

## Our approach

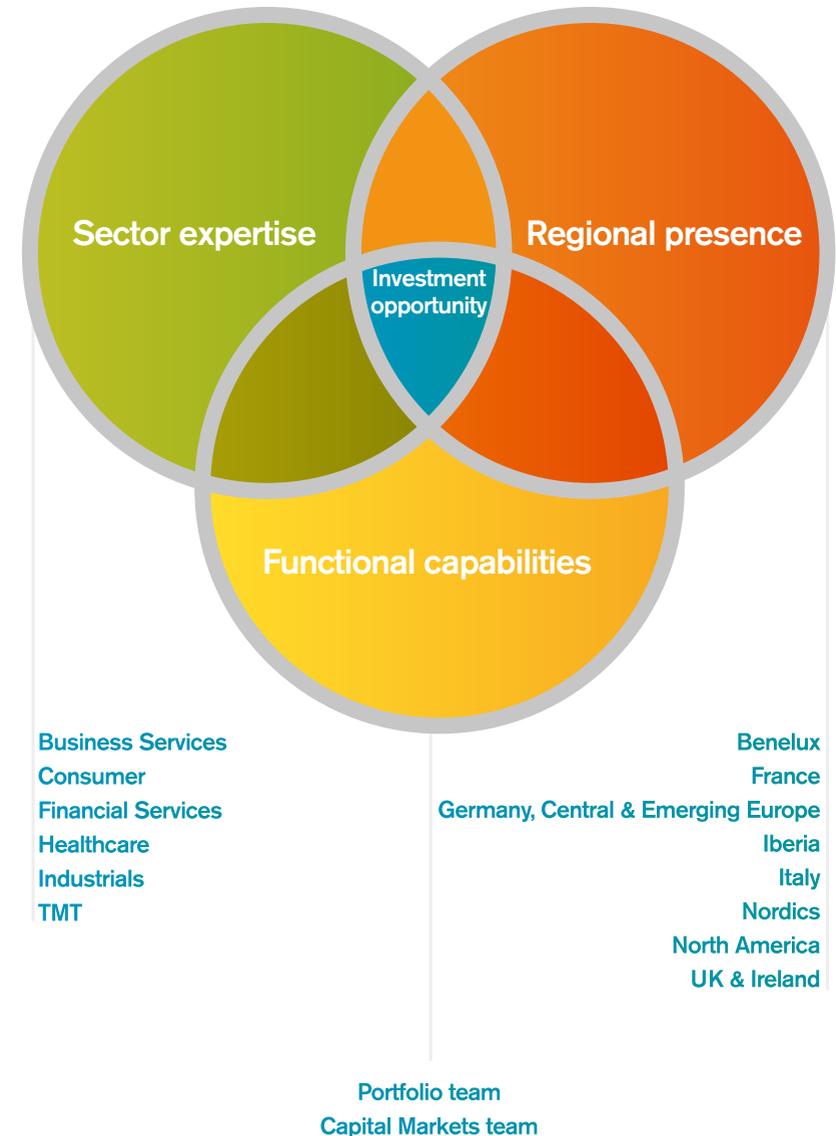
Cinven originates investment opportunities through a matrix of sector and regional coverage teams across Europe and the United States working together. The sector and regional coverage teams systematically screen their various subsectors and regions for potential investment opportunities. Pre-identified investment themes enable the teams to develop expertise and drive growth in targeted subsectors and companies.

The objective of Cinven's matrix approach is to bring a high level of expertise, knowledge and key contacts to investment opportunities in order to develop proprietary angles with management and/or vendors and thereby maximise Cinven's funnel of attractive opportunities where there is a significant origination advantage.

Cinven's investment professionals, regardless of geographic location, work together as one cohesive team, executing a proven and consistent investment strategy. This 'one team' culture is deliberately reinforced with cross-firm organisational structures.

Our functional specialists, the Portfolio team in Europe, the US and Asia and the Capital Markets team, work closely with Cinven's Sector teams to implement Cinven's value creation strategies, drive growth and protect and preserve equity value.

## Our investment matrix



## Our approach

### Our Sector teams

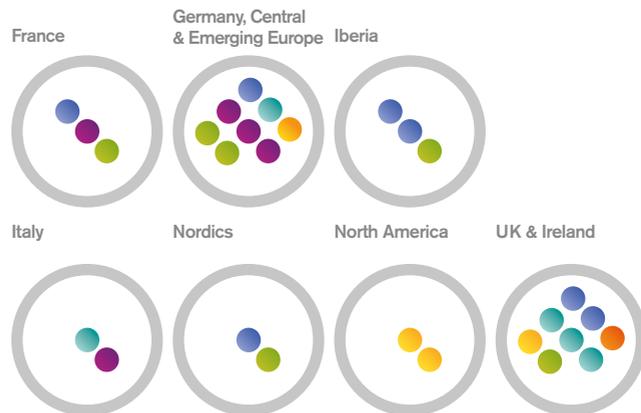
We invest in six sectors:  
**Business Services,**  
**Consumer,**  
**Financial Services,**  
**Healthcare,**  
**Industrials and TMT.**

Each of our six Sector teams consists of highly experienced investment professionals with a deep understanding of international trends and opportunities in their respective industries.

Our comprehensive sector knowledge enables us to develop and fine-tune investment strategies, focusing on sub-sectors and business models with the highest growth potential. Our Sector teams work closely with our Regional teams to identify the right opportunities and build relationships with management teams early on. Many of the investments we complete are months and often years in the making, ensuring that we can develop unique angles and start creating value from day one of our ownership.

