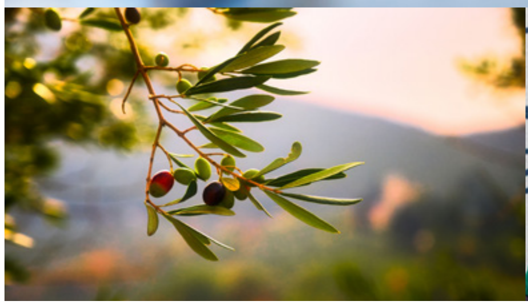
ESG Report

2021



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About this report

The aim of this ESG report is to provide a greater level of transparency on how we approach the management of ESG factors, both at the firm and at an investment level. In addition to reporting the steps we have taken to evolve our approach to ESG, with a particular focus on 2020, we also set out a number of our priorities for the next 12 months.

We recognise the importance of leveraging external ESG standards when demonstrating good ESG management and reporting practices:

- This report includes consideration of the activities and progress we have made in 2020 towards implementing the Six Principles of the United Nation's Principles for Responsible Investment (PRI).
- The Sustainability Accounting Standards Board's (SASB) Materiality Map® forms the basis of our ESG due diligence guide used when assessing new investments.
- Transparency at the portfolio level is achieved through our ESG non-financial reporting process that incorporates metrics of international standards such as the Global Reporting Initiative and the World Economic Forum's International Business Council.
- We engage with many of our portfolio companies using EcoVadis, a third-party sustainability assessment platform, in which CVC's Growth fund has an investment, to provide an independent review of how they address ESG considerations.

01

Introduction

ESG Portfolio Snapshot: Corialis

Corialis designs and manufactures aluminium windows and doors, sliding systems, roof systems, conservatories and other products. It has four main hubs in the Benelux, France, the UK and Poland, in addition to smaller operations in South Africa, La Réunion, Serbia and China.

Since CVC partnered with Corialis in 2017, the business has been working to implement ESG best practices, including publishing its first sustainability report in 2020. ESG is now an integral part of the company's DNA. Not only is sustainability core to Corialis' product offering, its approach also includes integrating state-of-the-art systems in environmental and energy management, sharpening its responsible procurement practices and introducing more robust ESG measurement processes.

A message from CVC's Managing Partners

The need to act

The global response to COVID-19 has shown the capability of the private sector when it is motivated to act quickly. Solutions that would have normally taken years - remote workplace protocols, new communication software and technologies, massive re-direction of healthcare resources, bespoke vaccines - were developed and implemented in a matter of months.

We believe the same focus and sense of urgency can and should carry over to the ESG agenda. Large investment advisory firms, like CVC, are in a position to influence businesses employing millions of people and accounting for significant parts of developed and developing economies. With humankind and our place on the planet at an inflection point, we have a moral and economic responsibility to do our part to address the critical ESG issues of our time.

> For CVC, what was once a matter of good corporate citizenship has turned into a call to action.
>
> The Managing Partners of CVC

ESG as an opportunity

We think of our long-term ESG strategy not as a cost, but as a steady investment in a valuable asset and a pillar of our commitment to building better businesses. A growing body of evidence suggests that companies that improve their ESG performance are more efficient, have happier customers, employees and suppliers and generate higher returns than those that don't. A serious commitment to ESG is also important to our own employees, many of whom grew up with an acute understanding of the ESG imperative.

Our approach to ESG

For CVC, what was once a matter of good corporate citizenship has turned into a call for action. We have been inspired to look extensively into the way we work, what we can do better and how we can adapt our policies and practices to the evolving ESG agenda.

This report provides an overview of our approach to ESG, including our ESG Vision (see p.9) and how we consider ESG from investment decision-making through to exit (see p. 21 - 23). Themes that are core to our approach with our companies, such as addressing climate change, engaging with customers and employees, and supporting communities are highlighted in portfolio company case studies (see p. 25 - 31). We also outline some of our recent initiatives including our work with EcoVadis and our ESG Spotlight portfolio conferences (see p. 17 - 24).

