sustainable financial returns.



→ Manufacturing

Adla Aluminium
Bial
Crivedi
Eurogalva
Fapajal
Fastinov
ForTeams Lab
Gosimac
Guarnição
Hovione
Iberomassa
JJ Teixeira
Marizé
Medinfar
MM Metalica
Moldit
Nortempera
PortoCanna
Sici93
Scorecode
Texamerica
Valerius
Vicoustic

→ Construction

Nogueira Fernandes
CME

→ Wholesale & Retail

Clube Fashion
Compracá
Exaktus
Grupo Celeste
Magos Irrigation Systems
Ramiro Leathers
Skypro
Throttleman
Undandy

→ IT & Communications

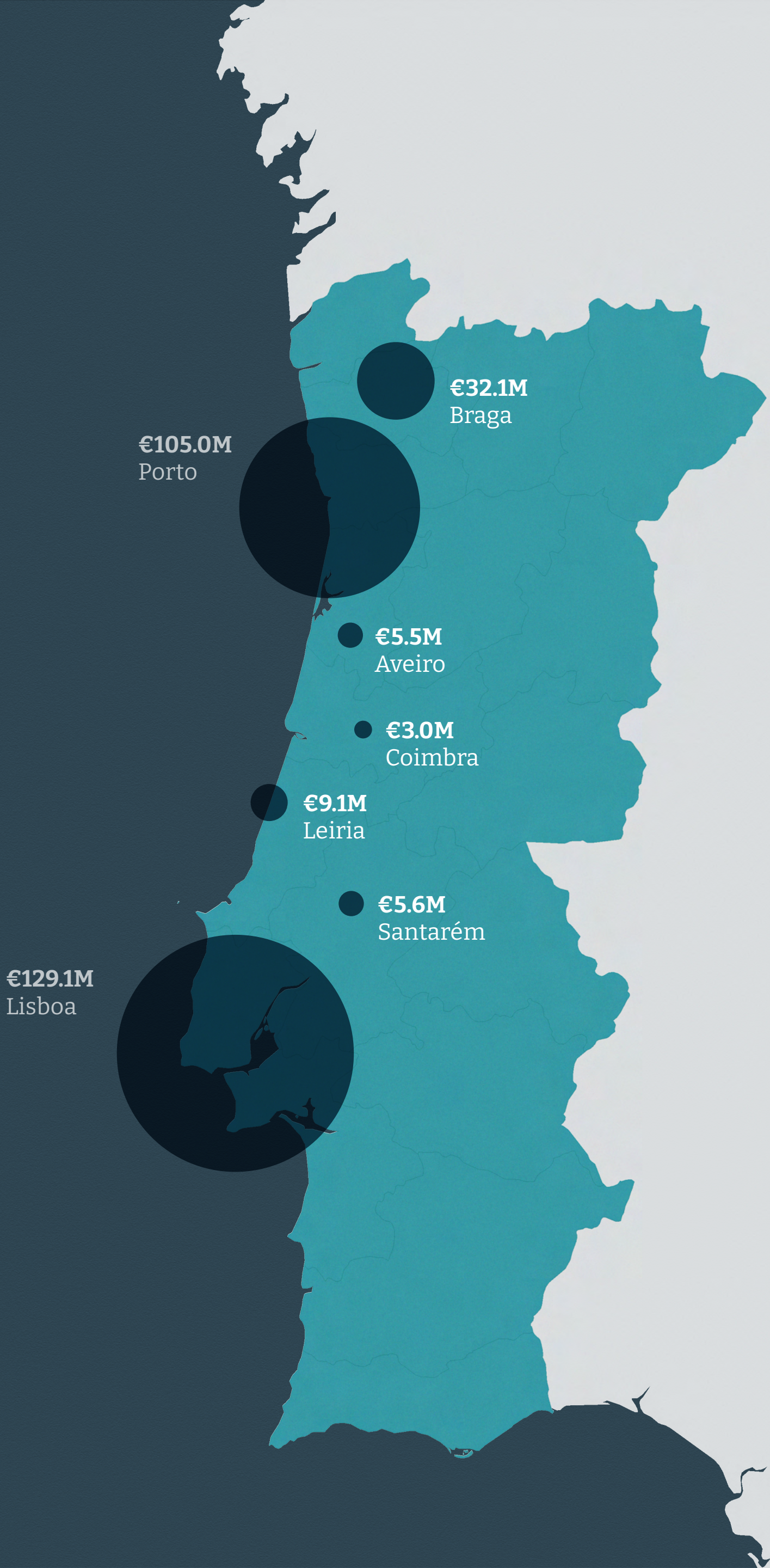
Devscope
Ethiack
Glintt
Ndrive
Nexbitt
Sensei
Rows
Unbabel
Uphill

→ Professional, Scientific & Technical Activities

BERD
DFK
Grow Energy
Grupo Your

→ Other Services

Biogerm
Bhout
Codeforall
eSelf AI
Jove EU
Knok
Lxbio
MOP



In 2024, our portfolio companies continued to demonstrate a strong commitment to advancing their sustainability practices across critical dimensions. Building on the steady progress observed in previous years, this year's data confirms that sustainability is increasingly embedded in operational priorities, with particular emphasis on certified management systems, employee engagement, and environmental monitoring. These areas reflect not only compliance but a proactive approach to long-term value creation and responsible business conduct.

As we look ahead, our focus will remain on fostering **ambitious yet practical sustainability leadership**, ensuring that our portfolio companies not only adapt to change—but actively help shape a more resilient and responsible economy.

