



RESPONSIBLE INVESTMENT

INVESTMENT POLICY

Preamble

Keensight Capital is a European growth buyout investor with deep expertise in Technology and Healthcare. We partner with the management teams of fast-growing and profitable companies providing capital, strategic guidance and operational support.

Since its inception, the team at Keensight Capital has been delivering value to investors by backing management teams to build stronger and more valuable businesses. Long-term sustainability is at the core of what we do. We believe that having a responsible and proactive approach to sustainability will positively impact our performance, the success of our portfolio companies and society at large.

As such, we expect both our management company and portfolio companies to be committed to our environmental and social engagements.

As a responsible asset management company, we wish to participate in the orientation of financial flows towards actors implementing responsible and sustainable practices throughout our investment process.

Responsible Investment Policy

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1. Scope, definitions, related policies and standards

1.1 Scope and purpose of this document

This policy applies to Keensight Capital. The purpose of this document is to present how Keensight Capital's policies:

- Integrate ESG, climate change and sustainability risk considerations into its investment decision-making process;
- Consider principal adverse impacts of its investment decisions on sustainability factors.

In accordance with articles 3 and 4 of the Disclosure Regulation (Regulation EU 2019/2088), this document also reinforces the transparency on sustainability risks and principal adverse impacts.

1.2 Definition of sustainability risks and principal adverse impacts (PAI)

Sustainability risks mean an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. It is therefore a financial risk.

Principal adverse impacts refer to the negative impacts of investment decisions on environmental, social and governance factors (ESG factors). It is a non-financial risk.

1.3 Policies relating to the identification of sustainability risks and principal adverse impacts

Keensight Capital identifies and assesses sustainability risks and principal adverse impacts on ESG factors in the following policies and documents:

- The present Responsible Investment Policy, acting also for now as a Sustainable Risk Policy and a Principal Adverse Impacts statement;
- Keensight's ESG policy (including the 6 pillars);
- The sustainable engagements;
- The environmental engagements;
- The Gender Equality engagements.

1.4 Reference to international standards

Keensight Capital adheres to the following responsible business conduct codes and international standards:

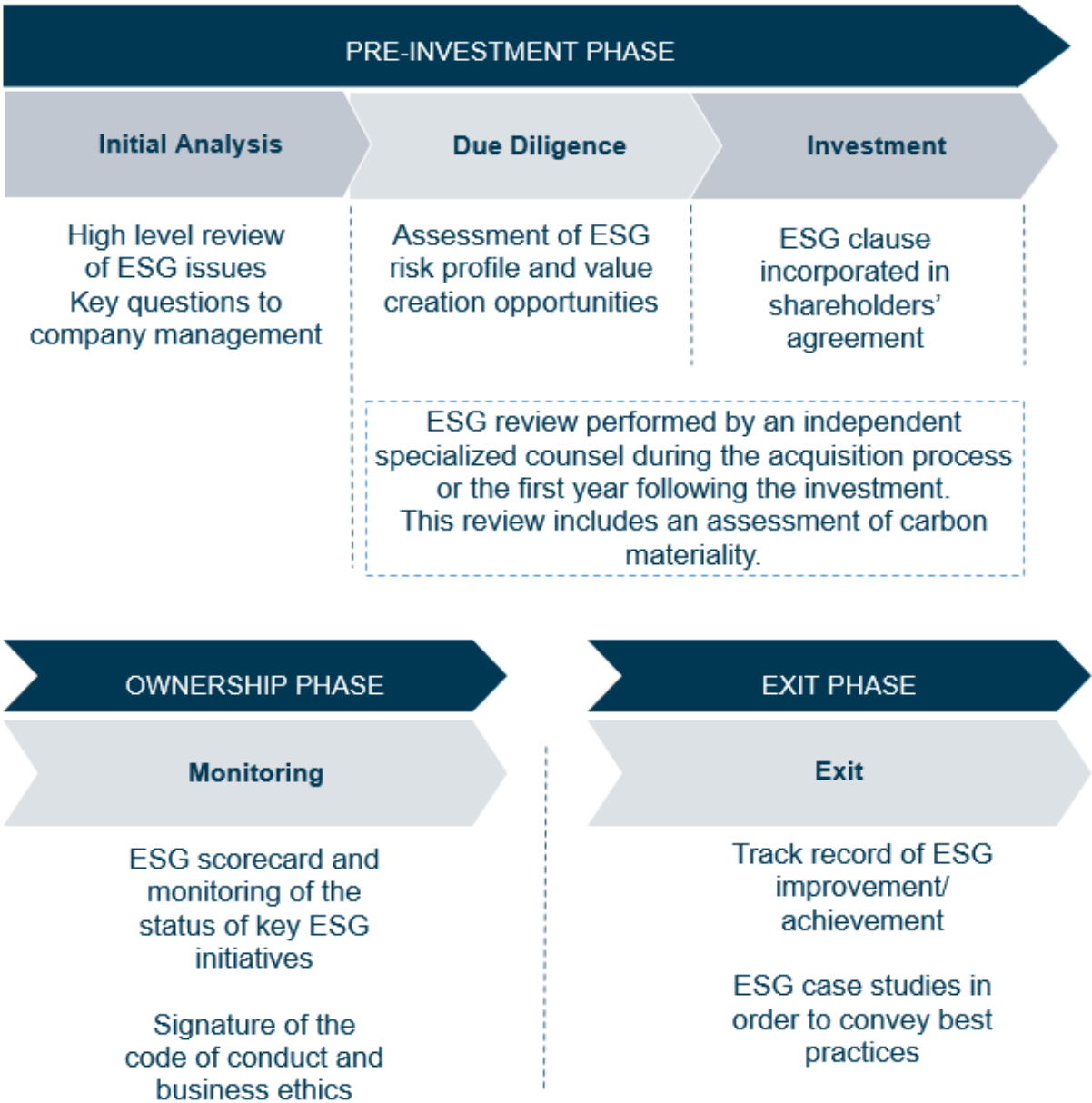
- United Nations – Principles for Responsible Investment (UN PRI);
- United Nations – Sustainable Development Goals;
- France Invest’s Investors for Growth charter;
- France Invest’s Gender Parity Charter;
- Initiative Climate International ("iCi"), in line with the TCFD recommendations and Art. 173 for reducing climate change.