A team effort

As we continue to develop our ESG strategy, we benefit from the support of our investors as they integrate ESG criteria into their own decision-making and share their growing understanding of best practice.

Within CVC, engagement starts with our approximately 600 professionals across 24 countries and spreads outward and upward from there. It is their experience, high energy levels and close working relationships with the management teams of our companies that will drive the success of our efforts.

Looking forward

We see the challenges ahead: stronger regulation, higher costs, increasing complexity, continued social pressure and a greater level of public scrutiny. Nonetheless, we remain convinced that a positive, proactive and engaged approach to the management of ESG issues will make us better at what we do and generate value for our companies and investors.

> We think of our long-term ESG strategy not as a cost, but as a steady investment in a valuable asset and a pillar of our commitment to building better businesses.
>
> The Managing Partners of CVC

About CVC

CVC is a leading global investment advisory firm with US$125 billion of assets under management.

CVC's network of 25 offices throughout Europe, Asia and the Amercias allows our experienced teams to get closer to the companies that we partner with and the communities in which they work. CVC deploys capital across a range of strategies to generate and support sustainable growth in our investee companies, and long-term value for our investors and their beneficiaries.

$165bn
funds committed

$125bn
of assets under management

90+
current portfolio companies

450,000+
employees across our private equity portfolios

25
offices

43
nationalities

600
CVC employees

Note: All stats as at 30 June 2021

Our 2020 ESG highlights

ecovadis

93%

93% of employees believe CVC is a great place to work

75%+

of portfolio companies registered with EcoVadis or participating in similar external ESG assessments

~38%

of new investment professional hires were female

30+

participants in inaugural ESG Spotlight conference

€100 million+

Committed by CVC, our employees and portfolio companies to supporting community and country initiatives to tackle COVID-19

100%

renewable energy across our offices*

*partially achieved through purchasing Energy Attribute Certificates

02

Our approach to ESG at CVC

ESG Portfolio Snapshot: VelocityEHS

VelocityEHS is a leading provider of environmental, health and safety ("EHS") management software and related content that helps organisations comply with a wide range of laws.

The company's EHS proposition supports other businesses with their own ESG programmes by offering workflow features for compliance reporting, incident management, safety training, and audit support that address several other areas of workplace EHS regulation, such as air emissions, ergonomics, water quality, and chemical hazards.

Our ESG journey

During our 29-year history we have been creating sustainable returns for our investors by building better businesses.

We believe a key element of this ethos is the integration and management of ESG factors by us and our companies. The timeline below shows some key highlights and progress we have made to date.

2009
- HR Committee established

2010
- Conducted first ESG Survey and best practice sharing programme with portfolio companies, achieving a 98 percent participation rate

2011
- The CVC Foundation is established
- Developed online due diligence guidance tool to support investment professionals with ESG due diligence

2012
- ESG Policy first introduced
- CVC became a signatory to the Principles for Responsible Investment

2013
- Early stage ESG "red-flag" and compliance checklists introduced as part of due diligence process

2015
- CVC joined Level20

2016
- Individual portfolio company ESG updates incorporated into investor reporting
- Diversity & Inclusion Strategy developed
- CVC Credit ESG policy introduced

2017
- ESG Committee established
- ESG Survey of portfolio companies included engagement with companies on ESG metrics and KPIs

2018
- Ethics Committee established
- CVC joined Invest Europe's Responsible Investment Roundtable

2019
- CVC became a member of global sustainable business network BSR
- CVC became carbon neutral in its own operations

2020
- CVC Managing Partner representative joined Level20's advisory board
- Latest CVC Employee engagement survey
- CVC rated by EcoVadis
- EcoVadis begins portfolio-wide ESG ratings programme
- Move for Good company-wide fundraiser for COVID-19 relief causes
- Introduced updated due diligence guidance tool based on SASB to support investment professionals with ESG due diligence

2021
- CVC joins initiative Climat International
- CVC welcomes two interns through the 100 Black Interns initiative

Our ESG vision

Creating value is at the core of what we do and we recognise that ESG is a an important part of that. We believe ESG is not a trade-off, but an increasingly essential part of creating sustainable long term value.