● → Value of investments by District

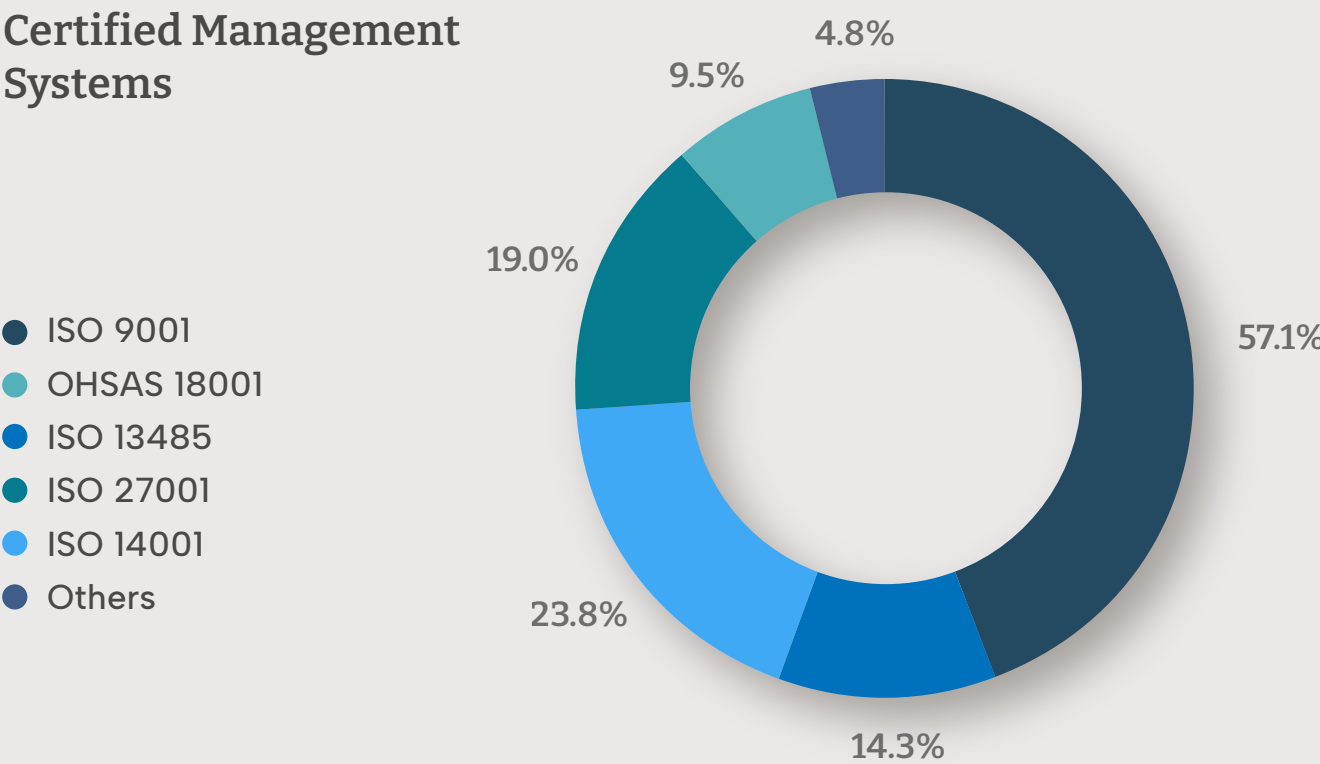
Strengthening Management Systems Through Certification

A notable and sustained area of maturity within the portfolio lies in the adoption of **certified management systems**. This year, ISO 9001 (Quality Management) remained the most widely implemented standard, present in 57.1% of responses, reflecting the priority companies place on quality assurance and continuous improvement.

These figures reaffirm the positive trajectory observed in recent years: in 2024 76% of companies held at least one certification, up from 71% in 2023 and up from 60% in 2022. While this year’s data suggests a stabilization of that growth, the broad uptake of internationally recognized certifications remains a strong indicator of operational maturity.

Importantly, as sustainability expectations evolve, future emphasis should be placed on broadening the scope of certifications—particularly in areas such as **information security (ISO 27001)** and **anti-bribery compliance (ISO 37001)**, which currently show limited adoption. At Explorer we will continue to promote the adoption of these standards and best practice in these standards to ensure our portfolio companies are best prepared to face future governance challenges.

Certified Management Systems



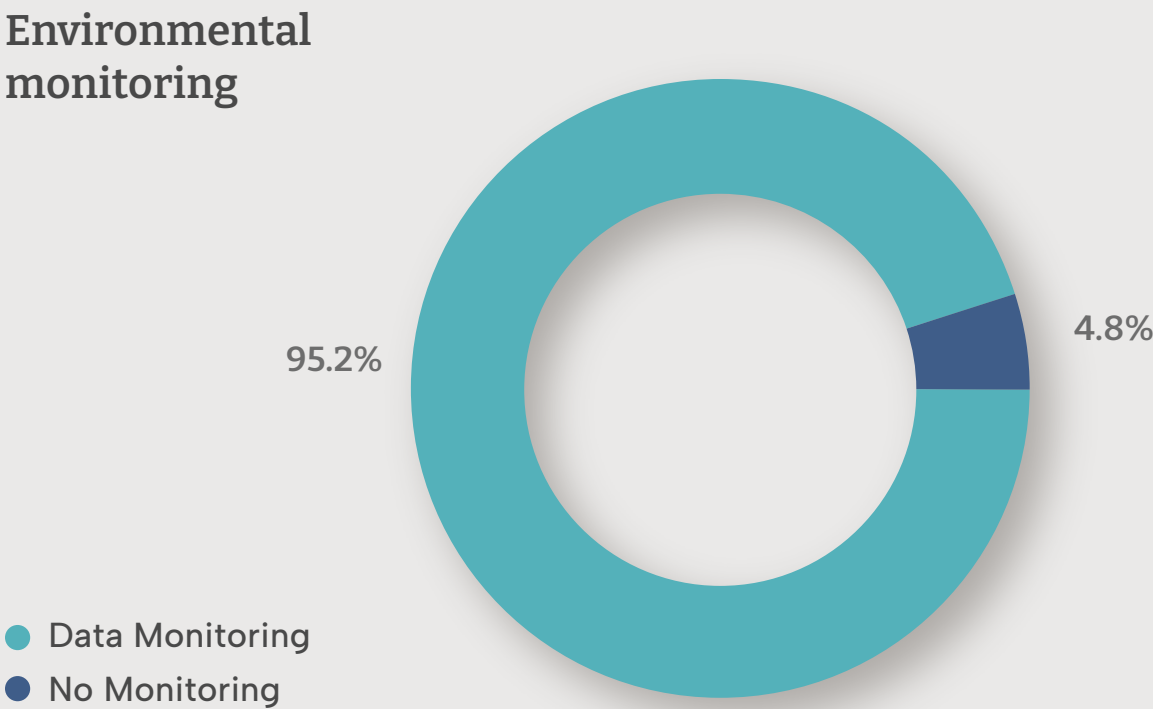
Empowering People Through Employee Engagement

Human capital remains at the heart of sustainable transformation. This year’s results reveal that over **85% of portfolio companies** actively engage employees through **training initiatives** and **involvement through employee surveys**. Training alone accounted for 81.0% of engagement, while more than half of respondents (52.4%) combined it with employee surveys: a clear signal that many companies are advancing beyond compliance and investing in meaningful dialogue with their teams.

