

Engagement Policy

Last Update: December 31st, 2023.

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.

The Engagement Policy outlines the long-term commitment of Keensight Capital to the companies in which its Funds invest. This policy aligns with the transposition of the European Directive 2017/828, commonly known as the “Shareholders' Rights Directive”, which aims to promote long-term shareholder engagement to ensure that decisions are made for the long-term stability of a company and take into account environmental and social issues.

Portfolio management companies are required to establish a shareholder engagement policy that describes how their investment strategy and its implementation contributes to the medium to long-term performance of its invested companies. Annually, they have to disclose information on how they have implemented this policy, and how they voted at significant votes.

The content of this policy encompasses the following elements: voting policy, monitoring of financial and non-financial performance, risk assessment, capital structure, social and environmental impact, corporate governance, interaction with held companies, exercise of voting rights and other attached rights, collaboration with other shareholders, communication with relevant stakeholders, and the prevention and management of actual or potential conflicts of interest in relation to their engagement.

1. Monitoring of strategy, financial and non-financial performances, risks, capital structure, social and environmental impact, and corporate governance

Keensight Capital has set several objectives, including:

- Promoting the development of positive and sustainable corporate practices through dialogue and exercising voting rights at company general meetings;
- Implementing a rigorous and structured investment policy to serve as the foundation for selecting investments.

The investment team regularly monitors the evolution of strategy, financial performance, risks, and financial structure for both current portfolio companies and investment targets, primarily through the analysis of revenue and financial results publications.

This monitoring is carried out by teams, working in pairs to offer contingency in the event of the primary contact's departure and to enhance information sharing. Keensight Capital, through its shareholder agreements, ensures the inclusion of clauses for regular information rights.



The data collected allows Keensight Capital's team to conduct an internal semi-annual assessment of the investments, considering both quantitative and qualitative criteria. Every quarter, Keensight Capital provides its subscribers with a report, including a descriptive sheet for each investment.

Keensight Capital also integrates an analysis and monitoring of non-financial performance, including the social, environmental, and corporate governance impact through an approach described in its Responsible Investment Policy. ESG criteria are thus considered throughout the lifecycle of our investments, from the initial analysis to the exit. In this regard, Keensight Capital has established an annual reporting process and implemented dedicated ESG software to track progress, identify areas of improvement, and generate detailed reports on sustainability performance. This comprehensive approach ensures portfolio companies are meeting their ESG objectives and staying on track for long-term success.

2. Dialogue with portfolio companies

The investment team regularly meets with the management of portfolio companies where they discuss financial and non-financial matters concerning the investments. Keensight Capital's team promotes best practices related to ESG issues and maintains ongoing dialogue, including regular meetings and feedback with company management regarding their implementation and progress.

Furthermore, they promptly receive or stay informed about company communications and actively participate in shareholders' general meetings.

3. Exercise of voting rights and other rights attached to shares

3.1. Organization enabling Keensight Capital to exercise its mandates

Keensight Capital holds mandates within the oversight bodies (Board of Directors or Supervisory Committee) of its Funds' investment portfolio company. Keensight Capital delegates authority to one or more members of the investment team to fulfil its responsibilities in accordance with the shareholder agreements established for each investment. These mandates usually have a one-year duration and are automatically renewed by Keensight Capital on an annual basis.

3.2. Organization enabling the company to exercise its voting rights

The voting decision is made by the Partner or Investment Director overseeing the investment. Keensight Capital consistently participates in voting on resolutions presented at the general meetings of the investments. The voting decision is made on a case-by-case basis based on the proposed resolutions, including changes to articles of association, approval of financial statements and profit allocation, appointment and removal of corporate officers, related-party transactions, share issuance and buyback programs, amendments to shareholder agreements, etc. In all cases, the voting decision is made in the best interests of the investors of the Funds.



3.3. Report on the Exercise of Voting Rights

Within four months of the end of its fiscal year, Keensight Capital prepares the annual report of the Funds, which includes a report detailing the manner it has exercised the voting rights associated with the securities held by its Funds. This report, which is sent to all the Fund's investors, and to the AMF specifically includes:

- The number of portfolio companies in which Keensight Capital exercised its voting rights in relation to the total number of companies in which it had voting rights;
- Cases in which Keensight Capital deemed it unable to adhere to the principles outlined in its Engagement Policy; and
- Instances of conflicts of interest that Keensight Capital has had to address.

4. Dialogue with other shareholders

Dialogue and cooperation with other shareholders may happen to protect the rights of minority shareholders, including the interests of the holders or shareholders of Keensight Capital's Funds, who might be disadvantaged in some way by the portfolio company. This cooperation can rely on the established shareholder agreement to safeguard the interests of investors, particularly when they are minority shareholders.

An ESG clause has been included in every shareholder agreement since 2013. This commitment ensures that all stakeholders adhere to laws and regulations pertaining to ESG.