We believe that now, more than ever, embedding environmental and social responsibility into our operating practices, investment processes and value creation initiatives will allow us to capitalise on the opportunities of the next decade and help our portfolio companies keep abreast of the rapidly evolving sustainability agenda.

Furthermore, we strongly believe that embedding environmental and social responsibility into our approach makes CVC a stronger business, enables us to attract, retain and motivate higher quality talent and enhances the resilience of our portfolio companies.

Introducing our Value Creation Framework

Building on our experience to date, we continue to refine and improve our Value Creation Framework to establish a systematic and repeatable approach to creating value. This framework supports our work with portfolio companies in assessing their priorities and the way they operate, from recognising the importance of customers and employees, through to ensuring a company makes a positive contribution to their community and the natural environment. Our non-financial reporting programme measures progress against each of these areas where relevant for a business. Case studies highlighting examples of the different elements of how the Value Creation Framework can work in practice with our portfolio companies can be found on p. 26.

The diagram to the left shows the six core components of CVC's Value Creation Framework. Detailed below is a non-exhaustive list of what CVC considers with respect to each of the components:

- Environment & Planet: climate change, water and waste.
- Governance & Ethics: cybersecurity, data security, anti-corruption and board representation on ESG.
- Customer Engagement: customer satisfaction, research and development and sustainable product and services innovation.
- Sustainable Operations & Processes: Service delivery, efficiency and responsibility in the supply chain.
- Employee Engagement & Value Creation: health and safety, employee engagement, diversity, training and job creation.
- Community Engagement: community investment and Covid-19 relief.

Our stakeholder engagement

As a responsible business, we consider how we can operate in a way that benefits our stakeholders. Engaging with and listening to our stakeholders helps us prioritise and respond to key issues in a collaborative and transparent way.

Outlined below is a summary of our engagement efforts across our key stakeholder groups.

Investors	• Updates at annual investor conferences • Regular ESG updates through advisory board meetings • Portfolio company ESG overviews included in CVC Funds' quarterly reports • Wider industry engagement through external GP/LP initiatives
Portfolio companies	• 'ESG Spotlight' events • Surveys • Regular ESG newsletter • ESG assessments • Resources for community projects
Employees	• Surveys • Town halls • Training • Mentoring opportunities
Regulators	• Periodic regulatory filings and reports • Attendance at industry conferences, webinars and trainings • Network with regulators, trade bodies, and peer firms around regulatory landscape and changes • Review of material rule proposals, risk alerts, guidance and FAQs
Suppliers	• Supplier onboarding • Communication on Modern Slavery Statement
Community	• Philanthropic donations • Employee engagement initiatives • COVID-19 Pandemic Relief Fund

(Stakeholders have been identified in no particular order)

Supporting ESG initiatives in our industry

PRI

Since becoming a signatory in 2012, CVC has maintained a consistent performance in the PRI assessments and in 2019 and 2020 achieved a score of A for both Strategy and Governance and in the Private Equity Module. CVC's Head of ESG, Chloë Sanders, is a member of the PRI's Private Equity Advisory Committee.

Invest Europe

We have been an active member of Invest Europe, the world's largest association of capital providers since 2000. Since 2018 CVC has been a member of Invest Europe's Responsible Investment Roundtable.

Level 20

CVC is a founding member of Level20, an organisation dedicated to improving gender diversity in the European private equity industry. CVC Managing Partner, Cathrin Petty, joined the Level20's advisory board in 2020 and Managing Director Gemma Wright is part of its Senior Women's Committee.