Surveys are a particularly valuable tool, as they offer insights into employee perceptions, foster transparency, and support continuous improvement. The growing integration of surveys alongside training reflects a maturing approach to engagement, where companies not only inform but also listen.

However, the data also reveals that **14.3% of companies reported no engagement initiatives**, which represents a slight decline compared to the **93% engagement rate reported in 2023**. This drop underscores the need to **reinvigorate inclusive engagement strategies**, ensuring all employees—regardless of function or location—are equipped and empowered to contribute to sustainability goals.

Environmental monitoring

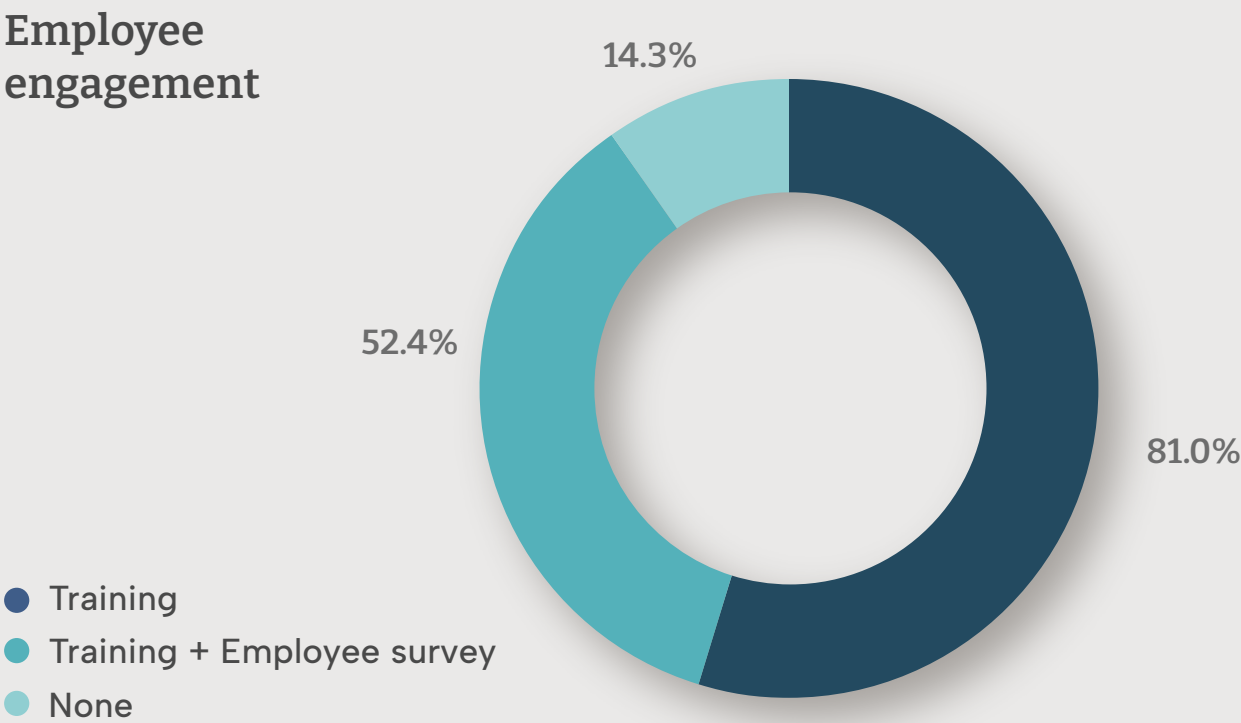


Environmental Monitoring as a Core Operational Practice

Perhaps the most encouraging finding from this year’s survey is the **near-universal implementation of environmental monitoring practices**, now present in **95.2% of portfolio companies**. This marks a continued upward trend from 89% in 2023 and 65% in 2022, showcasing a deliberate and effective push toward environmental accountability.

By incorporating data-driven approaches to monitor key environmental parameters, companies are not only complying with regulatory expectations but also equipping themselves with the tools to manage risk, identify efficiencies, and track progress against their sustainability goals. The consistency of this growth underscores the portfolio’s increasing readiness to adopt more advanced environmental performance frameworks and disclosures in the near future.

Employee engagement



While progress has been made in many ESG areas, there are still specific aspects where Explorer’s portfolio companies need to focus on further development:

• **Materiality Analysis:**

Only about 20% of portfolio companies have completed a formal materiality assessment. This indicates that many companies have yet to fully integrate this essential process into their ESG strategies, possibly due to limited resources, expertise, or prioritisation.

• **Carbon Footprint:**

The number of portfolio companies calculating their carbon footprint has decreased compared to the previous year, with most companies still not measuring their emissions. This decline may reflect difficulties in data collection, lack of standardised methodologies, or resource constraints, particularly for smaller or less mature companies within the portfolio.

Explorer is committed to working closely with our portfolio companies to overcome these challenges by providing tailored support, sharing best practices, and encouraging the adoption of robust ESG frameworks to enhance overall ESG maturity.



CASE STUDIES —

Devscope

Company name	. Devscope
Sector	. IT & Communications
Head Office	. Porto
Staff	. 157
Turnover	. 9.1 M€
Investment Amount	. 36.3 M€
Date	. Jun. 2023
Fund	. Explorer IV, EGF III, IV e V
Website	. https://devscope.net

Awards and Certifications



About the company

DevScope is a strategic partner that transforms data into action plans, helping organizations tackle challenges and stay competitive. Specializing in data management optimization, it enables informed decision-making, competitive advantages, and sustainable growth. With a global and diverse client base, DevScope has a strong track record in recommending and implementing data technologies across sectors such as retail, healthcare, real estate, and industry. Committed to innovation, it works with cutting-edge systems to deliver excellence and impactful business results.

