

Environmental, Social and Corporate Governance Review 2019

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The 2019 ESG Review outlines Cinven's approach to managing environmental, social and governance (ESG) risks and opportunities for both its portfolio companies and its own business operations.

ESG continues to be of the upmost importance. In this year's Review, Cinven seeks to clearly demonstrate how the firm integrates ESG at every stage of the investment cycle to ensure that ESG is fully embedded within its investments.

This Review also aims to provide stakeholders with a clear overview of our ESG approach, and the ESG issues and opportunities that are considered to be most material to Cinven and its portfolio, as well as case studies to demonstrate good ESG practice.

The Review relates to the 2019 calendar year.

Message from Cinven's Managing Partner and ESG Steering Group Chairman



2019 marked 10 years since Cinven became a signatory to the Principles for Responsible Investment (PRI), as one of the private equity early adopters, and we continue to uphold our commitment to these principles.



Stuart McAlpine
Managing Partner

Matthew Sabben-Clare
Chairman of ESG Steering Group

During 2019, we further developed our responsible investment strategy, through improved ESG integration, and a continued focus on material ESG matters relevant to both Cinven and its portfolio companies.

At Cinven, our approach to responsible investing and ESG is core to our investment strategy. ESG is also closely linked to our values, which guide the active partnership approach we take with Cinven's portfolio companies in managing ESG risk and opportunity.

In 2019, Cinven's portfolio comprised 25 companies with operations across Europe, North America and Asia and, to a lesser extent, South America, Africa and Australia. Across its portfolio, Cinven's underlying companies employed over 50,000 people worldwide.

We have a responsibility to these businesses, their employees, customers and their wider stakeholders. We place the utmost importance on the role Cinven has as custodian of businesses and their engagement with the communities, society and environment in which they operate. We are committed to building sustainable businesses, which will grow, provide employment and generate economic benefit in an environmentally and socially responsible manner. We are committed to the highest standards of conduct, integrity, and professionalism in all our activities.

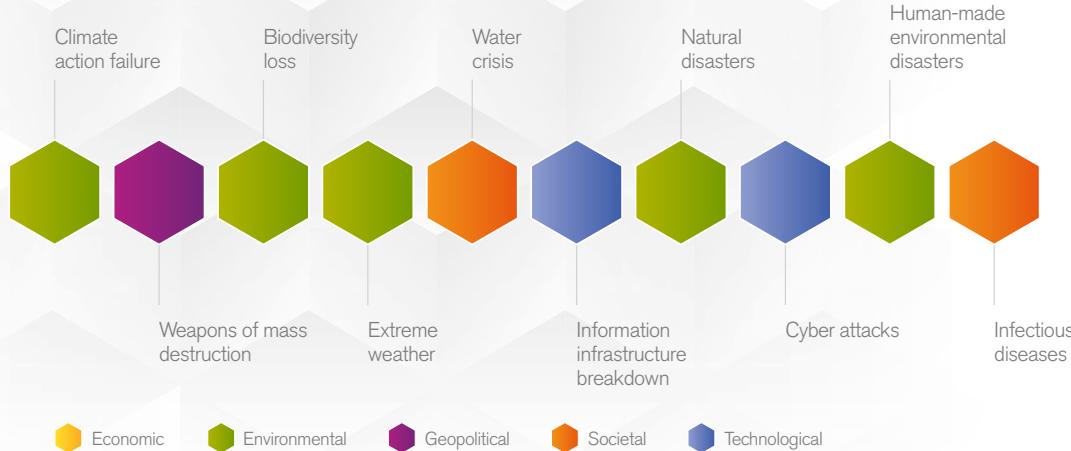
Cinven's ESG Steering Group sets the firm's ESG strategy and direction. It provides oversight of the ESG methodologies we implement as part of our investment process, and regularly reviews ESG topics which could be materially relevant to Cinven's investment strategies and portfolio companies.

There is an increased focus on transparency in Private Equity reporting driven by increasing stakeholder interest in a wider range of topics beyond financial performance. Many of Cinven's portfolio companies are actively reporting publicly on their ESG approach and Cinven requires each of its portfolio companies to report progress to us on a quarterly basis.

2019 developments
This year we have seen a significant improvement in the responsiveness of Cinven's portfolio companies when completing our ESG and cyber questionnaires, as part of our ESG onboarding process for new portfolio companies. We believe this reflects our 'tried and tested' ESG methodology, designed to be relevant and practical. At Cinven, we have been capturing quarterly ESG KPI data from portfolio companies since 2015 as well as capturing our own ESG KPIs on the same basis. Our process for reviewing and analysing this data, along with oversight of ESG portfolio company progress, has become more rigorous, with our ESG Steering Group working in close coordination with the Cinven Portfolio team and external advisers.

Message from Cinven's Managing Partner and ESG Steering Group Chairman continued

Top 10 risks over the next 10 years Long-Term Risk Outlook: Impact



During 2019, we saw many ESG topics including climate change, cyber security and inclusion and diversity continue to increase in significance to business leaders, governments and society.

Portfolio cyber review

In early 2019, we undertook a portfolio-wide cyber review, to ensure appropriate cyber security protocols were in place. We worked with an external specialist to subsequently build a cyber security assessment into our ESG portfolio onboarding process.

Climate-related assessment

In the second half of 2019, we worked with external advisers to review and understand potential financial-related risks and opportunities across Cinven's portfolio associated with climate change and the transition to a lower carbon economy. This review was aligned to the approach recommended by the Task Force on Climate-related Financial Disclosures (TCFD), and forms the basis of our ongoing engagement with portfolio companies on this topic during the course of 2020.

Inclusion and diversity

We have made good progress during the year in continuing to develop our approach to inclusion and diversity. Cinven's values focus on fostering an inclusive culture where all team members are valued, respected, supported and positioned to succeed (see pages 27-28).

Transparency

In November, we held our Sixth Annual Portfolio ESG Conference. The purpose of this conference is to share knowledge, experience and best practice amongst Cinven's portfolio companies and industry experts in an open and interactive forum. For the first time this year, each portfolio company presented an overview of its approach to ESG, governance structures and key initiatives.

Industry participation

Throughout the year, we continued to be involved in encouraging others in the private equity industry to adopt good ESG standards and to collaborate with our peers to share best practice. Cinven is an affiliate member of Invest Europe's Responsible Investment Roundtable, and we have hosted GP roundtables to discuss how we and others are tackling ESG-related issues, including climate change.

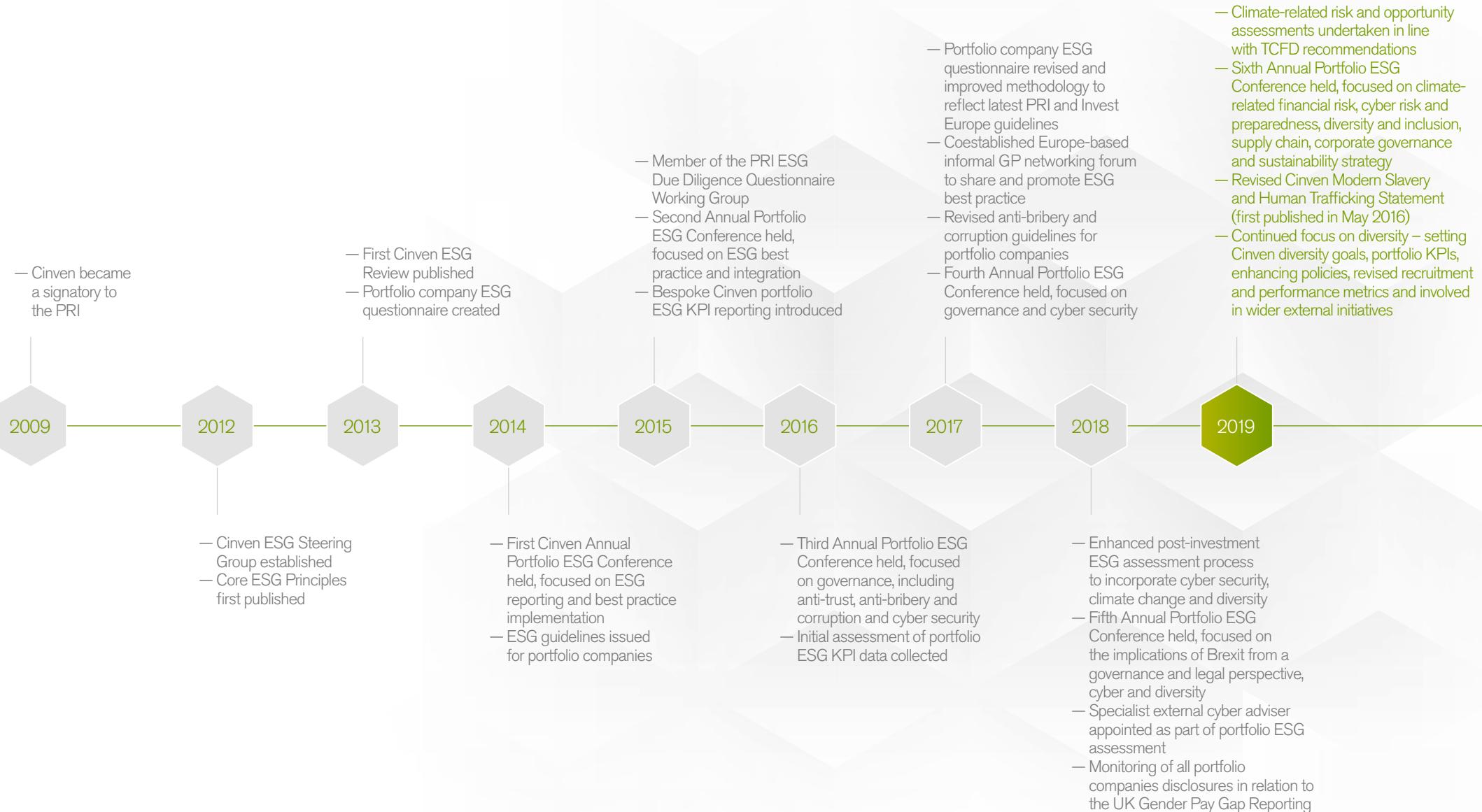
In February 2019, Cinven sponsored a British Private Equity & Venture Capital Association (BVCA) Minorities in Private Equity breakfast a networking opportunity to discuss and advance the representation of black, Asian and ethnic minorities within the industry.