BSR

CVC has been a member of the global sustainable business network BSR since 2019. We worked directly with the organisation to produce an updated due diligence guidance tool for our deal teams based on the SASB Materiality Map®. BSR has also supported a number of our portfolio companies directly with specific ESG matters.

initiative Climat International

During 2021 we became a member of Initiative Climat International ("iCI") so we can contribute to the private equity industry's commitment to tackling climate change.

AIMA's Alternative Credit Council

CVC Credit is a board member of AIMA's Alternative Credit Council ("ACC"), providing insight and feedback on industry practices and guidance for regulatory engagement around ESG, D&I, and Sustainable Finance initiatives and legislation.

European Leveraged Finance Association

CVC Credit is a member of the ESG Committee at the European Leveraged Finance Association ("ELFA"), which is a trade body in Europe representing the leveraged loan investor community and advocates for industry best practice among its other missions.

PRI Principles for Responsible Investment

Principle 1:

We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2:

We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3:

We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4:

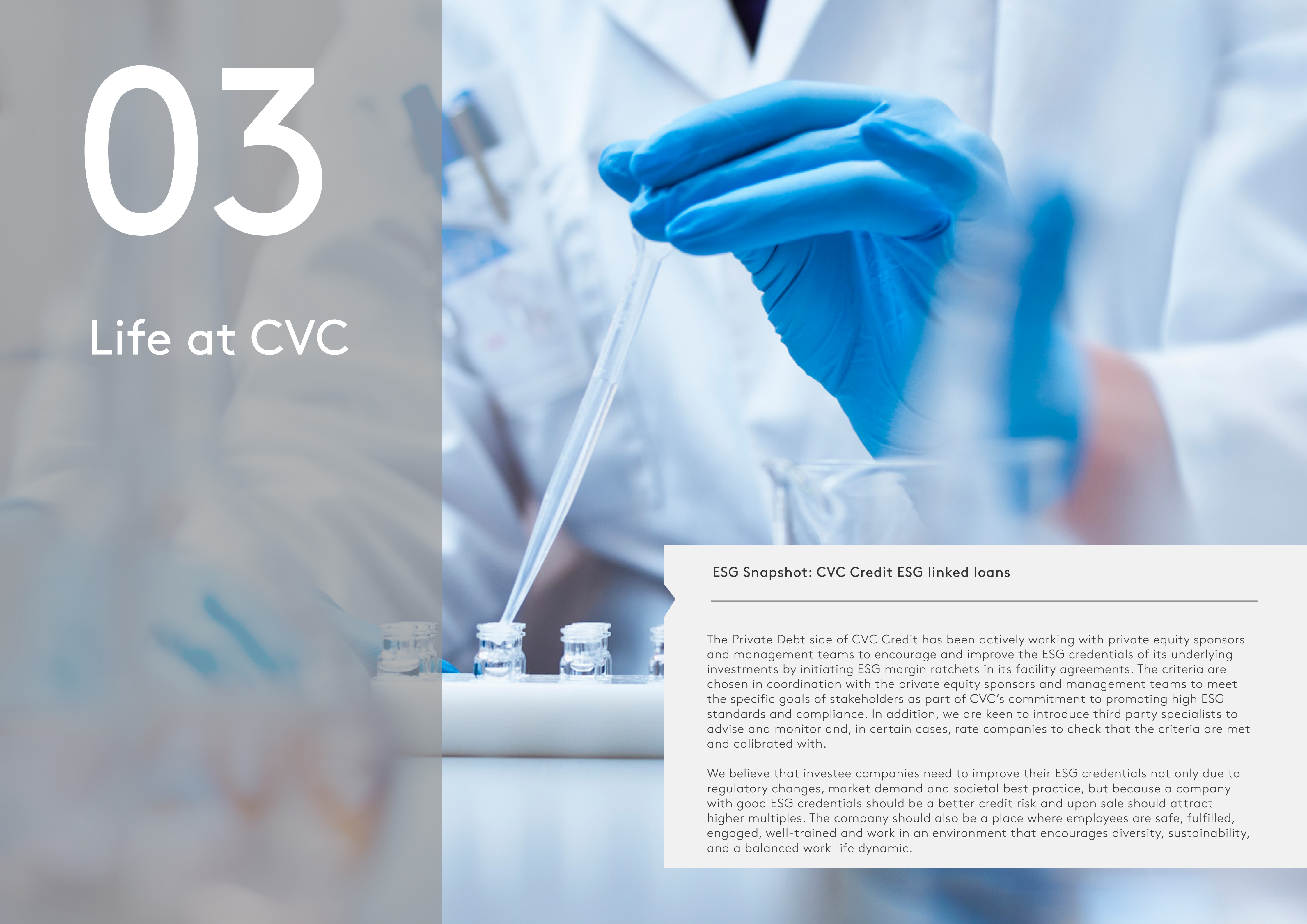
We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5:

We will work together to enhance our effectiveness in implementing the Principles.

Principle 6:

We will each report on our activities and progress towards implementing the Principles.



03

Life at CVC

ESG Snapshot: CVC Credit ESG linked loans

The Private Debt side of CVC Credit has been actively working with private equity sponsors and management teams to encourage and improve the ESG credentials of its underlying investments by initiating ESG margin ratchets in its facility agreements. The criteria are chosen in coordination with the private equity sponsors and management teams to meet the specific goals of stakeholders as part of CVC's commitment to promoting high ESG standards and compliance. In addition, we are keen to introduce third party specialists to advise and monitor and, in certain cases, rate companies to check that the criteria are met and calibrated with.

We believe that investee companies need to improve their ESG credentials not only due to regulatory changes, market demand and societal best practice, but because a company with good ESG credentials should be a better credit risk and upon sale should attract higher multiples. The company should also be a place where employees are safe, fulfilled, engaged, well-trained and work in an environment that encourages diversity, sustainability, and a balanced work-life dynamic.

Our values

CVC's unique history has a lot to do with the values we hold today. Our journey helped shape these values and they have been integral in creating the business we are all a part of. We encourage our employees to embrace CVC's values so that they understand the principles that underpin our business.

Entrepreneurial

- We think like owners
- We are personally accountable
- We create our own success and reward

Inclusive

- We do not tolerate any form of bias
- We listen and make decisions by consensus
- We treat colleagues with respect

Honest

- We speak our minds
- We challenge conventional wisdom
- We are confident, without arrogance or complacency

Balanced

- We take a cautious approach based on facts
- We acknowledge mistakes and learn from them
- We are interested in the world around us and our impact on it

Diversity and inclusion

We are committed to securing and retaining a diverse and inclusive workforce as this is core to our values proposition.

In 2016 we established our inaugural Diversity and Inclusion ("D&I") strategy to develop talent and better support our 600 employees. We introduced D&I targets in 2017 to reach 20 percent of female investment professionals within the firm by 2020, which we achieved.

We have increased the number of female investment professionals we have hired per annum from 10 percent in 2015 to 38 percent of total investment officers in 2020 and increased the total number of female investment professionals from 7 percent in 2016 to 20 percent of total investment officers in 2020.

CVC Credit introduced its own D&I target in 2018 to reach 25 percent female investment professionals within the firm by 2020. It has increased the total number of female investment professionals from 18 percent in 2017 to 27 percent of total investment officers in 2020. We are working to set ambitious new targets on recruitment and retention.

Through additional engagement with our employees of colour, and in coordination with the D&I and HR Committees, CVC's D&I strategy was expanded in scope beyond just female representation to ensure that we have a workforce that reflects the gender and ethnic demographics of the countries where we do business. This expansion of scope will be included in our new 2021-2026 D&I Strategy.

> "We value diversity of thought and experience, not only because greater diversity leads to superior investment performance, but it also provides a great place to work."
>
> Helene Thomas
> Global Head of Human Resources

Our Diversity and Inclusion strategy is driven by a four-stage approach:

1 Attracting

We sponsor and partner with organisations to access a diverse pipeline of talent and encourage people from a range of backgrounds to consider a career with us.