Sustainability background

DevScope has taken an important step in its sustainability journey, focusing on the material topics according to the **SASB** (Sustainability Accounting Standards Board) standard to guide its practices and strategies.

Environmental: DevScope has conducted an assessment of the environmental footprint of its hardware infrastructure, as well as energy consumption in offices and **Data Centers**, aligning with SASB guidelines with the goal of reducing its environmental impacts. This effort reflects the company's commitment to minimising its ecological footprint and promoting more sustainable practices.

Social: DevScope has a strong commitment to **Diversity, Equity, and Inclusion**, implementing inclusive recruitment programs and initiatives that increase diversity within the team. In addition, the company invests in the well-being of its employees, offering mental health programs with an **NPS of 45%**. Regarding community involvement, the **DevScope Academy** collaborates with **Universities and Colleges**, supporting internship projects, merit scholarships, and various solidarity initiatives.

Governance: DevScope adopts strict policies on **Ethics and Transparency**, data protection, and risk management, with a special focus on information security and intellectual property protection, ensuring compliance with standards and preventing breaches. Devscope is currently in the process of implementing the ISO27001:2022 standard, with the goal of obtaining certification by the end of 2025.

CASE STUDIES —

Magos Irrigation Systems

Company name	. Magos Irrigation Systems
Sector	. Wholesale & Retail
Head Office	. Salvaterra de Magos
Staff	. 120
Turnover	. 24.6 M€
Investment Amount	. 7.2 M€
Date	. Jan. 2023
Fund	. Explorer IV
Website	. https://www.magos.pt/en

Awards and Certifications



About the company

Magos IS is a leading company in the sector, offering irrigation solutions to its clients. The company operate across three main business areas, Turnkey Irrigation Projects, Sale of irrigation equipment & accessories and After-sales technical support for clients.

Operating mainly within Portugal, with projects and clients in Spain, Magos has facilities strategically located across the country: Salvaterra de Magos (Headquarters, warehouse and production unit); Beja (Warehouse and office) and Vila Real (Office).

Sustainability background

Magos’s sustainability journey started with a **materiality analysis**, which helped identify and prioritise the most relevant sustainability issues to Magos's stakeholders and long-term success. This structured program included five online workshops involving key internal stakeholders from finance, HR, operations, and project management.

Among the themes considered, two emerged as material: **Business Model Resilience** and **Labour Practices**.

Business Model Resilience focuses on Magos’s ability to maintain continuity and growth amid market changes and external crises. As a result of the materiality exercise, a number of actions are on-going and have been implemented. These include the expansion of the existing risk map within the Quality Management System (ISO 9001), the review of warranties for works and equipment included in proposals—alongside updates to both the proposal and project delivery templates—the analysis of procurement policy options, the request for Life Cycle Assessment (LCA) information from suppliers, and the definition of decarbonisation measures.

Labour Practices reflects Magos’s commitment to fostering safe, inclusive, and development-focused workplaces. As a result of the materiality assessment, several initiatives were identified to strengthen internal practices. These include the periodic review of competitive benefits, the development of an Occupational Health and Safety Policy, the implementation of annual performance evaluations, the creation of an employee engagement policy, and the rollout of an organisational climate survey.

Other topics were assessed during the materiality process but did not rank as critical at this stage. This focused approach allows Magos to channel resources toward the most impactful initiatives.

04 —

ESG AT EXPLORER



OUR PEOPLE —

At Explorer, our people are our most valuable asset.

Our success is deeply rooted in the expertise, engagement, and cohesion of our team, individuals who bring not only outstanding professional qualifications but also a shared commitment to our values. We believe that our ability to deliver long-term value to investors and portfolio companies depends on the strength, development, and well-being of our team.

