



Responsible Investment & Stewardship Policy

May 2023

Mission Statement

Apax's mission is to cultivate and help realize the potential of portfolio companies, their management teams, and their employees to generate superior returns in a responsible manner for the investors in the Funds it advises – investors that are often pension funds and investment plans, the ultimate beneficiaries of which are millions of individuals.

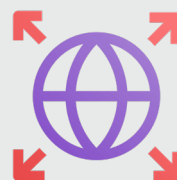
Apax Values

Apax has a distinct culture with 4 values at its core which guide decision-making and support the firm in achieving its mission.



We choose right over easy

A duty to all stakeholders to treat them with respect and to "do the right thing";



We succeed as a global team

Working collaboratively across teams and geographies to achieve optimal results;



We have impact through insight and tenacity

An entrepreneurial spirit to seek differentiated opportunities and perspectives;



We learn, adapt and grow

Seeking out and learning from diverse perspectives to improve continuously.

Responsible Investment Principles

Apax firmly believes that a focus on responsible investing can lower risk and enhance financial returns for the Funds and underlying portfolio companies, whilst also creating a net benefit for society.

Apax has been a proud signatory to the UN Principles for Responsible Investing ("PRI") since 2011 and has fully integrated processes to adhere to the six PRI Principles. Responsible investing has become an integral part of Apax's investment approach and is embedded in the investment process to help achieve Apax's mission. Apax's sustainability programme covers the lifecycle of a Fund investment from pre-investment due diligence to post-investment monitoring, value creation, and reporting.

Over time, Apax has become a supporter of many collaborative sector initiatives including [iCI, PESMIT and Level20] all of which aim to drive the adoption of responsible investing principles across the industry.

In addition, certain Apax Funds are subject to the EU Sustainable Finance Disclosure Regulation ("SFDR"), which mandates compliance with specific sustainable investment principles. We are committed to upholding these principles and adhering to SFDR requirements. As other regulatory bodies introduce similar measures, we will assess their applicability to the Funds..

Apax believes that responsible investing is not only the right thing to do but also makes good business sense. We are committed to advancing this objective through environmental, social and governance initiatives that have material and measurable business logic.

Approach and Scope

Apax is an active investor and works to create long-term relationships with the management teams of the Fund portfolio companies by seeking representation on the boards of these companies. Apax has integrated ESG considerations into its investment processes and ownership practices, in particular, for those portfolio companies where Apax has the ability to control and influence the integration of ESG initiatives. In cases where the Funds are a minority shareholder or where other circumstances affect Apax's ability to assess or monitor ESG-related performance goals, it may not necessarily be feasible to implement ESG-related principles; however, in such instances, Apax will aim to incorporate ESG-related considerations as much as reasonably possible.

Apax established the Operational Excellence Practice ("OEP") to help the Funds identify value creation opportunities during due diligence and generate operational impact during ownership by the Funds. The OEP consists of individuals with a differentiated collection of capabilities and expertise in adding value across multiple functional areas of a company's operations to support the accelerated growth within Apax Fund portfolio companies. The involvement of Apax's OEP, therefore, is paramount to the success of the Firm's commitment to and execution of its responsible investment programme.

Apax has been collecting key performance indicators from portfolio companies across environmental, social and corporate governance ("ESG") areas since 2012. Over the last decade, we have continued to refine our framework to identify areas of materiality and improvement across the portfolio. We remain committed to promoting ESG excellence, transparency, and accountability, while creating long-term value for Apax Fund investors and portfolio companies.

ESG Stewardship Focus

The purpose of Apax's ESG stewardship initiatives for the Fund portfolio companies is to help protect the planet and people with initiatives which contribute to the UN Sustainable Development Goals (such as Climate Action and Gender Equality) by engagement with the Apax Fund portfolio companies. Focusing on preserving and strengthening the portfolio companies' ability to do business in the future by improving resource efficiency, reducing costs, increasing workforce inclusion, equality and stability.

Apax works with portfolio company management teams to focus, in particular, on the following areas:

ENVIRONMENTAL



- Efficient use of natural resources;
- Reduction of energy usage;
- Carbon footprint measurement and decarbonisation projects;
- Effective waste management and minimal land contamination;
- Reduction of pollution and appropriate handling of hazardous waste; and
- Compliance with local environmental regulations.

SOCIAL



- Eliminating child labour or other forms of forced or compulsory labour;
- Avoiding discrimination (e.g., based on age, race, gender, religion, sexual orientation or disability);
- Consideration of employee working conditions (e.g., minimum wages, working hours, health, and safety of the work force);
- Supply chain sustainability management;
- Product quality and safety; and
- Compliance with human rights conventions (e.g., ILO).

GOVERNANCE



- Upholding a culture of good governance;
- Abiding by all relevant anti-corruption laws and regulations;
- Prohibiting corruption in all its forms, including extortion and bribery; and
- Positive engagement with key stakeholders.
- Customer privacy, data and cybersecurity

Pre-Investment Due Diligence Framework

Apax investment professionals undertake pre-investment ESG due diligence for each new investment made by the Funds. The focus of the due diligence may vary but, in all instances, will cover the areas that Apax believes are key to understanding the ESG profile of the company in which the Funds are considering an investment. Good governance is a key area of focus at this stage of the investment process.