Cinven has also become a Stonewall Global Diversity Champion, a best practice employers' forum for international organisations that are committed to LGBT equality across the world.

Looking ahead, we believe that our collaborative approach to ESG will allow us to integrate ESG into our ongoing and future investment strategies and to support Cinven's portfolio companies in responding to ESG challenges and opportunities. As we move into the 2020s there is a clear societal, regulatory, and government drive to respond more ambitiously to environmental and social challenges. We believe Cinven has prepared well for this shift.

As we publish our ESG Review we are facing unprecedented challenges from the spread of the coronavirus and have yet to fully understand its impact on society. We are working hard to support Cinven's portfolio companies, and our own staff and their families during this crisis. The Cinven team has put appropriate competencies, processes and governance structures in place, and continues to engage, support and equip Cinven's portfolio companies to navigate the associated business risks. The team is also working hard to ensure that Cinven's portfolio companies are able to respond to the opportunities facing them, as we emerge from the coronavirus, enabling them to grow and thrive as long-term sustainable businesses.

Key ESG developments at Cinven



About Cinven

Cinven is an international private equity firm with a more than 30 year track record, focused on supporting companies that want to step change their growth. Cinven manages capital on behalf of more than 200 investors globally.

Cinven's world-class team of sector and regional specialists has the experience and relationships to navigate complex international markets, across languages, cultures, currencies and regulatory regimes, generating outperforming returns for its investors. In close partnership with the management teams of its portfolio companies, Cinven applies a focused, growth-oriented investment approach to step change the performance of businesses throughout economic cycles.

>130

The number of companies
Cinven funds have invested in.

€39bn

Realised proceeds.

As at 31 December 2019

€23bn

Realised since the start
of 2011.

>50,000

Employees in Cinven's
portfolio in 2019.

25

Portfolio companies with major operations
in Europe, North America and Asia, and,
to a lesser extent, South America, Africa
and Australia.

About Cinven continued

Cinven investments

Cinven's portfolio companies typically have the benefit of scale, product and leadership and, given their size, prospects and profile, can attract highly capable management teams from around the world.

Cinven invests primarily in controlling positions in market-leading, cash flow generative companies where Cinven's European and sector expertise allows it to build global leaders. Cinven leverages its matrix of deep sector knowledge and local expertise, combined with the skills of its functional specialists. For each company it invests in, Cinven seeks to develop strategic insights to accelerate growth, both domestically and globally.

Cinven's investment period for its portfolio companies is typically four to five years.



Investments completed as at 31 December 2019

About Cinven continued

Cinven's Values

Cinven's values underpin everything we do. This is what you should expect if you work for, work with, or invest with Cinven:



Commitment to Excellence

Set the highest of standards

We are driven, rigorous and continuously strive to improve.



Partnership

Collaboration is at our core

We believe in teams not individuals, and invest in relationships for the long term.



Respect

Achieve distinction without ego

We are considerate and socially responsible. We value diversity and transparency.



Ambition

Test the art of the possible

We are bold, decisive and entrepreneurial. We stay agile and keep ahead of the market.



Empowerment

Develop talent

We give people the opportunity to succeed and help them fulfil their potential.



ESG Approach

Cinven's approach to ESG reflects the firm's values, core ESG principles, and commitment as a signatory to the PRI. The Cinven ESG approach can be characterised by the following:

Integration

ESG is an integral part of Cinven's investment evaluation, portfolio company Board governance and day-to-day management practices.

Collaboration

Cinven regularly engages with portfolio companies on ESG matters, working in partnership to address ESG considerations, and ensuring collaboration to share best practices.

Focus

Identifying key risk factors, opportunities and materiality thresholds specific to each company, geography and sector.

Scrutiny

Ensuring Cinven avoids a 'tick-box' approach, and brings expertise when analysing ESG matters relevant to portfolio companies and the markets in which they operate.

Cinven's commitment to the Principles for Responsible Investment (PRI)



ESG Core Principles

Cinven's ESG Principles

We believe that a responsible approach towards Cinven's portfolio companies, their employees, suppliers and local communities, environment and society is an essential part of our success. Cinven has developed its own set of core ESG principles, as set out in its ESG Policy available on its website, which build on those by the PRI. These reflect the importance and value the Cinven team places on addressing ESG matters, and are incorporated into our business processes and practices.

Cinven seeks to:

Take active responsibility

- Ensure that we take a responsible approach to investing throughout our investment cycle and recognise the potential impact of businesses on the environment, workers, communities and society, as well as the potential impact of climate change.
- Ensure that we and Cinven's portfolio companies always respect human rights and ensure no exploitation of child labour, as detailed in our Modern Slavery and Human Trafficking Statement, available on our website.

Act with integrity

- Act with integrity at all times in all our dealings.
- Ensure there is no bribery or corruption in any of our dealings.
- Always be non-discriminatory (whether on grounds of gender, race or disability), and adopt equality and diversity in our employment practices.

Ensure compliance

- Always comply with both the letter and the spirit of the law, wherever it applies.

Practice responsible stewardship

- Act responsibly with respect to the environment, aiming for a sustainable approach to the use of resources, avoiding the irresponsible disposal of hazardous products and unnecessary waste.

Prioritise good governance

- Ensure that management structures and policies reflect the need for transparency, accountability, equality and probity in the management of our businesses.
- Comply with and inform industry standard ESG guidelines and best practices, and actively manage ESG considerations and risks effectively.

Governance

Cinven believes that strong corporate governance is central to effective ESG management and should be fully embedded within a company's operations to support strong and sustainable growth.

Cinven's due diligence process covers areas including anti-bribery and corruption (ABC), sanctions, General Data Protection Regulation (GDPR) and competition law; as well as an assessment of a company's management and governance frameworks.

Following completion, every Cinven company develops a Value Creation Plan (VCP) where steps are taken to address and manage any material governance-related findings, identified as part of the pre-investment due diligence.



ESG Governance at Cinven

Cinven's ESG Steering Group provides senior oversight of ESG matters, and includes representatives from a number of functions across the firm. The ESG Steering Group has evolved from its role in monitoring ESG performance, along with external advisers, to now defining the firm's ESG strategy and direction, and anticipating and responding to ESG-related market developments that may affect its portfolio and / or the firm. The ESG Steering Group regularly reviews ESG topics which could be materially relevant to its investment strategies and portfolio companies.

The ESG Steering Group meets quarterly to review and discuss:

- ESG performance of Cinven's portfolio companies, including key performance indicators (KPIs) and progress of specific ESG workstreams;
- ESG matters which may arise across the portfolio, including new legislation, standards and best practice; and
- Cinven's own ESG performance, trends and considerations.

Where relevant, the ESG Steering Group will ask external advisers to brief committee members on developments on the latest topical ESG issues and the potential implications of these on the portfolio and Cinven.