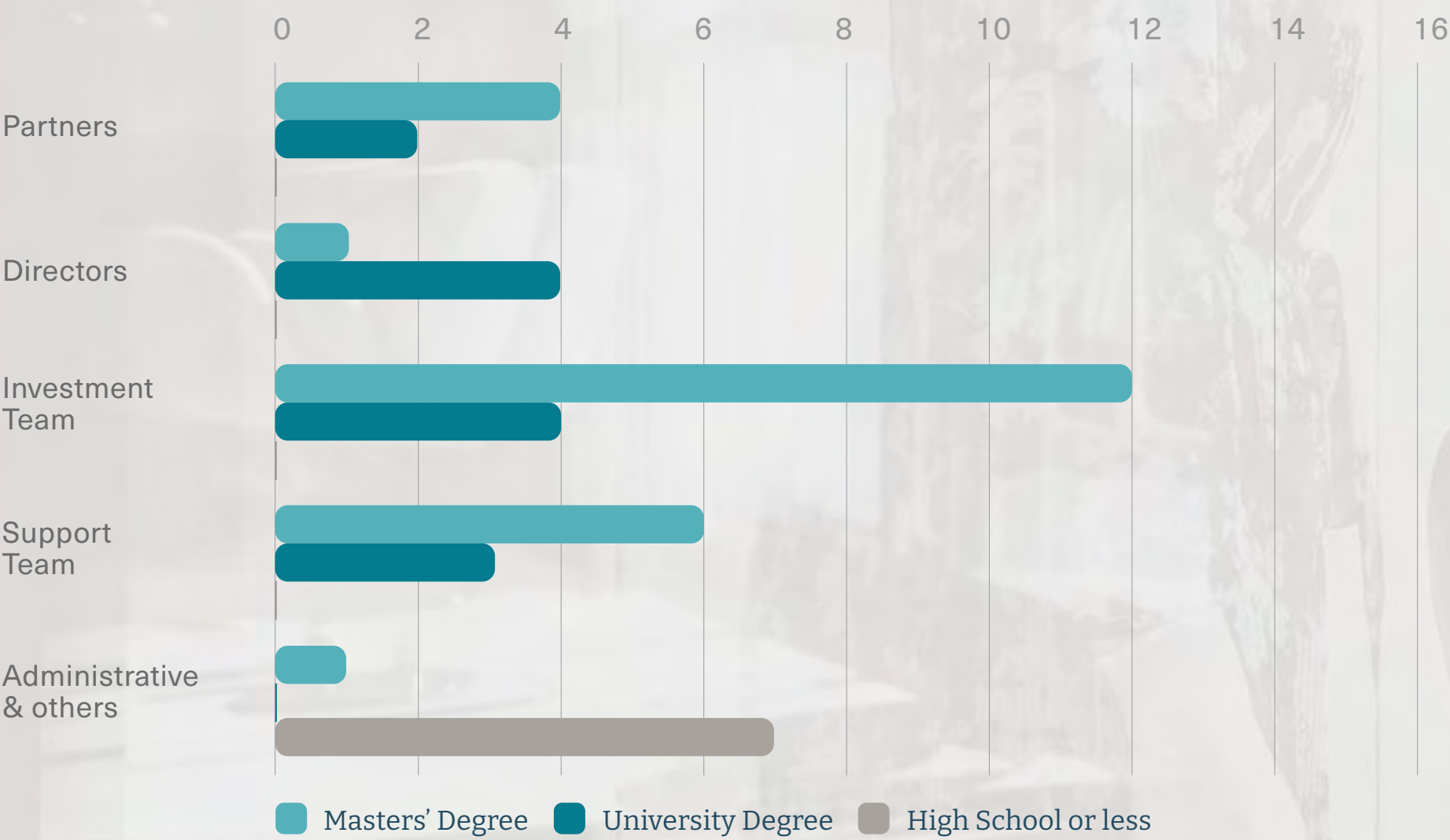


Talent is Our Foundation

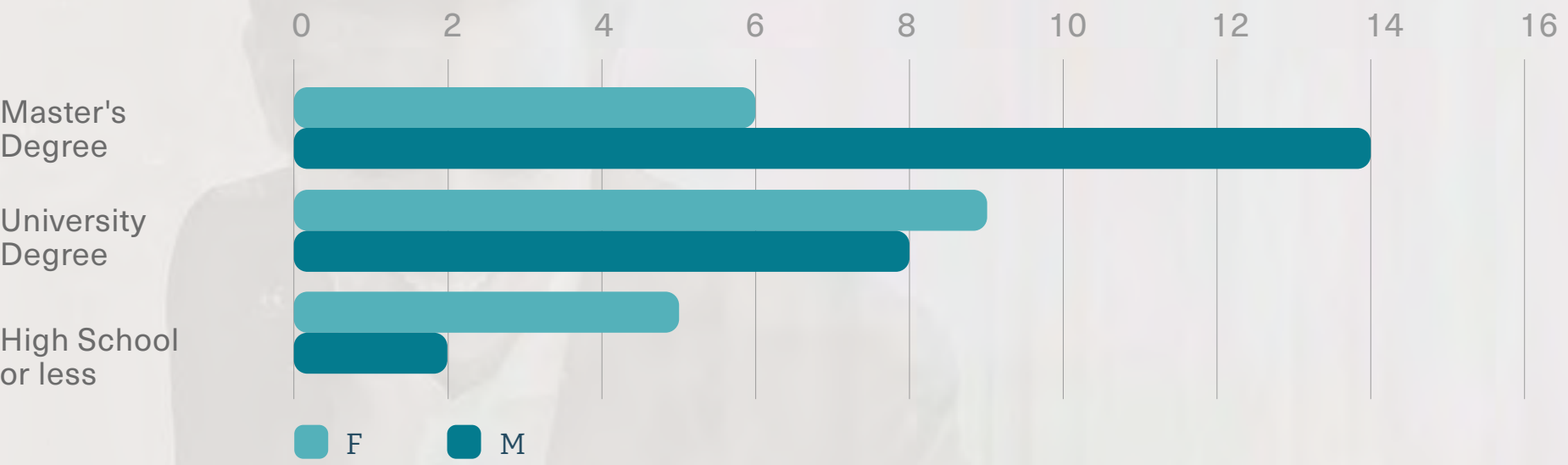
Explorer’s business model relies on **qualified professionals with deep knowledge of our Funds, portfolio companies, and the Portuguese business landscape**. We place significant emphasis on hiring individuals who are not only well-prepared for the job but who also align with our culture of high performance and collaboration.

Given that many of our Funds have a **minimum 8-year horizon, talent retention** is not just desirable, it’s essential. We strive to create a working environment that encourages long-term engagement, nurtures loyalty, and builds deep institutional knowledge.

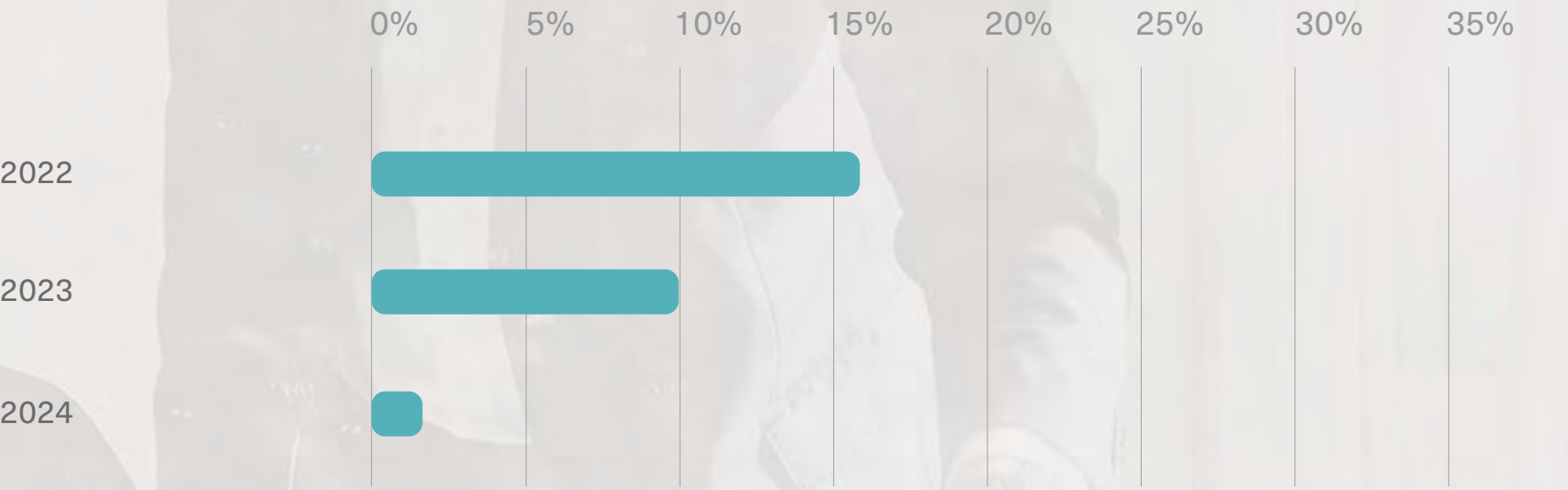
Qualifications per professional category