5. Dialogue with other relevant stakeholders

Keensight Capital regularly participates in market discussions with various stakeholders to raise awareness among management teams about long-term issues, thereby improving the identification of financial challenges faced by portfolio companies.

This communication is beneficial as it initiates a constructive and transparent dialogue with several stakeholders, including financial management bodies (France Invest and AFG), the regulator (AMF), and institutional investors.

Keensight Capital also frequently engages with independent experts and advisors through external organizations to delve deeper into specific topics, stay informed about regulatory changes, enhance its Responsible Investment approach, and share best practices with portfolio companies. Those discussions are carried out transparently without sharing confidential data on Keensight Capital, its Funds, or the portfolio companies.



6. Prevention and Management of Real or Potential Conflicts of Interest

Keensight Capital acts independently and exclusively in the best interests of its managed Funds and its investors.

Keensight Capital maintains a conflict-of-interest management policy designed to implement organizational and administrative measures for the prevention, detection, and effective handling of real or potential conflicts of interest that may arise during the provision of investment services.

The Chief Compliance Officer establishes and maintains of a register, detailing situations of conflicts of interest encountered, including the individuals involved, the potential impacts, and their resolutions.

The management of conflicts of interest is also subject to internal controls at several levels (permanent and periodic controls) to prevent any risk of conflict.

7. Shareholder Engagement Report

Keensight Capital publishes on its website an annual report regarding the implementation of its Engagement Policy. This report includes the following elements:

- A general description of how voting rights were exercised;
- An explanation of the choices made regarding the most significant votes.



Engagement Policy Report

December 31st, 2023

Preamble

The Engagement Policy report (the “Report”) is published annually by Keensight Capital (the “Company”) in accordance with the provisions set forth in articles L.533-22 and R.533-16 of the French Monetary and Financial Code. This Report aims to specify the actions and measures implemented in 2023 to implement Keensight Capital's Engagement Policy at the Company level. Information per fund is available in the section “*Compliance information and voting policy*” of each Funds’ Annual Report, which has been made available to any shareholder as of February 15th, 2024.

Keensight Capital's Engagement Policy defines the long-term commitment to the companies in which its Funds invest. The policy, available on Keensight’s website, aligns with the transposition of the European Directive 2017/828, commonly known as the “Shareholders' Rights Directive”, which aims to promote long-term shareholder engagement to ensure that decisions are made for the long-term stability of a company and take into account environmental and social issues.

1. Dialogue

1.1. With portfolio companies

Keensight Capital is committed to going beyond compliance and good practices. Once invested, we use our influence with portfolio companies with a view to ensuring, sustainable growth and value creation.

To this instance, the Keensight Performance team provides on-demand support to management teams leveraging its cross-functional expertise to create value. The Performance team helps with initiatives such as top-line growth (pricing, sales excellence), M&A, supply chain optimization or internationalization.

Moreover, Keensight Capital has developed a collaborative platform – Keensight Connect – to actively engage in constructive dialogues with founders, CEOs and managers of its portfolio companies, fostering a collaborative environment aimed at driving growth and enhancing value. Through these discussions, the firm has provided strategic guidance and operational support tailored to the unique needs of each company. They have facilitated open communication channels, enabling the exchange of ideas and insights to address challenges and to capitalize on opportunities. This dialogue has led to the implementation of initiatives to optimize operations and streamline processes.

To go further, Keensight Capital has organized several forums bringing together relevant heads of departments from portfolio companies to share best practices, discuss industry trends, address common concerns, such as HR forums, CFO forums, and ESG forums. These forums not only



strengthen relationships and facilitate knowledge sharing but also emphasize the potential for portfolio companies to grow together, develop their networks, and create a virtuous cycle of mutual benefit, where collaboration breeds success for everyone involved.

In 2023, the following forums were hosted by Keensight Capital:

Forum	Date	Key topics covered
HR Forum	October 2023	Discussing women's leadership. Sharing best practices, including tips to advance HR frameworks and policies, different management styles, and best practices to enhance HR dynamics.
Go to Market Leaders' Forum	October 2023	Discussing sales strategy, sales planning & processes, sales team development and enablement, customer experience and satisfaction.
CFO Forum	April 2023	Discussing ERP selection and integration, ESG related topics, M&A build-ups, including sourcing, execution, post-acquisition integration.

Those forums also serve as an opportunity to integrate ESG principles into discussions and encourage portfolio companies to adopt ethical and environmentally conscious strategies, promoting transparency, diversity, and social responsibility throughout their operations. Additionally, Keensight has established an ESG Value Creation Program strategically designed to harness ESG performance as a key competitive advantage. Through this program, we help companies identify, prioritize, and address their material ESG risks and opportunities, so they can maximize the potential for value creation. We provide guidance on how to leverage ESG performance as a strategic advantage and develop and implement key actions that create long-term value. Moreover, we assist companies in understanding the link between ESG performance and financial performance, and help them to develop strategies integrating sustainability into their operations.