## Our Regional presence

- Business Services
- Consumer
- Financial Services
- Healthcare
- Industrials
- TMT



Current Cinven investments by headquarters of investment at 31 December 2016

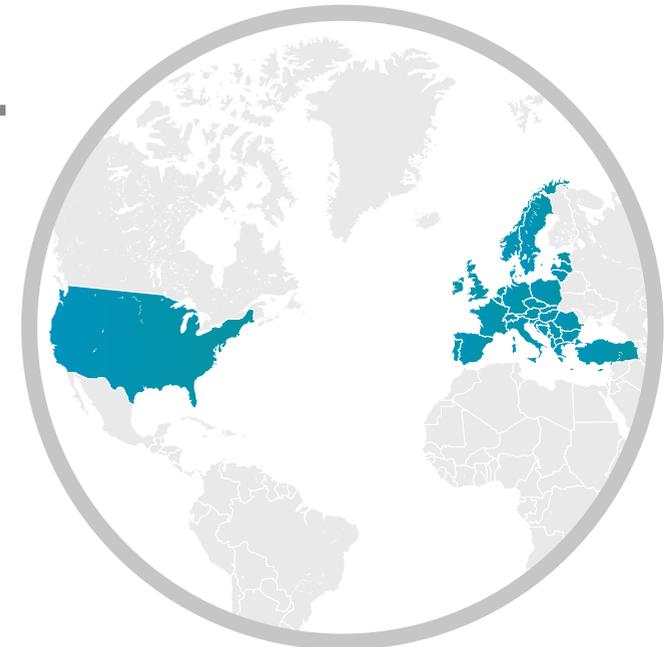
## Our Regional teams

Our Regional teams are based in London, Frankfurt, Paris, Madrid, Milan and New York, supported by Portfolio team professionals in Hong Kong.

Each of our Regional teams consists of individuals that are drawn from, and deeply embedded in, their local markets. With an in-depth understanding and knowledge of cultures and regulations, our Regional teams provide insights into new investment and cross-border expansion opportunities, while also assisting portfolio companies with their domestic growth strategies. Our Regional teams, working in close collaboration with our Sector teams, are often instrumental in identifying new investment targets.

## Cinven team

**16**  
nationalities  
**14**  
languages spoken



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## Our approach

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### Our Portfolio team

Our Portfolio team comprises experienced individuals who provide in-house expertise to portfolio companies, with a focus on six main areas of expertise: internationalisation, buy and build, digitisation, pricing, salesforce effectiveness and cash management. The team works in close collaboration with our Sector, Regional and Capital Markets teams to target opportunities pre-acquisition and thereafter ensure companies achieve their full growth potential during Cinven's ownership.

Our Portfolio team's expertise is used throughout the lifecycle of an investment – from strategy development pre-deal through to exit preparation. Once we have acquired a business, our Portfolio team provides detailed input into a Value Creation Plan (VCP), which identifies value creation levers to accelerate growth and provides a roadmap to achieve this.

Over recent years, we have also developed a forward-looking Key Performance Indicator (KPI) framework that includes operational, financial and environmental, social and governance (ESG) metrics to gain a clear understanding of how each business is performing and progressing. Monitored monthly, this framework enables the team to act quickly to capitalise on successful initiatives as well as to implement corrective plans, should a business show signs of underperformance.

Value creation potential is further underpinned by a process of VCP refresh, where necessary, to re-energise and refine growth plans several years into an investment. Our Portfolio team is also involved in exit planning, defining equity stories for potential new owners of the business and assisting in ensuring our companies are optimally positioned to achieve maximum value at exit.

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## Our functional expertise



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## Our approach

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Our Capital Markets team

Comprising senior, dedicated professionals, our Capital Markets team is one of the longest established in the private equity industry.

Supporting our portfolio companies throughout the investment period, our Capital Markets team acts as a central point for management teams' relationships with banks and other lenders. Using our deep knowledge of debt capital markets, we secure appropriate and flexible acquisition finance when we make our initial investment.

Our Capital Markets team constantly reviews each company's financing arrangements during our ownership. This ensures our portfolio companies remain funded on the most competitive terms available in the market, optimising their funding structures to support organic and M&A led growth. Where necessary, we also offer expert input to our companies' Treasury functions, helping them manage areas such as foreign exchange and interest rate risk. In addition, the team is often involved in exit planning, arranging staple financing and supporting companies in the equity markets through the initial public offering (IPO) process, where appropriate.

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## Our approach to ESG

Cinven's approach to ESG (Environmental, Social and Governance) is underpinned by our ESG core principles, our values and our commitments as a signatory to the PRI. We have increasingly systematised and codified our approach to ESG, integrating ESG into our processes and governance and working to do the same with our portfolio companies.

We believe good ESG management can both reduce risk and, in some instances, create opportunity. Our experience working closely with our portfolio companies on ESG matters is that an integrated, collaborative and focused approach is essential to delivering ESG benefits. Please see our ESG Review for more information.

Environmental



Social

Governance

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## Philanthropy

The Cinven Foundation is a vehicle for our firm's charitable giving. It mainly supports education-related programmes by making substantial donations to a limited number of charities every year. Those receiving financial support from our Foundation in 2016 included: Impetus – The Private Equity Foundation; ThinkForward; 2nd Chance; IntoUniversity; and Place2Be. For more information, please see the Cinven website.