Qualifications per gender



Employee Turnover

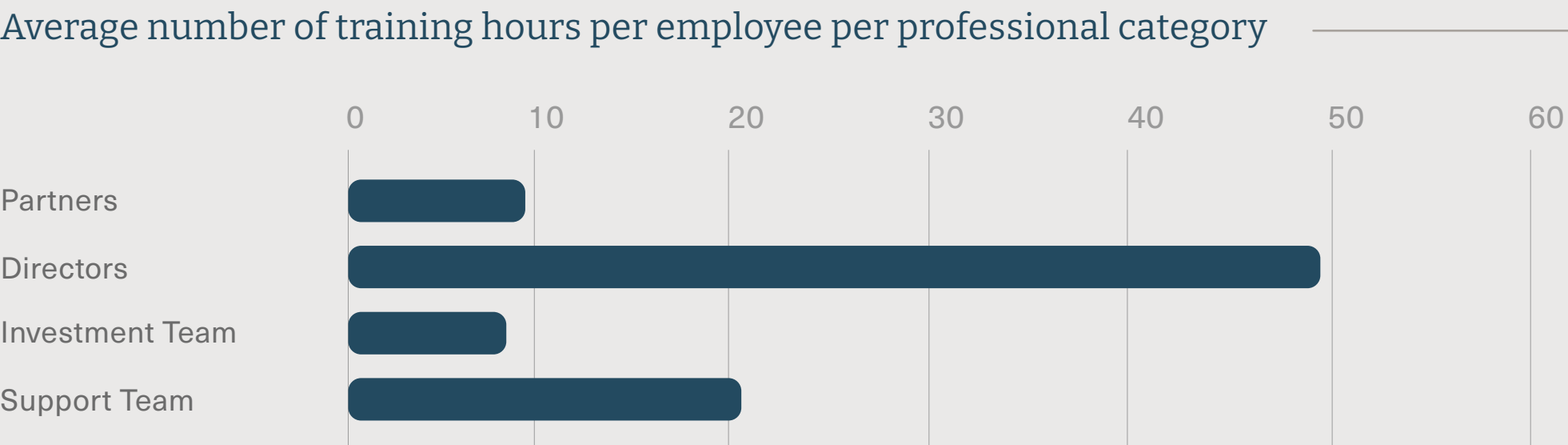


Continuous Learning and Development

At Explorer, we remain deeply committed to **continuous learning and professional development** as core drivers of our long-term success. However, in 2024, we made a deliberate decision to **pause large-scale training initiatives** as we undertook a **comprehensive review of our approach to talent management**.

This work has been led by our **HR taskforce**, which has been actively evaluating how best to align development opportunities with the evolving needs of our people and the business. Rather than continuing with business-as-usual training, we took this time to reflect, reframe, and redesign a strategy that will better support our employees’ growth going forward.

As a result, a **renewed training framework will be rolled out in 2025**, built on the insights gathered during this review. It will focus not only on technical and industry knowledge, but also on leadership development, cross-functional collaboration, and long-term career progression—ensuring that Explorer remains a place where people can grow, thrive, and lead.



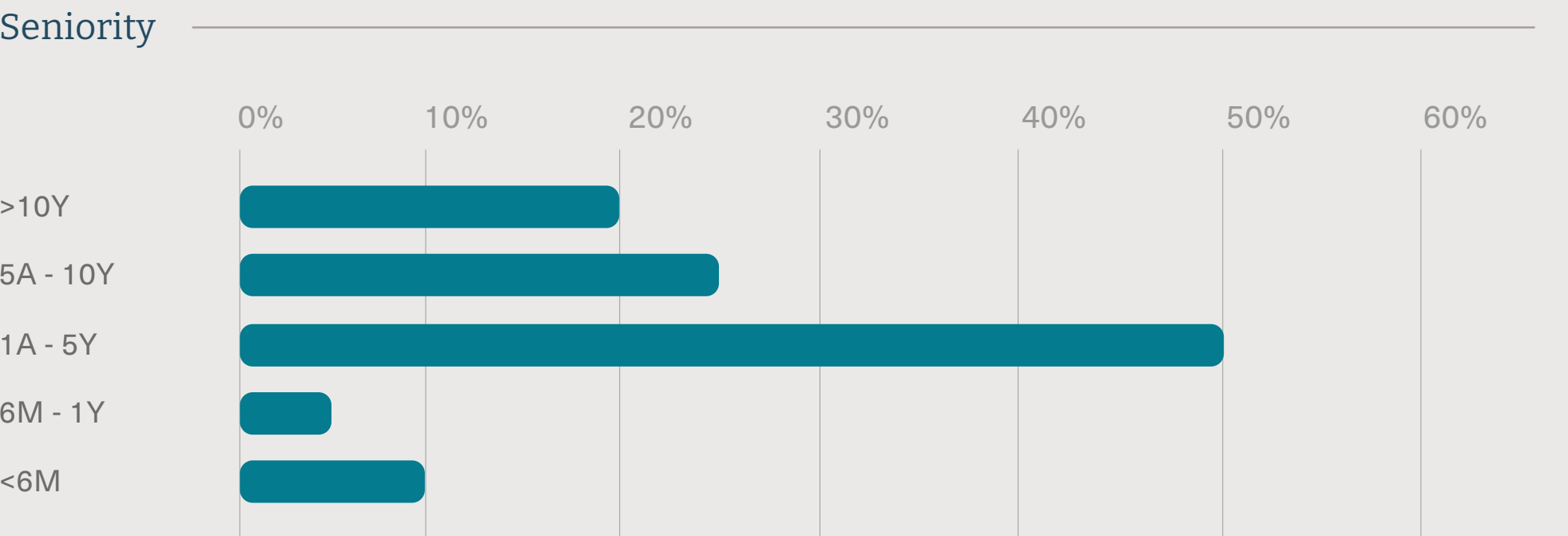
A Focus on Culture, Well-being, and Belonging

We are committed to providing **the tools, resources, and conditions our people need to thrive**—professionally and personally. From onboarding through our dedicated induction process to everyday operations, we focus on creating a **healthy, supportive, and inclusive workplace**.