What we do:
- Provide coaching and mentoring to students
- Offer internships and permanent positions
- Encourage individuals, particularly women and ethnic minority groups, to pursue a career in investment management

In 2020 CVC became a participating firm in the #100BlackInterns initiative, which aims to address the underrepresentation of black investment professionals. In 2021, we will be welcoming our first interns as a result of this programme.

2 Developing

To encourage the sharing of experiences and learnings across the firm, we launched a global mentoring programme in 2019, which has seen nearly 60 percent of employees involved as either a mentor or mentee. Due to the popularity of the programme, we are launching a third iteration in 2021.

We offer global diversity and equality training for our approximately 600 employees and we operate a programme of unconscious bias training across our 25 offices. All new joiners are aware of our approach to D&I as they undertake an onboarding programme and a yearly refresher course.

We also run a women's development programme in Asia aimed at creating opportunities for female investment professionals in CVC's Asian market.

3 Retaining

To further enhance our ability to support and retain our employees, we have continued to develop new initiatives as part of our retention programme.

In January 2020, we launched new parental leave benefits, which include six months paid leave for primary caregivers and two weeks for secondary caregivers.

We also launched fertility benefits that include an allowance for IVF and for cryopreservation. Also, it is our policy that all bonuses paid during parental leave will not be pro-rated.

4 Monitoring

In addition to our external D&I audits, our programme is reviewed by our Board who frequently assesses CVC's gender and ethnicity profiles on a regional basis according to each jurisdiction's laws and regulations.

We also engage with our employees through a bi-annual firm-wide survey, which is a vital feedback tool. Our 2020 employee engagement survey had a 94 percent participation rate, and the results of the survey were overwhelmingly positive. 93 percent of employees described CVC as being "a great place to work" and 92 percent of employees believe that colleagues are "committed to achieving great work".

Feedback from the survey allowed us to identify topics of importance for employees, such as mental health support, as well as areas for training and development. In response, we have launched a leadership development programme with INSEAD Business School and in 2021 we are undertaking a partnership with MYNDUP, a service that provides one-to-one therapy, career and life-coaching sessions so that we can help our colleagues balance work and home life during the COVID-19 pandemic.

Environmental commitments

As a firm with a significant global presence, we have been seeking to minimise our environmental impact so that we can be a better steward of the natural world. Individuals across our network are involved in supporting environmental initiatives within our offices.

Using the Greenhouse Gas Protocol, we measured our 2019 financial year corporate carbon footprint in 2020. Details of our scope 1,2 and 3 emissions are set out in the table below. Whilst travel was significantly restricted in 2020 due to COVID-19 and so our carbon footprint for 2020 was significantly lower than in 2019, we recognise the importance of capitalising on the opportunities presented by the new way of working to continue to reduce our footprint and we are looking at how we can capture some of these initiatives for the long term.

We compensated for our emissions from 2019 and 2020 by working with ClimateCare to support carbon reduction projects around the world. These include contributing to the protection of peatland and mangroves in Indonesia, as well as the protection of 53,000 hectares of degraded Amazon rainforest, which will absorb over 250,000 tonnes of carbon dioxide per year and 7.5 million tonnes over the project's lifetime. These projects were chosen not only for their contribution to carbon sequestration but also for the additional social benefits they deliver to local communities. In addition to compensating for our carbon footprint, we have also financed positive climate action through the protection of established woodland and contributing towards the planting of over 250,000 native trees in Scotland, where it is not yet possible to surrender carbon credits.

Some of our offices are also already powered directly by renewable electricity, and we purchased Energy Attribute Certificates for the remaining offices to guarantee that for each 1MWh of energy our offices use, an equal amount of renewable energy is generated. We are investigating opportunities across our global network to switch to renewable electricity contracts where appropriate.