Each portfolio company's quarterly Portfolio Review Committee (PRC) paper incorporates the latest quarterly ESG KPI data, as well as an update on relevant ESG workstreams. These portfolio ESG considerations and progress are reviewed quarterly by the Cinven Portfolio Review Committee.

Governance continued

ESG Portfolio Conference

In 2019, Cinven held its Sixth Annual ESG Portfolio Company Conference. The Conference brought together senior representatives from portfolio companies together with members of the Cinven team and external industry experts.

The purpose of the Conference is to share knowledge and expertise to enable portfolio companies to respond to ESG related developments that will have the greatest impact. The format of the event includes a series of panels, workshops and presentations.

External experts were invited to present and facilitate discussions on relevant ESG topics, in particular, those rising up the business agenda.

For the first time this year, each portfolio company presented an overview of its approach to ESG, governance structures and key initiatives to encourage wider discussion on 'best practice' and practical guidance.

The 2019 Conference focused on:



Governance continued

ESG Governance at portfolio companies

Cinven actively ensures that portfolio companies' Boards take responsibility and are accountable for ESG. Cinven believes that the firm can play a key role in reinforcing the right behaviours at Board level.

Cinven takes responsibility for ensuring that:

- Each Executive Board member is fully aware of Cinven's ESG approach;
- The Board has adopted suitable ESG policies;
- The portfolio company regularly reports to its Board on how ESG policies are being implemented and progress towards any initiatives and targets; and
- There are clear responsibilities allocated to Executive Board members for compliance with Cinven's ESG guidelines. A non-Cinven Executive Board representative from the portfolio company is assigned overall responsibility for ESG, and ESG is regularly tabled and reviewed at Board meetings.

Cinven provides training for Cinven portfolio company Non-Executive Directors to ensure they are fully aware of their fiduciary duties, and their role to providing independent challenge to the Board on topics including those related to ESG. Each first-time Cinven Board member must undertake mandatory directors training.

| ESG Steering Group | | |
|---|---|----------------------------|
| Responsibility | Representative | Name |
| Chairman | Partner, Chief Administrative Officer, Executive Committee, Portfolio Review Committee and Operating Committee member | Matthew Sabben-Clare |
| Investment team integration | Partner, Investment Committee member | David Barker |
| Governance, regulatory systems, controls and compliance | General Counsel and Operating Committee member | Babett Carrier |
| KPI reporting and performance monitoring | Compliance Manager | Peter Moore |
| LP coordination and reporting | Partner, Head of Portfolio team, Portfolio Review Committee member | Thilo Sautter |
| ESG monitoring and reporting, reputational risk | Executive, Portfolio team | Tony Ling, Samuel Williams |
| | Partner, Head of Investor Relations, Executive Committee and Operating Committee member | Alexandra Hess |
| | Managing Director, Investor Relations | Sarah Verity-Thomas |
| | Corporate Affairs Director | Vanessa Maydon |
| | Head of Marketing and ESG manager | Laura Chattington |

Transparency and reporting

There is an increased focus on transparency in Private Equity reporting driven by growing interest in a wider range of topics, beyond financial performance from a number of stakeholder groups.

Portfolio public disclosure

Many of Cinven's portfolio companies are already reporting publicly on ESG, some in line with the EU Non-Financial Reporting Directive and others voluntarily through detailed disclosure on their websites, in their Corporate Social Responsibility (CSR) reports and in their annual reporting.

Investor reporting

In the UK, Cinven fully complies with the Private Equity Reporting Guidelines (PERG), the independent body which oversees transparency and disclosure within UK private equity. In 2019, NewDay featured as a case study in PERG and PWC's latest 2019 Good Practice Reporting Guidelines for other UK private equity-backed firms required to report in line with PERG guidelines.

In 2019, six of Cinven's portfolio companies reported in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, where they met the threshold in relation to the size of their UK operations. In addition, in 2019 15 Cinven portfolio companies reported in line with the UK Modern Slavery Act 2015.

The gender pay gap results indicate that there is clearly progress to be made, however it is encouraging to see that Cinven portfolio companies – many of them not headquartered in the UK – are reporting in line with the requirements and seeking to improve any imbalance.

As the EU Non-Financial Reporting Directive came into force in Spain in 2019, three of Cinven's Spanish portfolio companies – Planasa, Tinsa and Hotelbeds – all reported for the first time in line with the directive, together with STADA, headquartered in Germany, which has been reporting in line with the directive since 2017.

For more information

www.cinven.com/why/responsible-investment



NewDay case study in the
2019 PERG Good Practice
Reporting Guide

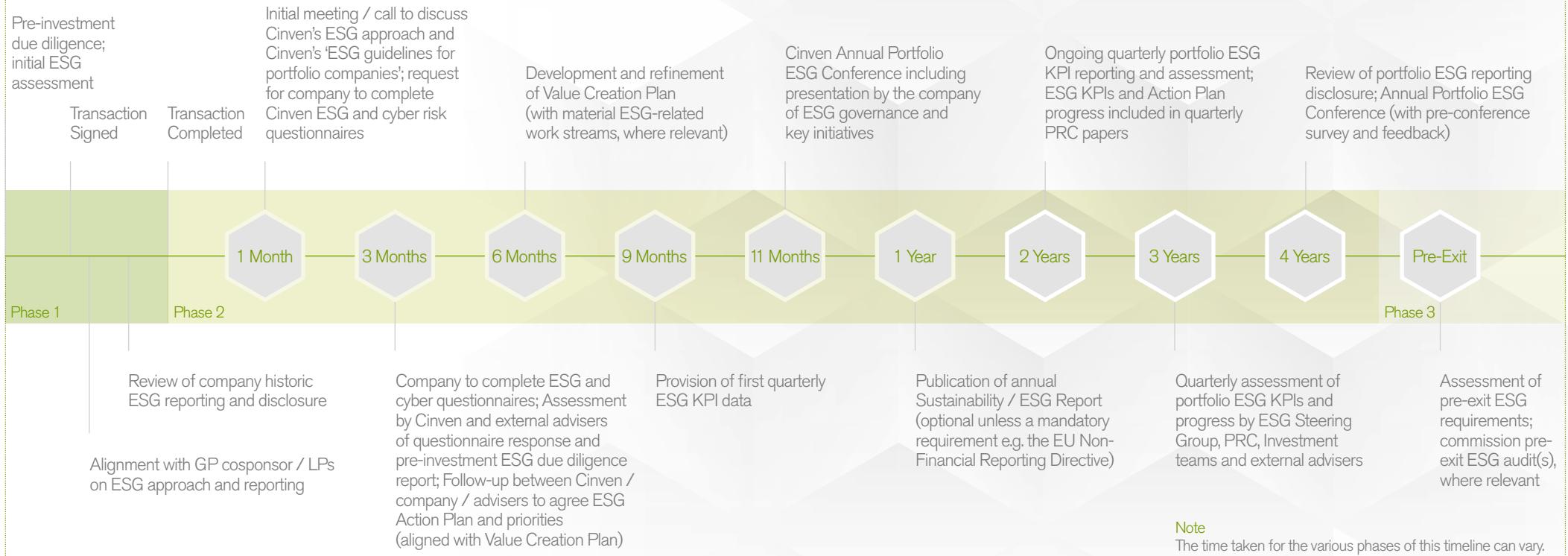
ESG in the investment cycle

Cinven's framework for managing ESG incorporates three distinct phases: pre-investment, post-investment and exit.

This approach which has been in place for a number of years allows for consistency in approach throughout the investment cycle. Cinven continually reviews the framework to ensure it is fit for purpose, and reflects the latest ESG developments and best practice.

During the pre-investment stage, Cinven seeks to determine the ESG considerations relevant to each portfolio company (or add-on acquisition, where relevant) and identify the actions required to address and / or further improve these. Cinven's ESG methodology is underpinned by its governance structure and portfolio company ESG Guidelines (see page 16).

A typical timeline for us to engage with our portfolio companies.



Pre-Investment Due Diligence

Before acquiring a business, Cinven's Investment and Legal and Compliance teams identify whether there are any ESG-related risks or opportunities within the business or external factors affecting the business. Cinven's ESG considerations may be company-specific or common to the industry / sub-sector or geography, in which the company operates. This initial ESG assessment is an integral part of Cinven's due diligence and overall risk and value creation assessment of the business.

Identification and Assessment of Risks and Opportunities

Based on in-depth knowledge, Cinven's teams identify the key ESG risk and opportunity areas for each potential acquisition, assessing a company's governance, focusing on procedures, policies and cyber security as well as undertaking reputational risk due diligence. If ESG issues or risks are identified, Cinven initially prioritise those that are most material through internal discussions to determine on a case-by-case basis whether further assessment is required, and may seek independent analysis and expert advice from specialist external consultants, for instance, environmental or additional legal due diligence.