In addition to reviewing and updating our **employee benefits** (such as travel cards and childcare vouchers) regularly to keep them in line with the team’s needs and market best practice, we organize **corporate events** that promote team spirit and strengthen our team-oriented culture.

Celebrating Longevity and Loyalty

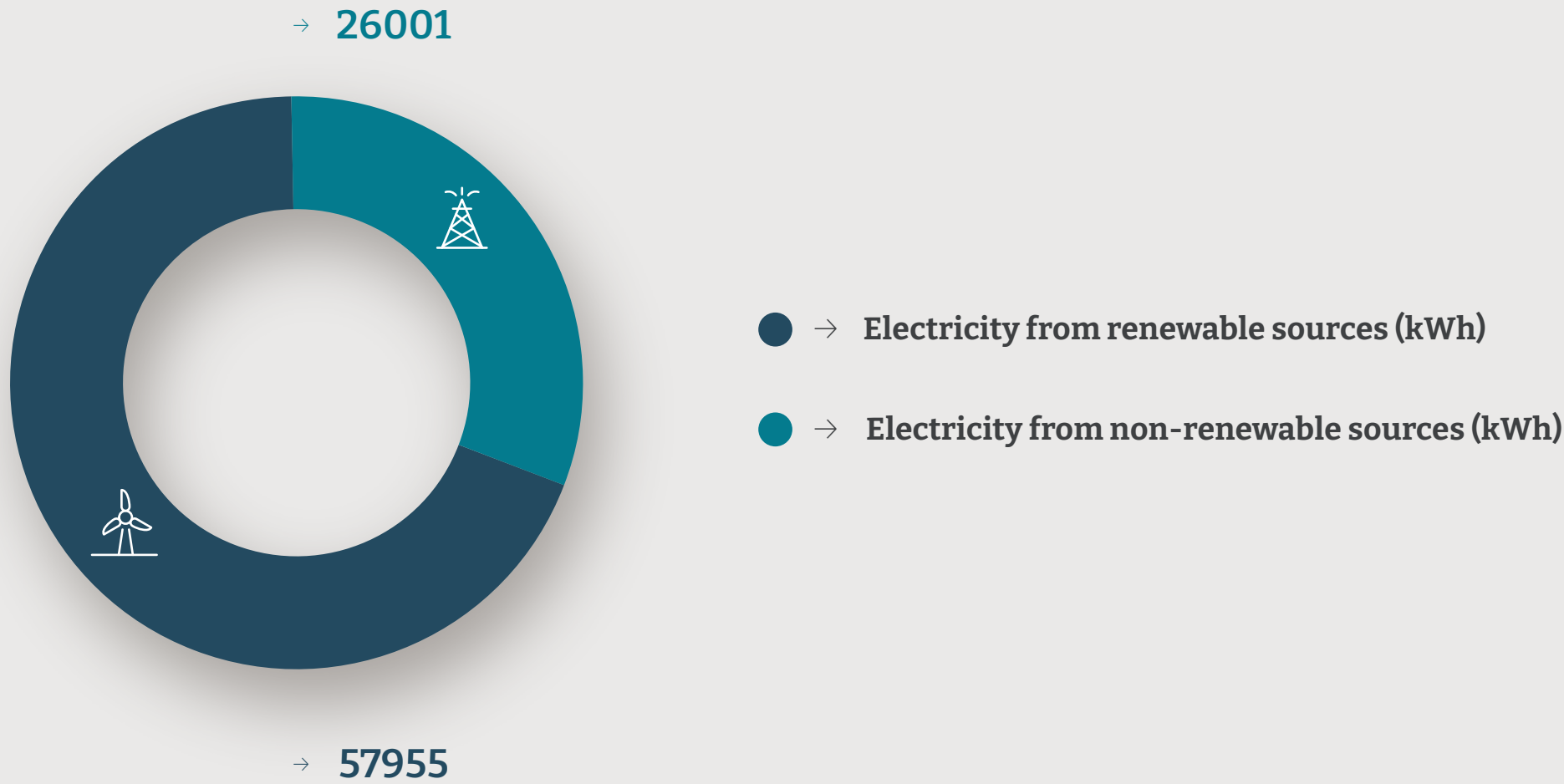
At Explorer, we understand that **loyalty and long-term commitment** are invaluable. We proudly celebrate our team’s enduring dedication with special **recognition gifts at 10, 15, and 20-year milestones**.