This holistic approach not only enhances the long-term resilience and reputation of portfolio companies but also aligns with the firm's commitment to driving positive change and creating value beyond financial returns. Through ongoing dialogue and collaboration, the firm continues to support portfolio companies in integrating ESG factors into their decision-making processes, thereby fostering a more sustainable and inclusive business environment.

1.2. With other shareholders

Relationships between shareholders of Keensight Capital Funds' portfolio companies are structured by by-laws and shareholder agreements. An ESG clause has been included in each of the shareholder agreements since 2013. This commitment ensures that all stakeholders adhere to laws and regulations pertaining to ESG.



Keensight Capital also fosters constructive dialogue with other shareholders to align the company's sustainable development objectives with those of value creation and risk mitigation.

1.3. With other relevant stakeholders

Keensight Capital proactively engages with key and influential stakeholders to foster environmental and societal innovation.

- Keensight Capital is a member of Invest Europe, the association representing Europe's private equity, venture capital, and infrastructure sectors, as well as their investors. Our ESG Director is a member of the ESG Working Group of Invest Europe.
- Since 2012, Keensight Capital has been a signatory of the PRI, the Principles for Responsible Investment, promoted by the United Nations, and actively participates in its annual reporting campaign, events, and workshops. Moreover, our ESG Director is a member of the Investor Reference Group on Corporate Reporting.
- In 2014, Keensight Capital renewed its commitment to France Invest's guidelines by signing the "Investors for Growth" Charter. In 2020, we joined as a signatory of the France Invest "Gender Parity" Charter. Additionally, we are currently members of the Sustainable Finance working group.
- In 2016, Keensight Capital became a signatory of Initiative Climat International (iCI), a global practitioner-led community of private equity firms and investors that seek to understand and manage the risks associated with climate change.
- In 2022, Keensight:
 - became a signatory to the UN Global Compact, a strategic initiative for businesses that are dedicated to aligning their operations and strategies with ten universally-accepted principles in the areas of human rights, labor, environment, and anti-corruption.
 - became a sponsor of Level 20, an organization dedicated to improving gender diversity in the European private equity industry. We regularly participate and engage in their programs (events, presentations, mentoring, etc.).
 - is committed to the ESG Data Convergence Initiative, which seeks to advance best practices for the collection, processing, and reporting of ESG performance data. The initiative aims to reduce the complexity surrounding ESG data collection and reporting and to ensure investors have access to consistent and accurate ESG data.
- In 2023, Keensight Capital actively engaged in numerous industry events and dialogues with key stakeholders, including financial management bodies, the regulator, institutional investors, and industry associations addressing ESG concerns, to enhance its understanding of sustainability and market trends. This strategic involvement not only enabled the firm to better support its portfolio companies by leveraging insights to drive sustainable growth and innovation but also established Keensight Capital as a leading influencer within the sector. By actively participating in these discussions, the firm facilitated collaborative progress on ESG issues, helping to advance ESG practices across the industry.
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2. Exercise of voting rights

As per this voting policy, Keensight Capital has chosen to attend the Annual Shareholders' Meetings whenever it holds (directly or indirectly) more than 5% of the shares of the company it has invested in. This is currently the case for all of portfolio companies.

Keensight Capital has established an organizational framework dedicated to the analysis of resolutions, thereby enabling the formulation of voting decisions in alignment with each specific proposal.

During the fiscal year 2023, Keensight Capital attended 98% of ordinary shareholders' general meetings and 100% of exceptional shareholders' general meetings. The Company deliberated on a total of:

- 222 ordinary resolutions including, 212 "yes" votes, 6 "no" votes and 4 abstentions;
- 44 exceptional resolutions, all being voted as "yes".

In accordance with its Engagement Policy, Keensight Capital abstains from voting on resolutions where the Company has a direct interest to prevent any conflict of interest. In 2023, Keensight Capital did not vote on 4 resolutions, all of which were in the best interests of its managed funds and investors.

Keensight Capital voted "no" to 6 resolutions.

These resolutions covered a wide range of topics, reflecting the diversity of our portfolio and investments. Keensight Capital exercised its voting rights in relation to the following topics:

- Approving the annual accounts and the management of the company by its representatives;
- Approving regulated agreements;
- Electing the company's representatives;
- Transactions impacting the company's shareholders' capital;
- Changes in the By-Laws of the company.

In addition to the resolutions mentioned above, ESG matters, plans and strategies are consistently presented and discussed during the shareholders' meetings, even if the agenda does not require a particular vote on an ESG resolution.

Keensight Capital exercises its voting rights either in person at shareholders' meetings or electronically when physical attendance is not possible.

3. Use of the services of proxy advisors

Keensight Capital does not use proxy advisory services or consultants to assist in the voting decision-making process.



4. Conflicts of interest

Potential conflict of interest scenarios that may arise during the exercise of voting rights are managed according to the company's internal procedures, which encompass its Engagement Policy as well as its policy for preventing and addressing conflicts of interest.