Presentation of ESG Risks to the Investment Committee and Manager Board

ESG considerations are included in investment papers, presented to, and considered by, Cinven's Investment Committee and Managing General Partner Board. A detailed section of ESG is required in all Investment Committee papers. The Investment Committee must give its approval before any investment is recommended to the Cinven Managing General Partner for consideration.

Cinven subsequently considers if there are any ESG risks which are deemed unacceptable, and thus will reject the investment opportunity on those grounds, or determines that any risks identified need to be addressed, managed or rectified during Cinven's ownership.

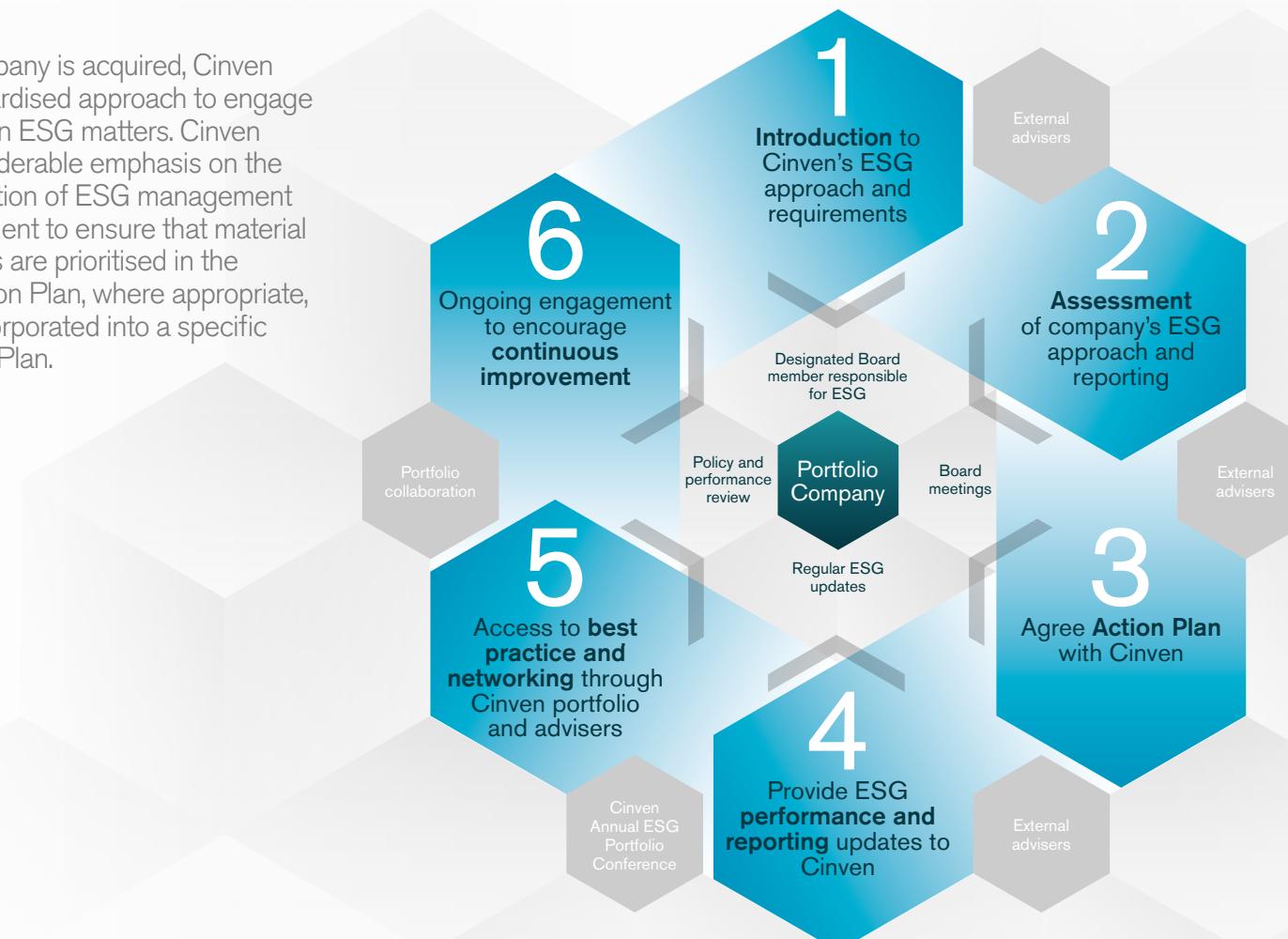
Post-Investment Implementation

In cases where material ESG risks are identified and deemed acceptable, a plan is developed by Cinven and agreed with management to prioritise, address, manage and / or remedy the issues. This plan can be incorporated into the broader Value Creation Plan that is developed with the management team post-investment.

In addition, relevant compliance undertakings are sought from management in investment documentation.

Post-Investment Implementation Process

Once a company is acquired, Cinven has a standardised approach to engage proactively on ESG matters. Cinven places considerable emphasis on the early integration of ESG management post-investment to ensure that material ESG matters are prioritised in the Value Creation Plan, where appropriate, and / or incorporated into a specific ESG Action Plan.



1 Introduction to Cinven's ESG approach and requirements

As a first step in Cinven's post-investment ESG review and monitoring process, portfolio companies are introduced to Cinven's 'ESG Guidelines for Portfolio Companies', a document which sets out our requirements for the development of an ESG policy and reporting framework; and mandatory and additional ESG KPI reporting. In addition, the guidelines provide useful resources to portfolio companies. We offer support to implement these guidelines either directly and / or with the support of external ESG adviser(s).

2 Assessment of company's ESG approach and reporting

Portfolio companies complete ESG and cyber security questionnaires to confirm or identify relevant risks and opportunities. Cinven reviews each new portfolio company's completed questionnaires, alongside the pre-investment ESG diligence, with support from its external advisers. Material ESG factors and potential opportunities for improvement are identified. The assessment also evaluates existing ESG existing policies, practices and reporting and how effectively they are implemented.

Post-Investment Implementation Process continued

3

Prioritise next steps

Cinven, along with its external ESG adviser(s), works in close collaboration with senior individuals and ESG representatives within Cinven's portfolio companies to discuss and agree an Action Plan, prioritising the next steps to reduce material ESG risks or maximise material ESG opportunities.

Companies are asked to review existing ESG policies and adapt as necessary to follow Cinven's guidelines. We also seek to ensure that our own ESG reporting requirements complement existing processes which may be in place.

Cinven will identify where we (or an external ESG adviser) are able to add value efficiently and effectively, for example to help develop tools and approaches within the portfolio company to manage ESG, as appropriate.

4

Provide ESG performance and reporting updates to Cinven

All portfolio companies are required to report quarterly against five core ESG KPIs (see opposite) as part of Cinven's ongoing ESG performance monitoring. Cinven works with portfolio company management (and in some cases, external ESG advisers) to implement a core KPI reporting process and, in addition, create bespoke, company-specific ESG KPIs.

ESG KPI data is captured through Cinven's central portfolio reporting tool (iLevel), alongside the portfolio company's financial and operational KPI's and reviewed by the relevant Investment Team members, the Portfolio Review Committee, ESG Steering Group and by external adviser(s). If the KPIs contain anomalies or discrepancies, they are interrogated further and action taken, if required.

Mandatory ESG KPIs reported quarterly



— Climate change

Tonnes of carbon dioxide equivalent emissions / millions € revenue



— Health and safety

Accident / incident rates, including lost time accident (LTA) / injury frequency rate



— Gender diversity

Number of persons of each sex who are directors /senior managers / employees of the company

— Anti-bribery and corruption (ABC) risk management

Number of ABC-related incidents, breaches and complaints

— Employee grievance

Number of employee grievances reported through appropriate company processes (e.g. whistleblowing hotline)

Post-Investment Implementation Process continued

Sample of additional ESG KPIs
(relevant to specific portfolio companies):

Environmental

Waste

- Tonnes of waste disposed of / million € revenue
- Tonnes of waste / full-time employee

Emissions

- Tonnes of CO₂e / full-time employee
- Tonnes of CO₂e / vehicle

Water

- Total water consumption (m³)

Paper

- Average paper usage / full-time employee

Social

Employee Training / Education

- Number of hours of training provided

Employee Disability

- Percentage of employees with a disability

Customer Complaints

- Number of customer complaints received

Community Investment

- Total community investment and charitable donations made (€)
- Number of employees involved

Health and safety of customers

- Total number of accidents and incidents

Governance

Employee turnover rate

- Percentage of employees leaving the organisation

Absenteeism

- Percentage of time absent from work

Audits

- Completion rate of internal audits
- Number of audit committee meetings

Cyber

- Total number of data protection policy breaches

Product Quality

- Number of product recalls

5

Access to best practice and networking through Cinven portfolio and advisers

We promote responsible business practices among Cinven's portfolio companies by continuously sharing best practice, enabling access to external ESG advisers and providing practical guidance through a number of initiatives, including our Annual Portfolio ESG Conference. We ensure that all portfolio companies have the right resources, including governance structures, policies and procedures, to comply with regulatory obligations. In relation to certain material legal or regulatory developments, our legal and compliance team works with Cinven's portfolio companies to ensure and monitor compliance across the portfolio. For example, in 2019, we worked closely with all portfolio companies to raise awareness of the requirements associated with the EU Energy Efficiency Directive (EED), and did this similarly in 2018 with the General Data Protection Regulation (GDPR).