GHG protocol scope	Location-based (tCO_2e)	% of total	Market-based (tCO_2e)	% of total
Scope 1: Direct GHG emissions	172	1%	172	1%
Scope 2: Indirect GHG emissions from imported energy	773	6%	533	4%
Scope 3*: Indirect GHG emissions, upstream	12,750	93%	12,750	95%
Total	**13,694**	**100%**	**13,455**	**100%**

*Material Scope 3 emissions are only in relation to CVC and not its portfolio.

Governance

ESG Governance

Accountability for the management of ESG considerations is held at a senior level within CVC. Global committees, represented by different regions and teams, report periodically into CVC's Group Board and operate in close cooperation with each other. This better enables us to integrate our ESG principles within our investment and operational processes. For example, representatives on the ESG Committee are also members of the private equity boards, investment and portfolio committees. Please refer to the Appendix for a high level overview of our governance structure and committees.

Code of Conduct

Recognising the importance of maintaining a high level of integrity and strong ethics in the conduct of our business at CVC, our Code of Ethics is a guiding set of principles that outlines our obligation to stakeholders and the standards and behaviours to which we expect CVC employees to uphold. The Code is underpinned by a suite of global policies, which are applicable across our global network and, where applicable, take into consideration local laws and regulations. Policies cover a range of topics, including, but not limited to, anti-bribery, corruption and political contributions, conflicts of interest, reporting and review of personal securities transactions and holdings, whistleblowing, tax, fees and expenses.

Regulation

Our approach to compliance has evolved over the last 10 years in response to a changing regulatory landscape. We have sought to deepen our relationships with regulators, such as the U.S. Securities and Exchange Commission and the Monetary Authority of Singapore and we are committed to helping with the development of financial services and corporate governance regulation.

We are supportive of the objectives of the European Union's Sustainable Finance Disclosure Regulation ("SFDR"). Although CVC's funds are not subject to the regulation's entity level regulatory requirements, we began preparing to communicate entity-level disclosures on a voluntary basis in 2020 ahead of SFDR's introduction in March 2021. Our SDFR sustainability risk statement and further information on market specific disclosure regulation can be read on our website.

EcoVadis

We partnered with CVC investee company EcoVadis in 2020 to evaluate the integration of our firm-level ESG management and governance and help us identify ways to improve.

As a world leader in sustainability ratings, the independence and integrity of the ratings process is paramount to EcoVadis and they have a number of measures in place to ensure this is the case, including information firewalls and an employee code of conduct. Further detail on the EcoVadis process, and how we are using it to monitor the ESG activities of our portfolio companies, can be read on p. 24 of this report.

> "As a world leader in sustainability ratings, the independence and integrity of the ratings process is paramount to EcoVadis..."