2. Integration of ESG issues, sustainability risks and principal adverse impacts in our investment decision-making process

ESG criteria, sustainability risks and principal adverse impacts are taken into account in the analysis and decision-making processes of all investments, including:

- Consideration of non-financial performance of target companies (governance, social and environmental performance);
- Consideration of whether the investment is ethical.

Keensight Capital integrates ESG, climate change and sustainability risk considerations into its investment process, throughout the appraisal, ownership and exit phases.



2.1 Pre-investment phase

2.1.1 Initial analysis

Keensight Capital invests in Tech and Healthcare, two sectors positively oriented towards an ESG approach.

Prior to its decision to invest, Keensight Capital conducts a high level ESG review of upstream opportunities. The business sector of the proposed investment is analyzed against Keensight Capital's strict investment policy. For instance, Keensight Capital will not invest in any company operating or potentially operating in sector(s) included in Keensight Capital's exclusion list defined in its rules of procedure.

This allows Keensight Capital to avoid principal adverse impacts of these activities on ESG factors.

Keensight Capital systematically performs an assessment of potential ESG risks. It provides an overall understanding of the potential **sustainability risks, principal adverse impacts** and opportunities associated with the proposed investment. This approach allows Keensight Capital to determine the nature and level of scrutiny needed for further ESG Due Diligence and to assess whether an independent professional expert is required.

In addition, Keensight Capital uses this phase to **engage** in a discussion with the company's management about **sustainability risks and principal adverse impacts** as well as the business case for a sound management of ESG impacts and its potential for value-creation. Through these conversations, the Keensight Capital investment team will also be able to assess the willingness and capacity of the company's management to address ESG matters.

Keensight Capital is also committed to work alongside its portfolio companies to support the achievement of the United Nations Sustainable Development Goals. To that end, Keensight Capital systematically discusses the subjects of the SDGs with the management of its portfolio companies to raise awareness about these initiatives.

In addition, a specific analysis is conducted on the SDGs during ESG due diligence in order to identify the priority targets of the company, why these targets matter, and what actions have been implemented by the company to make positive contributions while avoiding negative impacts. **This focus on SDGs allows Keensight Capital to engage actively with its target investments to improve their Key Performance Indicators on principal adverse impacts throughout the investment period.**

2.1.2 ESG Due Diligence

For each new investment, an ESG Due Diligence is conducted prior to the acquisition or in the first year following the investment in a company, depending on the context of the investment and the materiality of ESG and Climate Change impacts as assessed during the initial analysis.