Post-Investment Implementation Process continued

6

Ongoing engagement to encourage continuous improvement

As part of Cinven's active ownership approach, following the initial implementation phase of our ESG processes, Cinven maintains a regular dialogue with its portfolio companies ESG representatives.

In addition, the ESG performance of portfolio companies is regularly reviewed by Cinven's external advisers, ESG Steering Group, Investment team, and Portfolio Review Committee (PRC). This includes oversight of reporting and how the ESG considerations identified during the due diligence and post-investment process are being addressed and / or developed. If new or additional ESG matters arise during Cinven's ownership of a portfolio company, Cinven's approach mirrors that of its pre-investment approach. We seek to assess and rectify the situation through discussion with management and the development of an Action Plan. If a serious ESG risk is identified, the issue is escalated immediately to Cinven's Portfolio Review Committee, ESG Steering Group and, depending on the gravity of the issue, to the Executive Committee.

Exit

Cinven always seeks to ensure that portfolio companies continue to succeed following its ownership. This involves ensuring that ESG considerations continue to be managed effectively post-exit, and Cinven is able to leave a positive ESG legacy. In some cases, where relevant, Cinven commissions independent vendor ESG due diligence support to provide additional reassurance to prospective buyers that relevant considerations have been addressed. If any considerations are identified as part of the pre-exit process (of which Cinven was previously unaware), attempts are made to agree appropriate remedial steps with management prior to exit.

Material ESG Topics

Identifying Material Topics

The latest World Economic Forum's Global Risk Report¹ identifies climate action failure and extreme weather among the most pressing global risks in 2020 in terms of likelihood and impact. Beyond these environmental topics, cyber attacks and global governance failures are reported as two of the next three greatest risks that will shape the world.

In 2019, as in previous years, Cinven reviewed its ESG strategy to maintain focus on the areas of greatest ESG risk and value creation opportunity for the firm and its portfolio, and ensured these were fully aligned with global priorities. This process included a review of the ESG topics identified by each of Cinven's portfolio companies; a review of the topics considered most important to Cinven; as well as Cinven's investors and wider stakeholders including government and regulators.

Taking all of these factors into account, Cinven arrived at a set six ESG topics around which it prioritised its focus in 2019:



The following pages outline why these topics are important to Cinven and its portfolio companies and the activities undertaken by Cinven in 2019 to support portfolio companies in managing the risks and opportunities presented by these, as well as case studies.

¹ www3.weforum.org/docs/WEF_Global_Risk_Report_2020.pdf

The background of the slide features a large, abstract graphic composed of white, semi-transparent geometric shapes (triangles and diamonds) set against a dark blue, slightly textured background. This graphic overlaps the text blocks.

The recent Intergovernmental Panel on Climate Change (IPCC) special report, Global Warming of 1.5 °C¹, confirms that climate change is worse than scientists previously anticipated, and urges rapid and far-reaching action. There is increasing regulatory and government pressure for companies to provide information on the climate-related physical, liability and transition risks on their businesses to investors, lenders, insurers and other stakeholders. It is increasingly important for companies to incorporate the potential impacts of climate change into their planning processes by assessing the resilience of business models to climate-related risks and opportunities, and the associated financial implications under different climate change scenarios.

Both the physical impacts of climate change – resulting from events such as flooding, heatwaves and rising sea levels, the changes to the policy and legal environment, market and technology shifts – and the changing expectations of customers, as we transition to a low carbon economy, present a series of risks and opportunities to Cinven and its portfolio companies.

In 2019, Cinven commissioned an external environmental specialist to conduct a review of the physical and transition risks facing Cinven's portfolio companies. The aim of the review was to better understand the potential of climate-related financial risk and opportunity on the portfolio, and set out practical steps portfolio companies should consider to manage the potential impacts.

¹ www.ipcc.ch/sr15/

Climate Change

A dramatic photograph of a massive, curling wave crashing towards the shore. The water is a deep, dark blue, and the spray from the breaking wave is white and frothy. The scale and power of the wave are emphasized, serving as a powerful metaphor for the forces of climate change.

Climate Change

Envirotainer is a global market leader in the secure cold chain transportation of pharmaceuticals. The company develops, manufactures and leases temperature-controlled containers to prevent pharmaceutical products from being compromised during air transportation. From three regional operations centres and over 50 service stations, Envirotainer provides products and services that ensure the patient safe delivery of pharmaceuticals by maintaining the integrity and quality of products.

Sector

Business Services

Acquired

September 2018



Industries dependent on air transport are subject to increasing external pressure from governments, regulators and customers to reduce their environmental footprint. Pharmaceuticals need to be delivered in a safe and secure manner. During transportation using simpler methods, additional costs and emissions can result from batches being spoilt in transit due to temperature deviations. Temperature-controlled containers ensure efficiency, minimise wastage and closely control the carbon footprint of pharmaceutical supply chains.

Sustainability and climate change are central to Envirotainer's business strategy. The company regularly engages with its customers and employees on sustainability topics to understand customer needs, improve climate-related strategies, and ensure it is well positioned to fully meet the requirements of customers and regulators in future. Senior oversight of sustainability performance is managed through quarterly ESG reporting to the Board, which includes monitoring of direct emissions. In 2019, Envirotainer engaged the full Executive Management team to enhance its sustainability framework and to develop a new group-wide sustainability strategy. One key activity was to undertake a full scope three emission analysis in order to understand and influence the full environmental impact of its business operations. The outcome of this project will enable Envirotainer to focus on initiatives with the greatest opportunity to reduce the carbon footprint of the pharmaceutical transportation supply chain.



Each year, Envirotainer publishes a sustainability report that includes environmental performance data for its facilities and products.

Envirotainer is continuously upgrading the design, reliability, and life-cycle of its temperature controlled containers to improve performance. Envirotainer's business model is truly circular, with each container being used for approximately 10-15 years, supporting many journeys during its life time, which compares favourably with alternative cold chain transportation products that are often single use. Envirotainer's containers are also designed to maximise the capacity of products that can be transported in the space available which further minimises carbon emissions.

Together with its partners, airlines and forwarders, Envirotainer helps its pharmaceutical customers make more than 2 million doses of medicines and vaccines available all over the world, every day. The company is committed to continuously improve the cost-efficiency per dose delivered, to contribute to affordable access to pharmaceuticals globally.

Cyber



In an increasingly digitalised and data-driven world, The World Economic Forum 2020 Global Risks Report¹ ranks cyber attacks and data fraud or theft as among the greatest non-environmental risks. Malicious cyber attacks and insufficient cyber security protocols are causes of major breaches of personal information, causing substantial disruption to business, likely financial penalties and reputational damage amongst customers and investors.

Across Cinven's portfolio, technical and organisational measures, as well as security policies that maintain the confidentiality, integrity, availability and resilience of their IT systems, are in place to ensure the protection of customer data. Cinven continues to engage with external specialist advisers to assess cyber security risks across the portfolio and to ensure there is adequate governance in place to manage data security.

Cyber security is a priority area of focus at each stage of the investment cycle, including pre-investment cyber resilience due diligence and post-investment action plans. Cinven requires each new acquisition to undertake a cyber security review as part of its collaborative ESG onboarding process to assess the key risks and opportunities.

¹ www3.weforum.org/docs/WEF_Global_Risk_Report_2020.pdf

Cyber

New Day

NewDay is a leading consumer credit company providing unsecured credit across a range of products, specialising in serving near-prime customers and partnering with retailers to provide retail credit solutions. NewDay is headquartered in the UK, with more than 1,200 employees. NewDay is authorised by the Financial Conduct Authority.

