

Cinven Sustainability Disclosure

This disclosure is made on behalf of the Cinven alternative investment fund managers ("Cinven") marketing funds into the European Economic Area under national private placement regimes.

Integration of sustainability risks

For the purposes of the EU Sustainable Finance Disclosure Regulation (2019/2088) ("Disclosure Regulation"), "sustainability risk" means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

Cinven's approach to the integration of sustainability risks into its investment decision making processes can be found in [Cinven's Environmental, Social and Governance \('ESG'\) policy](#) available on its website.

In summary, to the extent that sustainability risks represent potential or actual material risks to the relevant Cinven fund's investments, they are integrated into Cinven's investment decision making process and risk monitoring approach. Cinven follows rigorous pre- and post-acquisition processes that seek to identify and mitigate sustainability risks, albeit this does not guarantee that all material risks will be identified and mitigated.

Pre-Investment

Before investment decisions are made by Cinven on behalf of a fund, Cinven seeks to identify the material risks associated with the proposed investment, including completing a dedicated ESG workstream in the pre-acquisition due diligence process, where relevant. Where risks are identified, they are included in the overall investment recommendation that is submitted to Cinven's Investment Committee. The Investment Committee assesses the risks that have been identified alongside the other considerations set out in the recommendation. Following a detailed assessment, the Investment Committee makes investment decisions having regard to the relevant fund's investment policy and objectives and taking into account the risks identified in the investment recommendation. During this process, material sustainability risks are identified and assessed in the same manner as those applied to other risks affecting the investment.

The specific investment decision making by Cinven on behalf of the relevant fund as outlined above is part of Cinven's wider policies and procedures on the integration of sustainability risks in its decision making processes.

Monitoring

Cinven maintains regular dialogue with its portfolio companies. Portfolio companies are regularly monitored by Cinven's Investment team, including reviewing progress with respect to managing sustainability risks identified during the due diligence and/or post-acquisition process. This includes monitoring the delivery and outcomes of ESG Value Creation Plans ("VCPs") that have been agreed with portfolio company management, where relevant. An update on the actions undertaken within ESG VCPs are incorporated into the quarterly Portfolio Review Committee ("PRC") papers that are reviewed by the PRC. Cinven's ESG Steering Committee also monitors progress made by portfolio companies with respect to managing the sustainability risks identified on a quarterly basis.

If new or additional sustainability risks arise during a fund's ownership of a portfolio company, Cinven's approach is consistent with that applied at the pre-acquisition stage. Cinven seeks to assess and, where relevant, manage the risks through discussion with portfolio company management and the development of an additional workstream within the ESG Value Creation Plan, where relevant. If a serious sustainability risk is identified, the issue may be escalated to Cinven's PRC, ESG Steering Committee and, depending on the gravity of the issue, its Executive Committee.

Monitoring of portfolio company sustainability risks is integrated into Cinven's broader portfolio monitoring processes. Cinven requires that each portfolio company reports ESG KPIs alongside its financial and operating performance on a quarterly basis, which are reviewed by the PRC and ESG Steering Committee.

No consideration of adverse impacts of investment decisions on sustainability factors

Cinven does not currently consider adverse impacts of its investment decisions on sustainability factors in the manner prescribed in the Disclosure Regulation.

Cinven does not do so because it does not at present gather and/or measure all of the data on which it could be obliged to report by the Disclosure Regulation, or could not do so systematically, consistently, and at a reasonable cost to investors.

Nonetheless, Cinven is focused on the long-term outlook for investors in its funds, its portfolio companies, and the communities its portfolio companies operate in. This is illustrated by the following:

- Cinven has been a signatory to the Principles for Responsible Investment ("PRI") since 2009, and its public reporting is available on [Cinven's website](#).
- In practice, Cinven considers negative externalities by means of its ESG Policy, a global policy on the integration of ESG risks and opportunities into its investment process.

- Cinven has a dedicated responsible investment website (<https://www.cinven.com/why/responsible-investment/>), and publishes an annual ESG Review. Its ESG Review is aligned to the recommendations of the PRI guide on ESG monitoring, reporting and dialogue in private equity.
- Cinven recognises and endorses a number of external frameworks and initiatives such as the Sustainability Accounting Standards Board (SASB) Standards, the Task Force on Climate-related Financial Disclosures (TCFD), the Initiative Climat International (iCI) and the ESG Data Convergence Initiative (EDCi).
- Cinven engages actively with its funds' investors and portfolio companies on their ESG priorities.

Remuneration

Where required to do so, Cinven maintains remuneration policies under which identified staff's variable remuneration is determined based on the relevant firm's performance assessment criteria, having regard to the individual's performance against those criteria during the relevant performance period and over a multi-year framework. When assessing individual performance and when relevant to the individual's role, Cinven takes into account whether individuals have contributed effectively to identifying and managing ESG risks. Individual performance is assessed by reference to both financial and non-financial criteria, including whether an individual has adhered to Cinven's internal compliance policies and procedures, including Cinven's ESG policy.

Summary

Cinven is an active owner of businesses that seeks to contribute positively to the environment and society, both at the firm level and through its funds' portfolio companies. Cinven takes an active approach to responsible investment and has established appropriate governance mechanisms, management practices, and internal processes to enable the effective management of ESG risks and opportunities throughout the firm, and the integration of ESG during all stages of its investment process. Responsible investment is a key priority for Cinven and is core to its investment strategy.

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