Apax believes good governance is essential to the success of the Apax Fund portfolio companies. In alignment with widely recognised industry standards, we have defined good governance across four topic areas, namely: sound management structure, equitable remuneration of staff, constructive employee relations and tax compliance. For relevant funds subject to SFDR, Apax has implemented a specific good governance policy to ensure the Firm maintains the highest standards of transparency, accountability, and ethical conduct.

The OEP's extensive expertise regarding business operations is routinely tapped into by Apax investment professionals for insight into how, among other things, a target company's existing operations might be optimized, ESG risks can be addressed and mitigated, and avenues for value creation can be unlocked during the Funds' ownership tenure.

Prior to the closing of each new investment by the Funds, the findings of the ESG due diligence process are reviewed by a member of the Apax Sustainability Committee and incorporated into the final Investment Committee documentation. Key ESG issues, representing either a risk to the portfolio company's business or an opportunity for value creation, are highlighted as part of this process. Where necessary, investment professionals will work with the relevant company's management team to develop an improvement plan to address findings post-investment, either in the 100-day planning process or shortly thereafter.

Post-Investment Monitoring and Engagement Framework

To monitor and manage portfolio company ESG performance following an investment, Apax annually collects ESG Key Performance Indicator ("KPI") data from all portfolio companies of the Apax Funds where Apax has the ability to control and influence the integration of ESG considerations, as discussed above within the Approach and Scope section.

Through this post-investment monitoring process, Apax is able to unlock ESG value levers for the Funds' relevant portfolio companies and identify areas of materiality where input from investment professionals can create additional value or mitigate risk throughout the life of the investment. This collaborative approach enables the Firm to engage with portfolio companies and thoughtfully deploy appropriate people, processes, and technology in a more focused and effective manner. Apax's OEP is an integral partner to investment professionals during this process, working together to drive value creation and risk mitigation across material ESG issues (e.g., natural resource efficiency programmes) identified pre-acquisition.

Specifically, Apax is committed to engaging with the Fund portfolio companies on a thematic basis with regard to Inclusion and Diversity and also Climate Action and will support portfolio companies in developing strategies and setting targets to improve performance in these areas.

Climate Action initiatives will involve engagement with portfolio companies in the most recent Buy Out Funds to measure each portfolio company's greenhouse gas ("GHG") emissions across Scope 1, Scope 2 and Scope 3. Once a company's GHG footprint has been measured there will be engagement on a decarbonization strategy for each business. This will take into account the materiality of the emissions to the business.

As part of our commitment to promoting diversity and inclusion, Apax is bolstering various programs at the Firm aimed at fostering an inclusive culture where everyone feels seen, safe, and connected. Apax also plans to increase engagement with portfolio companies to help them better understand and address diversity-related challenges within their organizations.

Transparency and Reporting

Transparency is very important for Apax. Apax maintains multiple channels of communication on ESG matters with its Funds' investors, both in its periodic Fund performance update reports to the Fund investors and through Apax's Annual Sustainability Report, which discloses ESG information on Apax and the Funds' portfolio companies. The Annual Sustainability Report is publicly available on the Apax website and is also shared with all Fund investors. In addition, on an annual basis, Apax participates in the PRI assessment and the PRI's transparency reports (which are also publicly available on the PRI website).

Through these channels Apax provides periodic updates to its stakeholders on the implementation of its responsible investment programme and the ESG performance of the Funds' portfolio companies.

In addition, the full Apax ESG metrics suite is merged into the comprehensive data analytics platform, creating additional state-of-the-art analysis capabilities and heightened data accessibility. Online access to the ESG data set is provided to all investors through the Apax investor portal. Every Apax LP has the unique ability to directly download relevant ESG indicators by portfolio company from the ESG data suite for bespoke purposes. Through this additional functionality Apax is delivering on its commitment to providing industry leading transparency across its Funds.

Governance

Responsible investing is part of the day-to-day activities of each investment professional. It is expected that portfolio company management teams and Board members of portfolio companies also actively monitor the ESG performance of their companies. The ultimate responsibility for ensuring that ESG initiatives are implemented and followed resides with each portfolio company's Board of Directors and the Apax investment professionals participating on these Boards actively engage on ESG matters.

In addition, a member of the OEP functions as the main internal resource responsible for the day-to-day implementation of Apax's responsible investment and stewardship efforts, which in turn are coordinated through and overseen by Apax's Sustainability Committee. The Sustainability Committee consists of members from the OEP, Investor Relations, Communications, and Compliance. The Sustainability Committee meets on a monthly basis and reviews matters relating to Apax's internal and external sustainability-related activities to ensure that sustainability and ESG matters are appropriately addressed by investment professionals and the relevant operational groups of the Firm.

Apax Responsible Operations

Apax is committed to upholding the same ESG standards and practices in its operations as it expects from the Fund portfolio companies, particularly with respect to Inclusion & Diversity and Climate Action.

Apax has the conviction that a diverse work environment leads to better performance both within Apax as well as the portfolio. The Firm has been growing its pool of diverse talent and enhancing its internal policies and practices since 2015 in order to foster an inclusive work environment where all people can thrive.

Apax recognises that the Firm must contribute to a decarbonisation trajectory for its own operations to help protect the planet. Apax has been Carbon Neutral across global offices since 2019 and is setting reduction targets (from a 2019 baseline year) for its Scope 1, 2 and 3 emissions for 2022 and beyond.

Version History

Version	Issue Date	Changes made by	Description of changes
1.1	1 January 2022	OEP	Updated for best practice
1.2	1 January 2023	Compliance	Affirmed
1.3	18 April 2023	OEP/Compliance	Update for SFDR