Sector

Financial Services

Acquired

January 2017

NewDay has implemented robust security governance and organisational measures to protect its systems, data and 5 million UK customers from a security breach.

NewDay closely monitors and manages its performance on cyber security at all levels within the business. Cyber security is a focus for the NewDay Board and is regularly reviewed at Board / Committee meetings. Initiatives are in place to enhance the security posture in line with the changing cyber threat. NewDay's approach to cyber security is focused on three key areas:

1 Security risk management and governance

NewDay works with external partners to understand its cyber threats and to assess and manage the associated risk. Security policies, risk assurance and control testing activities are in place to manage the identified risks, and enable compliance with regulatory requirements and Payment Card Industry data security standards;

2 Secure development

Engagement and collaboration with development teams to enable a secure design and build in data security; and

3 Security operations and monitoring

In 2019, NewDay significantly enhanced its capability in this area, which included the implementation of an advanced threat detection capability that leverages machine learning to identify suspicious activity on the network. NewDay's security operations team works closely with a specialist security provider to identify and respond to security vulnerabilities, cyber threats and suspicious activity across all platforms on a 24/7 basis.



"Office roadshows were hosted to encourage greater collaboration between employees and the information security team to contribute to a safe cyber environment"

NewDay maintains a rigorous approach to security testing to confirm that its systems and customer-facing services are secure. In 2019, NewDay partnered with specialist providers to perform 'Red Team' security testing, and to implement a continuous approach to testing using crowd-sourced capabilities. This approach to testing validates NewDay's security defences, and enables early visibility and remediation of security weaknesses.

NewDay is also proactive in protecting its systems and customer data through colleague training and awareness initiatives. During 2019, NewDay ran a series of campaigns aimed at building employee awareness of cyber security. The campaigns focused on building resilience against common security risks such as how to spot phishing emails, creating stronger passwords, and good practice in protecting information. In Leeds, NewDay partnered with West Yorkshire Police to provide employees with an external perspective on cyber security risks to home computers.

In 2020, NewDay will continue to leverage specialist cloud security technologies and use advanced analytics, such as artificial intelligence and machine learning, to further strengthen its overall security posture and approach to data security. NewDay intends to further develop incident response procedures and test its readiness through simulated cyber attack activity.



The UN Global Compact estimates that 80% of all global trade passes through supply chains¹, making supply chains an important lever for businesses to create a positive socio-economic impact while driving responsible practices. Companies that manage supply chains responsibly are more likely to adapt to future needs and protect shareholder value, and ensure economic, social, ethical and environmental best practice and compliance.

Cinven has a global portfolio of companies which have, in some cases, large and complex supply chains. Cinven continues to support portfolio companies in strengthening their capacity to manage ESG-related factors relevant to supply chain management and to demonstrate transparency and good practices.

Supply Chain

¹ www.unglobalcompact.org/library/5635

Supply Chain

Partner in Pet Food (PPF) is a market-leading pet food manufacturer, headquartered in Hungary. The company supplies more than 450,000 tons of pet food each year to 500 customers across 39 countries in Europe. PPF's customers include some of the largest blue-chip retailers, discounters, specialty pet retailers and on-line providers. Across its business, PPF sources high quality raw materials and maintains stringent safety procedures fully in line with customer expectations and ensures compliance with strict food safety regulations.

Sector
Consumer

Acquired
July 2018



PPF's focus on meeting customer requirements and demonstrating traceability across its supply chain has enabled the company to differentiate itself from competitors. However, in order to achieve this, the raw materials in PPF's products must align with the strict International Food Standard (IFS) for human consumption, and PPF needs to communicate its commitment to ESG through policies and procedures.

PPF has developed policies covering ESG, Health and Safety, Quality and GDPR and clearly set out its supplier expectations for its complex supply chain of over 1,000 suppliers. The policies are reviewed on an annual basis, with updates communicated to employees through a shared IT system, directly from shift leaders to workers, or via information boards shown within the company's manufacturing facilities.

In 2019, PPF established a new internal supplier audit function to build on the existing process management and quality controls. PPF established this new function to enhance strategically planned and structured auditing. Audits are conducted in line with industry best practice, covering labour standards, environmental assessments, business ethics, and health and safety. The role of the supplier audit function allows PPF to be aligned, adaptable and prepared for changes in customer expectations, while maintaining the highest standards in food safety and quality.



"PPF reinforced its commitment to health and safety standards through the development of a new health and safety policy and the assignment of dedicated health and safety managers."

Employees were required to undertake training in 2019 hosted on a new e-learning platform to reinforce their understanding of safety standards and delivery of the standards expected across PPF. The new internal supplier audit function worked closely with PPF's health and safety managers company-wide to ensure the audit programme was designed to identify the key health and safety risks present in PPF's supply chain.

In 2020, PPF is planning to further develop supplier audit strategy through collaboration with the procurement and health and safety departments within PPF. This is expected to highlight a number of suppliers where further partnership will improve standards. PPF will continue to strengthen its internal health and safety management system and communication to employees by holding monthly health and safety meetings in each of its facilities, as well as sharing and learning the lessons from any incidents that occur across the supply chain.



Inclusion and Diversity

It is widely recognised that fostering inclusion and embracing diversity are drivers of good business. Evidence shows that the companies able to create inclusive cultures and employ diverse workforces, enjoy increased creativity, stronger governance and greater problem-solving capabilities.

People from different backgrounds bring new approaches to challenges and help to create organisations that are more resilient and effective. The 2018 McKinsey study 'Delivering through Diversity'¹, showed that companies in the top-quartile for gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation.

At Cinven, we know we are better positioned to attract top talent, make good business decisions, and increase employee satisfaction if we prioritise inclusion and diversity both within our own organisation and across our portfolio.

Cinven considers inclusion and diversity as an essential enabler of growth and, as a result, all portfolio companies are required to monitor and report to us on gender diversity on a quarterly basis. Cinven is proud that, in 2019, women were deservedly appointed as chief executives of two portfolio companies, Premium Credit and JLA.

¹ www.mckinsey.com/~/media/McKinsey/Business%20Functions/Organization/Our%20Insights/Delivering%20through%20diversity/Delivering-through-diversity_full-report.ashx

Inclusion and Diversity

Cinven strongly believes that an inclusive and diverse team is critical to a successful and sustainable firm. By recruiting, developing and retaining the best talent, Cinven seeks to drive best-in-class performance for its investors. Since 2013, the number of women within the Investment team has risen from 5% to 15%. The number of female Investment team Associates has risen from less than 10% to at least 40%. In Cinven's Corporate team, female representation has risen from approximately 45% to 55%. We recognise we still have some way to go.

Cinven team members regularly participate in industry roundtables and conferences to promote inclusive behaviour and diversity within the Private Equity industry. Cinven was a Founder Member of Level 20, a Private Equity industry organisation with a mission to improve gender diversity in the sector. In particular, Cinven Partners have led and been involved in UK and German mentoring schemes run by Level 20 to support the development of female executives within Investment teams across the industry.

To help track gender diversity at the portfolio company level, in 2018 Cinven introduced mandatory ESG KPIs for all portfolio companies. These KPIs were designed to track, on a quarterly basis, company-wide gender diversity, together with C-level management and Board level diversity. Cinven has also introduced mandatory quarterly reporting of workplace grievances, including harassment and anti-social behaviour incidents.

In order to foster more inclusive workplaces across its portfolio companies, Cinven has developed guidelines to assist portfolio companies in the ways in which they implement a formal whistleblowing policy, and a hotline in order to address any governance related misdemeanors or inappropriate behaviours in the company. In addition, Cinven has led and hosted six Annual Portfolio ESG Conferences for senior management of its portfolio companies, where, for the last three years, Inclusion and Diversity (I&D) has been, and will continue to be, a core topic.



During 2019, under the leadership of Managing Partner, Stuart McAlpine, and Cinven's Executive Committee, Cinven developed an I&D work plan composed of around 40 initiatives which have been, or are in the process of being implemented. This work plan is intended to build and celebrate diversity and create a workplace that is inclusive for every team member across all parts of the firm.

Cinven's I&D Working Group consists of senior team members drawn from a range of disciplines. Cinven's Executive Committee has tasked this group with developing and implementing the firm's programme of I&D initiatives with input and support from small groups drawn from both the Investment and Corporate teams.

The programme's initiatives are grouped under the following topics:



The I&D Working Group meets every two weeks to monitor progress and to provide oversight of the programme. Many actions have already been implemented. Once the implementation phase is complete in 2020, there will be a continuing active role for the I&D Working Group to put in place processes and procedures to ensure I&D is fully embedded into all aspects of Cinven's business and to coordinate monitoring and reporting to Stuart McAlpine and the Executive Committee.