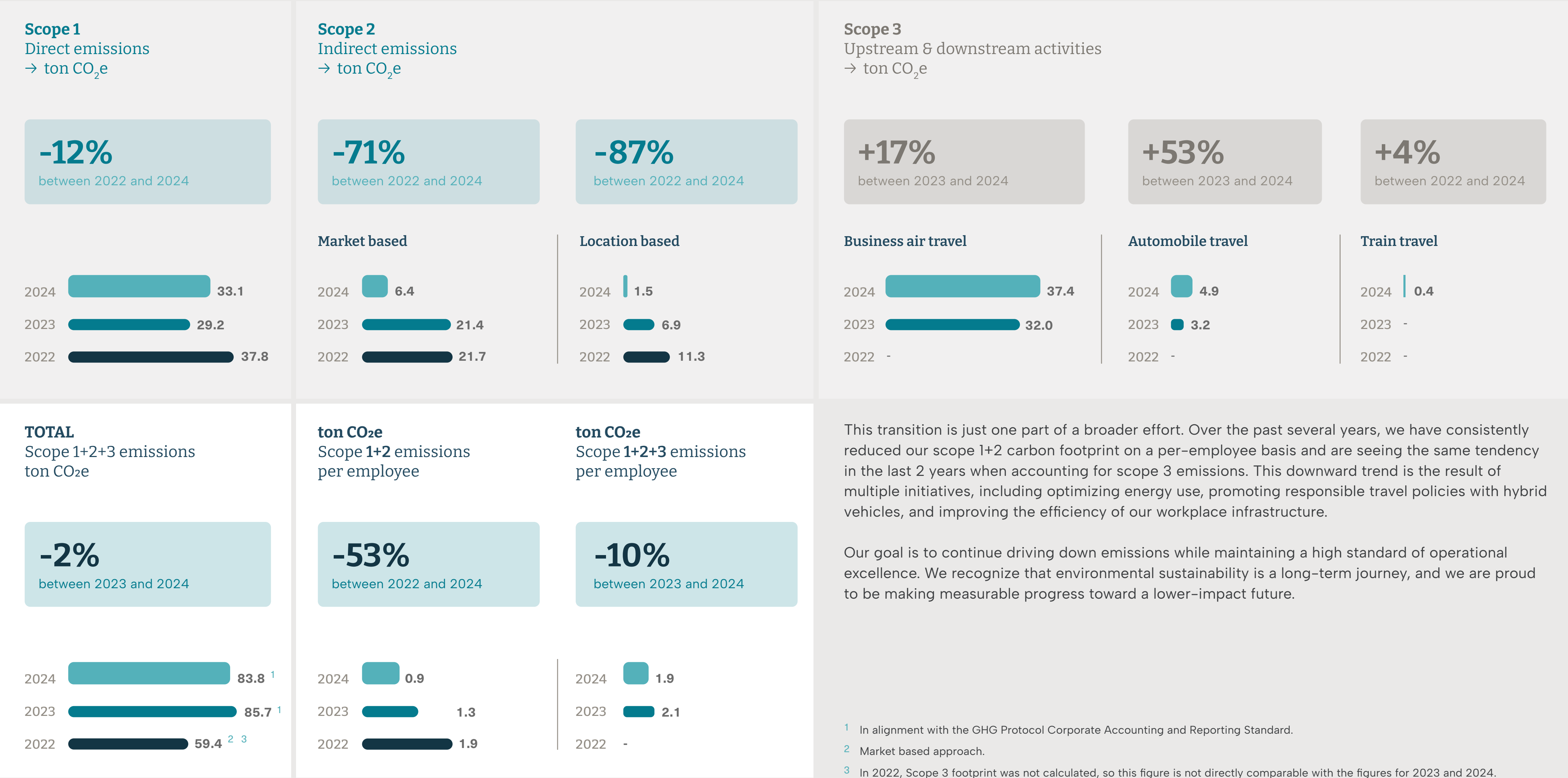
OUR FOOTPRINT —

At Explorer, we recognize the need to act on climate change and are committed to minimizing our environmental impact. Sustainability is not an add-on—it’s a core part of how we operate and grow responsibly.

In 2024, we took a significant leap forward by transitioning to 100% renewable electricity across our operations. This change reflects our determination to support the clean energy transition and reduce our reliance on fossil fuels. By sourcing all our electricity from certified renewable sources, we are significantly lowering our Scope 2 emissions and contributing to a more sustainable energy system.



Carbon Footprint



GIVING BACK —

At Explorer, we believe that true value creation extends beyond financial performance — it also involves building stronger, more inclusive communities. Supporting society is not only part of our responsibility as a long-term investor but also a core expression of our values.

Each year, Explorer donates 10% of its net profits to education programs that promote meritocracy and excellence. Through this commitment, we aim to empower the next generation of leaders, particularly within the financial industry, by removing barriers to opportunity and recognizing outstanding academic performance. In the past year, this has translated into merit-based scholarships and awards that directly impact students and educational institutions.

Beyond our own initiatives, we are proud to see that this spirit of giving is increasingly reflected in the actions of our portfolio companies. Today, nearly half of the companies in our portfolio actively engage with the communities in which they operate—whether by supporting local employment, investing in social initiatives, or contributing to regional development efforts. This collective effort amplifies our impact and reinforces our belief that financial success and social responsibility go hand in hand.

As we continue to grow, so does our capacity—and our obligation—to give back. We are committed to fostering a culture of civic engagement and long-term impact, both within Explorer and across the businesses we support.



This year we have supported students in the following programs:

2

Explorer Excellence
Master’s Scholarship at
Nova SBE

1

Erasmus scholarship for
ISEG Business School
undergraduate students

5

Explorer Excellence Merit Prizes
to master’s degree students at
Universidade Católica

2

Explorer Excellence Merit Prizes
to undergraduate students at
Universidade Católica

3

Education Scholarships
for students in financial
need



São Tomás school

3 scholarships awarded to students in financial need. The school is a Catholic School founded in 2003 by the Association for Education, Training and Culture (APECEF). With a mission to develop the reasoning and freedom of each student, challenging everyone to take on the exciting adventure of learning.



Instituto Rodrigo Guimarães

Rodrigo Guimarães, founding partner of Explorer, had a strong sense of justice and believed that all young people should have the chance to broaden their horizons and create their own opportunities, regardless of their financial status.

He used to say: **'All young people should be able to open their horizons and take a chance on fortune.'**

To honour this vision, his family and his long-time friend and business partner, Elizabeth Rothfield, founded the Rodrigo Guimarães Institute for the Promotion of Education.

The Association's mission is to:

- Provide financial support and mentoring to young people between the ages of 13 and 23 with fewer resources.
- Facilitate access to quality education.
- To promote entrepreneurship in future generations.

In this way, Rodrigo Guimarães' legacy lives on, providing them with more opportunities through education and entrepreneurship.

www.institutorodrigoguimaraes.org



Disclaimer

The purpose of this report is to inform the market of the initiatives developed by Explorer over the course of 2024 in terms of incorporation of ESG criteria in its activity, as well as in its investment decision-making processes and in the management of the Funds. It was developed for information purposes only.

This document should not be construed as an offer or an invitation to subscribe for units in the funds managed by Explorer.

2024 SUSTAINABILITY REPORT