

ESG Policy

Environmental, social and governance policy statement

Cabot Square Capital LLP (“Cabot Square”) has long recognised that environmental, social and governance (“ESG”) issues can have a significant impact on private equity investment in terms of raising funds, making investments, managing investments and creating value in each portfolio company. For this reason, we have adopted the following ESG policy.

In developing our ESG policy, we have given consideration to a range of codes and standards, including the United Nations supported Principles for Responsible Investment, the United Nations Global Compact, and the requirements of our Anti-Bribery and Corruption Policy.

The Cabot Square team will use all reasonable endeavours to:

- Comply with relevant regulations governing the protection of human rights, occupational health and safety, the environment, and the labour and business practices of the jurisdictions in which we conduct business.
- Adhere to the highest standards of conduct intended to avoid even the appearance of negligent, unfair or corrupt business practices.
- Regard implementation of our ESG engagement activities as an integral part of how we do business.
- Appoint a Head of Sustainability and provide for the assignment of and accountability for ESG responsibilities to senior managers at companies we control – in this regard, Cabot Square has appointed Stephanie Yannakoudakis as our Head of Sustainability.
- Instruct Cabot Square Investment Professionals in the identification and management of ESG risks and opportunities, and provide them with appropriate support and assistance.
- Identify ESG risks and opportunities prior to the acquisition of companies entrusted to our care and control, and manage ESG risks and opportunities following acquisition.
- Establish appropriate ESG policies and practices for companies entrusted to our care and control comparable to standards adopted by Cabot Square.
- Recognise that our ESG activities are of an ongoing nature and to encourage continual improvement in ESG performance at the companies we own.
- Distribute this policy and related ESG information to all Cabot Square members and employees.
- Encourage dialogue on how we can accommodate ESG issues in a way that is consistent with our Limited Partners’ and other stakeholders’ initiatives in these areas.

Our Head of Sustainability will review the policy’s effectiveness and implementation on a regular basis and will report relevant findings, progress and recommendations to the Management Committee.

Definitions

Our definition of responsible investment is the integration of environmental, social and corporate governance considerations into investment management processes and ownership practices in the belief that these factors can have an impact on financial performance.

The aim of the United Nations Principles for Responsible Investment (“UNPRI”) is to ensure that ESG issues are considered during the investment process and subsequent management of investments.

Cabot Square acknowledges that ESG issues can affect the performance of investment portfolios. Investing practices which incorporate ESG issues can be both financially profitable and profitable for society as a whole. Cabot Square incorporates ESG policies where appropriate in the investment process. This includes discussions with the businesses that we invest in, about how they deploy ESG practices and policies, and understanding the ESG impacts of our entire portfolio.

The UNPRI was launched in 2006 and has become the standard for global best practice in responsible investing. The framework is voluntary for incorporating ESG issues into mainstream investment practices.

In accordance with the UNPRI, Cabot Square is committed to the following six principles:

- Principle 1: Incorporating ESG issues into investment analysis and decision making processes
- Principle 2: Being active owners and incorporating ESG issues into ownership policies and practices
- Principle 3: Seeking appropriate disclosure on ESG issues by the entities in which investments are completed
- Principle 4: Promoting acceptance and implementation of the principles within the investment industry
- Principle 5: Working together to enhance effectiveness in implementing the principles
- Principle 6: Reporting on our activities and progress towards implementing the principles.

For more information on UNPRI please visit www.unpri.org