Governance



Good corporate governance is a requisite for responsible business conduct, effective management and business performance. The International Finance Corporation states that good corporate governance enables companies to operate efficiently, mitigate risk, respond to stakeholder concerns and gain access to increased capital¹. Grant Thornton's 2019 research paper, Corporate Governance and Company

Performance², found that companies with strong governance are 29% more efficient at generating profits with the financial resources allocated to them and the companies which have the highest standards and most effective corporate governance generate double the return for shareholders.

Cinven provides support to each portfolio company Board to ensure appropriate corporate governance structures are in place. Through its monitoring of the regulatory landscape, Cinven provides guidance to management teams to support portfolio companies with the necessary resources to manage corporate risks. At the corporate level, Cinven's in-house Legal and Compliance team provide recommendations to reduce the risk of non-compliance, and portfolio companies are required to monitor and report their performance on governance as part of Cinven's mandatory ESG reporting requirements.

¹ www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/ifc+cg/overview

² www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/documents/corporate-governance-and-company-performance.pdf

Governance

RTB House is a leading provider of state-of-the-art marketing technology for globally recognised consumer brands. Through deep learning algorithms, RTB House's unique technology enables retail clients to deliver highly relevant digital advertising campaigns to potential customers. Headquartered in Poland, RTB House operates across 30 offices internationally with almost 600 employees located across EMEA, APAC and the Americas and a client base of over 1,500 businesses worldwide.

Sector

TMT

Acquired

April 2019

RTB HOUSE =

Since investment, Cinven has worked with RTB House to further improve its approach to corporate governance policies, processes and oversight to ensure the company is well positioned to meet its customers' current and future needs.

Operating across markets in multiple jurisdictions, a robust approach to corporate governance is important to ensure that RTB House complies with local and global regulations such as the OECD Anti-Bribery Convention, and local standards specific to the countries in which it operates. Timely responses to the rapidly evolving, and geographically variable, regulatory landscape are critical to RTB House's ability to deliver services to its customers.

During the last five years, RTB House established a formal company-wide governance reporting framework, revised in 2019 – to proactively monitor global trends, changes in legal regulations and industry best practice governance standards relevant to the Company. In addition, RTB House Managing Directors within the individual markets regularly consult with external legal advisers and shares this as part of the company-wide reporting framework. The company recognises the importance of open dialogue with employees on the ground who encounter upcoming topics on a day-to-day basis. Management communicates expectations for good corporate governance across the organisation via emails, newsletters and webinars, establishing a strong compliance culture. RTB House also ensures that the Board is notified of any changes in a timely manner so an effective response can be planned and executed.



"Integrity, transparency and the fight against corruption have to be part of the culture. They have to be taught as fundamental values."

Angel Gurria, OECD secretary general

In 2019, RTB House's Board appointed a dedicated Anti-Corruption Officer and implemented a newly revised global anti-bribery and corruption (ABC) policy. To rollout the new global ABC policy, employees participated in a series of webinars and received face-to-face training on the context of the policy within the wider business and how to implement the policy within their individual roles.

In 2020, RTB House intends to continue developing and delivering the enhanced in-person and webinar training programme across its international markets, based on the success of initiatives trialled in 2019.

Governance



Headquartered in Spain, Planasa is one of the leading global breeding operators in the agri-food sector. The company provides seeds, plants and research and development (R&D) services to farmers for a variety of fruits as well as delivering fresh produce to retailers across the world. With a workforce of over 4,600 employees worldwide, Planasa supplies customers globally from its 13 production facilities across Europe, North Africa, the Americas and Asia.

Sector

Consumer

Acquired

January 2018

Due to the geographic spread and nature of Planasa's operations, the company is exposed to a number of ESG-related topics, such as occupational health and safety, water use and the use of sub-contractors, where local regulations can differ significantly. Given the complexity of these regulations, Planasa recognises the imperative for a highly efficient and rigorous corporate governance framework to manage the business sustainably.

In 2019, Planasa developed its first non-financial information report in order to improve its monitoring and reporting of ESG impacts, and to meet its obligations under the EU Non-Financial Reporting Directive. Subsequently, Planasa commissioned Deloitte to undertake an audit of its existing approach to ESG to identify where there were information gaps across the company. The results indicated that Planasa could increase its focus on monitoring a number of ESG topics, including water consumption, absentee hours, workplace accidents, and training hours. Following the audit, Planasa adopted additional internal ESG data collection measures and new governance compliance policies.

Planasa continued to enhance its approach to ESG governance in 2020, setting up a multi-functional team of individuals to lead different ESG programmes within the business. This is led by an ESG Steering Committee which meets bi-monthly and reports to the Board. In addition, Planasa has developed a new IT system to validate and approve ESG policies; it has developed a new cyber policy; and updated its ESG data it monitors and its compliance policies.



"Since Planasa started to be a Cinven portfolio company, we have worked to build up an ESG culture in all of our company's stakeholders that help us to reduce risks, to seize new opportunities and to make better decisions as an ethical way to obtain additional returns and continue to create value within the Group".

To drive a common understanding and approach to ESG, Planasa provided internal training to employees, that introduced the concept of ESG, explained why it is important to Planasa and provided examples of peer company and subsidiary approaches. During the training, employees were introduced to Planasa's new ESG action plan, which set out the Company's key ESG targets until 2022.

In 2020, Planasa will implement the first stages of its action plan. Following the Company's second Non-Financial Information Reporting in June 2020, Planasa will produce an ESG-specific capital and operating expense budget analysis, which will enable ESG investment in focused areas of the business. Planasa's long-term goals include obtaining external ISO certification of its management systems, and improving the process for conducting ESG due diligence for add-on acquisitions.



Employee Welfare

According to the ILO World Employment Social Outlook 2019¹, a majority of the 3.3 billion people employed globally in 2018 experienced a lack of material wellbeing, economic security, equal opportunities or scope for human development. International agreements and standards recognise the right to work in safe, healthy and fair environments. Poor management of employee welfare can have severe implications for a workforce and present long-term legal, regulatory and reputational risks to companies. There is also a growing awareness that poor mental health, brought about by dangerous, stressful or unfair working conditions is a driver of lost productivity and absenteeism.

Across Cinven's portfolio, companies operate in different geographies and sectors, some of which involves work in potentially hazardous conditions. Achieving the highest employee welfare standards is a key priority for Cinven, along with compliance with relevant legislation as a minimum standard. Cinven provides guidance and support to portfolio companies to identify employee welfare-related risks, manage the safety and wellbeing of employees, and identify opportunities for improved productivity.

In order to monitor the safety performance and wellbeing of employees, Cinven requires portfolio companies, at a minimum, to record and report lost time health and safety incidents and employee grievances on a quarterly basis.

¹ www.ilo.org/global/research/global-reports/weso/2019/WCMS_670542/lang--en/index.htm

Employee Welfare



Headquartered in Spain, Ufinet provides fibre infrastructure and transmission services to telecommunication operators across 17 countries in Central and South America. The company has an international network of more than 62,600 kilometres of optical fibre deployed across the regions in which it operates. In order to maintain and expand its fibre optic network, Ufinet is responsible for hundreds of employees and subcontractors working in the field under potentially hazardous conditions including working at height, in confined spaces, and in remote areas.

Sector

TMT

Acquired

July 2018

Ufinet is committed to ensuring the welfare of its employees working in several international regions, and to achieving health and safety standards that exceed regulatory compliance. Stringent health and safety practices enable Ufinet to differentiate itself from competitors and ensure the workforce is sufficiently trained and insured to meet the requirements of large projects.

Ufinet requires employees to undertake training commensurate with the level of risks identified with their jobs. All employees must undertake basic health and safety training and, for specialist roles (such as working at height) employees complete specific certifications and receive further external specialist training that focuses on the risks directly related to their roles (such as electrical installation and installation close to water). Employees are recertified periodically to ensure knowledge is retained. It is also a Ufinet requirement that all third party providers and subcontractors are certified to the same level.

A designated health and safety team, reporting to the Head of Health and Safety, within Ufinet is responsible for the training of employees and the communication and roll-out of the company's Health and Safety Code. The CAO is responsible for employee welfare at Ufinet sites and is supported by the Health and Safety Committee, which includes members of the Executive Committee. When an incident occurs, a detailed report of the incident and the investigation is compiled and discussed at the Committee and communicated to the Board, where required.



"Ufinet's health and safety performance has helped the company attract employees as well as improve overall employee retention and satisfaction."