The investment team of Keensight Capital appoints an independent specialized counsel to conduct this ESG Due Diligence. This review aims at:

- Checking in detail the conformity of company practices with the laws and rules in force depending on its geographical presence and on the industry in which the company operates;
- Reviewing ESG procedures already implemented by the company;
- Identifying risks and areas of improvement with regard to ESG criteria;
- Prioritizing new procedures to be engaged and the implementation of a timetable in order to reach the defined objectives.

In addition, since 2016, when Keensight Capital joined the Initiative Climat International («iCi»), these reviews also evaluate the materiality of the greenhouse gas emission of the portfolio companies.

2.1.3 Investment

Since 2013, an ESG clause is systematically incorporated in the shareholders' agreement of new investments. All stakeholders therefore commit to comply with laws and regulations related to environment, social matters and anti-corruption.

2.2 Ownership phase

Active monitoring of ESG and carbon matters in the portfolio companies of Keensight Capital is crucial to ensure the companies' on-going management of these issues.

Keensight Capital monitors the ESG progress of its portfolio companies through a formalized reporting process. Every year, each portfolio company answers an ESG scorecard consisting of numerous questions on environmental, corporate governance and social matters. These include both matters relative to sustainability risks as well as principal adverse impacts. Keensight Capital's investment teams use the scorecard to measure the ESG performance of the portfolio companies and to obtain a global overview of the progress on ESG issues across the portfolio.

In addition, all portfolio companies sign a code of conduct and business ethics committing to comply with several requirements regarding the impacts on environment, social matters and corporate governance. Keensight Capital has implemented a voting policy in accordance with France Invest's code of ethics and engages dialogue with investee companies to improve their business strategy and performance, including ESG issues.

2.3 Exit phase

When Keensight Capital exits an investment, it gives evidence of the company's achievements and progress on ESG matters.

To sum up, all the components of Keensight Capital's investment processes contribute to the identification and management of sustainability risks and principal adverse impacts.

3. Focus on the inclusion of climate change and biodiversity risks in our investment process

This section provides specific information in line with the dispositions of the Article 29 of the French Energy and Climate Law.

Keensight Capital considers climate change and biodiversity issues in its investment process.

Considering climate change risks, Keensight Capital is a signatory of Initiative Climat International ("iCi") and a member of the taskforce iCFrance of France Invest's ESG commission. Formerly known as Initiative Climate 2020 ("iC20"), it became iCi following its endorsement by UN PRI.

iCi is the first private equity initiative in France dedicated to managing and reducing greenhouse gas emissions among portfolio companies. More than twenty companies have now signed up to the initiative, under which they agree, as from 2016, to include climate change issues in their investment strategy, with the aim of gradually extending the scope of the initiative to all companies under their control. The members have established a long-term joint approach to reducing the greenhouse gas emissions produced by their investments.

Keensight Capital has established a long-term joint approach to reducing the greenhouse gas emissions produced by its investments. This approach is in-line with the TCFD recommendations (Task Force on Climate Disclosure).

More specifically, the iCi's methodological approach comprises three stages:

- During the investment phase: assessment of carbon impact on the company's future development;
- During the holding phase: climate change awareness-raising for the management teams and materiality analysis of the company's carbon impacts. Based on the challenges, a thorough calculation followed by the definition of an action plan to reduce emissions and adapt to climate change;
- During the disposal phase: capitalize on significant improvements made and major progress achieved.

As signatory of this initiative, Keensight Capital is an active member of the taskforce iCFrance of France Invest's ESG commission. The ESG Commission's purpose is to promote the integration of the non-financial ESG (Environment, Social, Governance) criteria to private equity firms, members of France Invest and their portfolio companies.

Moreover, Keensight Capital takes into account the impact of its investments on climate change and biodiversity within the ESG Due Diligence and the ESG scorecard answered each year by each portfolio company. In line with the "Investors for Growth" charter promoted by France Invest, Keensight promotes the implementation of good practices relative to the preservation of ecosystems and biodiversity with its target investment companies.

4. Integration of ESG issues throughout Keensight Capital's organization

Sustainability risks are considered in a cross-divisional approach by all teams:

- Integration of sustainability risks in research work and exchanges with target investments;
- Involvement of the investment team in the effective integration of ESG principles and the understanding of their impact on target investments;
- Implementation of efficient and reliable ESG monitoring tools and reporting.

Keensight's compliance and internal control framework integrates ESG issues in a comprehensive way, in particular through:

- The integration of ESG issues within the compliance/internal control framework (risk mapping, procedures and control plan). In this regard, specific controls are in-place to ensure that investments comply with fund selection criteria (e.g. exclusion lists).