In order to maintain high safety standards, Ufinet introduced a zero accidents objective in 2020 for the first time. To drive progress towards this target, Ufinet also introduced an initiative where health and safety performance, in this case the number of accidents across the organisation, are a key consideration in the award of discretionary employee bonuses.

In 2019, to track progress and improve overall employee welfare performance across the company, Ufinet established the active monitoring of a detailed set of monthly health and safety key performance indicators (KPIs) by country. In addition, Ufinet increased the size of its central health and safety function in 2019

and prepared a revised detailed health and safety action plan. The plan included closer collaboration between in-country teams and the Head of Health and Safety, who visits each country of operation at least once per year to track progress against objectives and KPIs.

In 2020, Ufinet will continue to prioritise and strengthen the overall welfare of its employees by launching a new volunteering programme. As a part of the programme, Ufinet is asking employees to propose and participate in their own volunteering initiatives, with the objective of increasing employee engagement.

The Cinven Foundation

Established in 2007, The Cinven Foundation is a vehicle for the firm's corporate giving. The Foundation mainly supports children and education-related programmes, making a substantial donation to a carefully selected group of charities each year.

Charities that received financial support from The Cinven Foundation in 2019 include:



IntoUniversity

IntoUniversity provides local learning centres where young people are inspired to achieve. At each local centre, IntoUniversity offers an innovative programme that supports young people from disadvantaged backgrounds to attain either a university place or another chosen aspiration.

www.intouniversity.org



Impetus

Impetus raises significant sums from the private equity industry and its business partners to support charities that help young people to succeed. The Cinven Foundation makes an annual donation to Impetus.



Place2Be

Place2Be is the UK's leading provider of school-based mental health support. The costs of not providing early mental health support are considerable: children suffer, financial burden on taxpayers rises and society loses the full potential of that individual.

www.place2be.org.uk



The Opportunity Network

The Opportunity Network (OppNet) works with students from historically and systematically underrepresented communities in developing their skills, knowledge, and passions to achieve their college and career goals, honoring the identities and embracing the power of each member of our community.

www.opportunitynetwork.org



ThinkForward

ThinkForward is a breakthrough coaching programme that supports young people into employment. The Cinven Foundation funds ThinkForward's Youth Support Apprentice, as well as some of the costs of its Ambassador programme.

- ThinkForward works in four regions of the UK, supporting 1,000 young people between the ages of 13 and 18.
- Professional coaches work with young people for five years in their transition from education to employment.
- To date, 8 out of 10 people are in education or employment when they leave the programme, all of whom were predicted to be unemployed when they joined.

www.think-forward.org.uk

The Cinven Foundation continued



School Home Support

Working with schools, local authorities and other children's settings, School Home Support provides personalised support to children and families, tackling the underlying barriers to a successful education to improve the life chances of children.

www.schoolhomesupport.org.uk



The Children's Literacy Charity

The vision of The Children's Literacy Charity is to close the literacy gap for all disadvantaged children, enabling them to achieve their true potential. The charity provides specialist one-to-one literacy support for the most disadvantaged children in society who are at risk of being left behind.

www.thechildrensliteracycharity.org.uk



Sponsors for Educational Opportunities (SEO)

SEO prepares talented students from ethnic minorities or low socioeconomic backgrounds for career success.

- EO Schools help high achieving students in years 11-13 broaden their horizons through access to academic, professional and enrichment opportunities.
- SEO Careers equips talented university students to launch successful professional careers. As candidates build their experience, they share their knowledge with the next generation.

SEO Connect is a hiring platform that supports SEO Careers alumni and like-minded professionals as they progress through their careers.

www.seo-london.org



Stonewall

Stonewall's mission is to let all lesbian, gay, bi and trans people know they're not alone. By partnering with organisations, Stonewall aims to create real change for the better, whilst fulfilling the following priorities:

- empowering LGBT people to be their authentic selves, enabling them to realise and achieve their full potential;
- transforming institutions, to create inclusive and accepting cultures; and
- changing hearts and minds, to ensure that LGBT people, across all communities, are valued, welcomed by all and can participate fully in society; and changing and protecting laws, to ensure that laws and rights essential for LGBT equality are created, maintained, protected and defended, so that LGBT people have equal rights in the UK and abroad.

In addition, Cinven partnered with Stonewall in 2019 on an ongoing basis to gather expert insight on Cinven's Inclusion and Diversity policies, the process of setting up an internal committee and how to integrate Cinven's commitment to LGBT inclusion into recruitment processes.

www.stonewall.org.uk

The Cinven Foundation's support of SEO and Stonewall contributes to the work that Cinven is doing at a GP level as part of its Inclusion and Diversity initiatives.

In addition, The Cinven Foundation supports charitable causes that are important to staff members on an ad hoc basis. Subject to the Trustees' approval, charitable donations made by Cinven employees are double match funded, up to a limit of £1,000 per person per year, and single match funded up to a limit of a further £1,000 annually. Ad-hoc donations are also made to charities chosen by other individuals who are close to the firm and request sponsorship for participation in charitable events.

PRI Index

The table below is structured in line with the Principles for Responsible Investment's (PRI's) ESG Monitoring and Reporting Framework, which provides a guide for the exchange of information between Limited Partners (LPs) and General Partners (GPs). The guide was published in June 2018.

Policy, people and process

| | | | |
|-----|---|-------------------|--|
| 1.1 | What updates have you made to your responsible investment policy / guidelines and / or strategy? | Core | — Message from Cinven's Managing Partner and ESG Steering Group Chairman (pages 2-3) — Key ESG Developments at Cinven since 2009 (page 4) |
| 1.2 | What changes have you made to how responsible investment is resourced and structured at the firm? | Core | — No changes have been made to how ESG management is structured and resourced during the reporting period. Arrangements are set out on pages 10-12 |
| 1.3 | How has your responsible investment policy / guidelines and /or strategy been implemented? | Core & Additional | — ESG Approach (pages 8-9) — ESG in the Investment Cycle (pages 14-19) |
| 1.4 | How does your firm manage the ESG aspects of its own operations (corporate responsibility)? | Additional | — Governance (pages 10-12) — Cinven's ESG KPIs (pages 17-18) — Cinven's Approach to Inclusion and Diversity (pages 27-28) — Cinven Foundation (page 34) |

Cinven supports the overall aim of this framework to achieve a degree of consistency in LP and GP communication but recognises LP information requests for information and requirements vary. Cinven has included the table as a reference index, to signpost where related information is available within this Review, or elsewhere.

'Core' disclosures are designed to provide the key information that an LP can use to monitor its investments and assess the responsible investment performance of its fund managers.

'Additional' disclosures are designed to support a more detailed understanding of the responsible investment performance of the fund manager and its portfolio companies.

Portfolio

| | | | |
|-----|--|-------------------|---|
| 2.1 | What is the ESG risk and opportunity profile of the portfolio companies in the fund? Have there been any changes to the ESG risk and opportunity profile of the fund in response to emerging ESG issues, and, if so, which ones? | Core | — Governance (pages 10-12) — Post-investment: Assessment of company's ESG approach and reporting (page 16) — Post-investment: Ongoing engagement to encourage continuous improvement (page 19) — Material ESG Topics (pages 20-33) |
| 2.2 | How are ESG factors managed by the portfolio companies in the fund? | Core & Additional | — Governance (pages 10-12) — Material ESG Topics (pages 20-33) |
| 2.3 | Report specific ESG indicators for portfolio companies. | Additional | — Post-investment: Provide ESG performance and reporting updates to Cinven (pages 19-20) |
| 2.4 | Describe your approach to assessing the risks and opportunities that climate change poses to your portfolio companies. | Additional | — Pre and Post Acquisition (pages 15-19) — Governance (pages 10-12) — Climate Change (pages 21-22) |
| 2.5 | Describe your approach to assessing the environmental and social benefits created by your portfolio companies. | Additional | — Post-investment: Provide ESG performance and reporting updates to Cinven (pages 17-18) — Material ESG Topics (pages 20-33) |

Material ESG incidents

| | | | |
|-----|---|------|---|
| 3.1 | Immediate notification of material ESG incidents. | Core | — Included in Cinven's fund reporting to Limited Partners |
| 3.2 | Periodic summary of material ESG incidents. | Core | — Included in Cinven's fund reporting to Limited Partners |

Contact

If you would like any further information on any aspect of Cinven's approach to ESG management, please contact:

Vanessa Maydon
Corporate Affairs Director

Cinven
Warwick Court
Paternoster Square
London EC4M 7AG

Direct Tel: +44 (0) 20 7661 3325
Vanessa.maydon@cinven.com

www.cinven.com