ecovadis

Cyber security

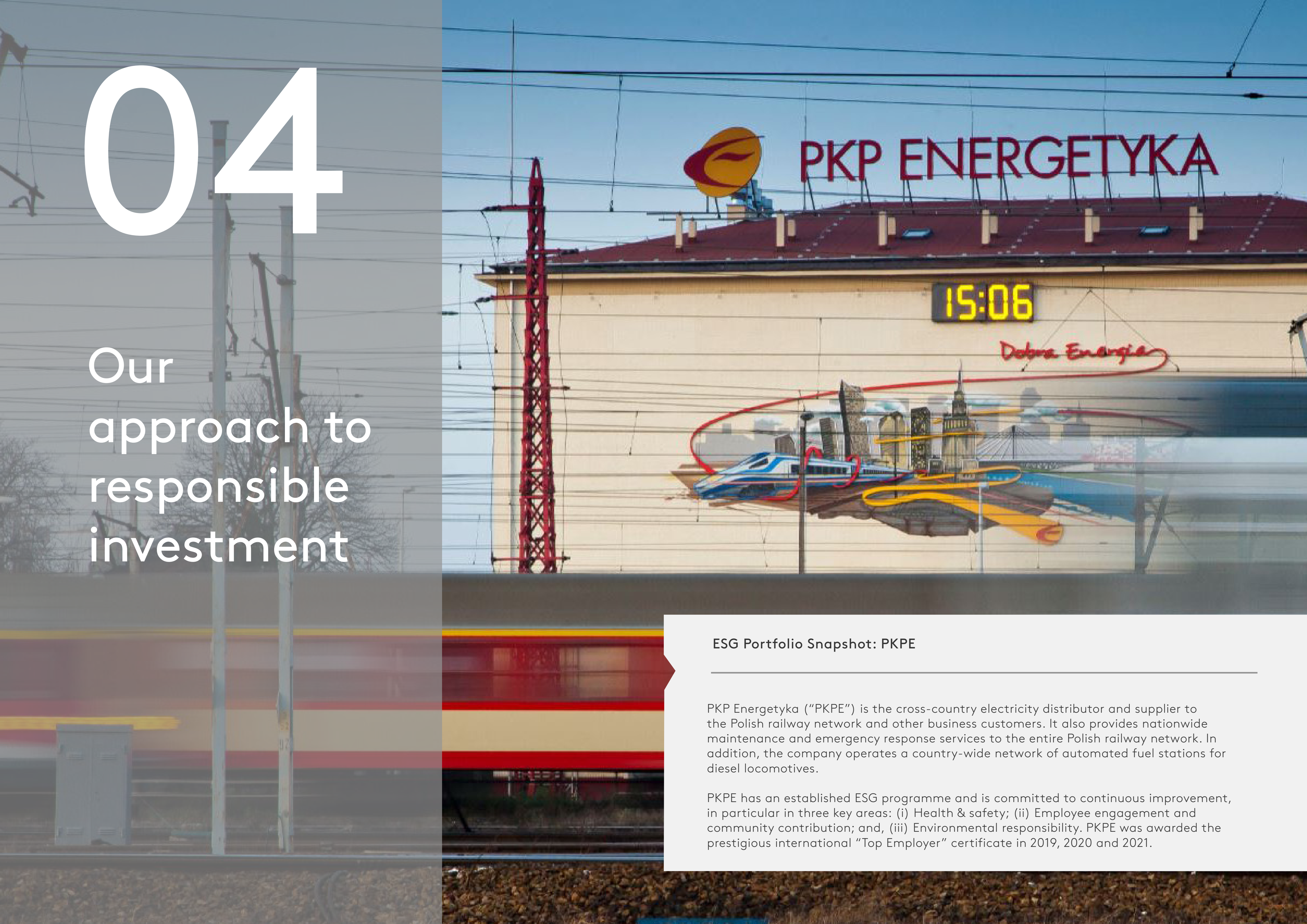
Digital trends and emerging technological developments continue to have a significant impact on business strategy, risk and finance. Cyber security needs to be carefully monitored and managed, and we strive to support our employees and portfolio companies navigate the technological impacts of an increasingly hyperconnected world.

Formed in 2019, our Data Compliance Committee ("DCC") includes representatives from IT, legal, human resources, and compliance. The DCC provides challenge, support, advice and direction to CVC IT and Governance, Risk and Compliance employees and contractors.

The DCC oversees information security and data protection projects within CVC corporate entities and monitors the development and implementation of CVC's data protection, information security and privacy compliance policies, guidance and associated protocols and procedures. We also commission independent cyber security reviews of our corporate entities which cover vendor diligence, network testing, staff awareness, privacy risk assessment, implementation of the EU's General Data Protection Regulation ("GDPR"), review of policies and procedures as well as payment controls.

04

Our approach to responsible investment



ESG Portfolio Snapshot: PKPE

PKP Energetyka ("PKPE") is the cross-country electricity distributor and supplier to the Polish railway network and other business customers. It also provides nationwide maintenance and emergency response services to the entire Polish railway network. In addition, the company operates a country-wide network of automated fuel stations for diesel locomotives.

PKPE has an established ESG programme and is committed to continuous improvement, in particular in three key areas: (i) Health & safety; (ii) Employee engagement and community contribution; and, (iii) Environmental responsibility. PKPE was awarded the prestigious international "Top Employer" certificate in 2019, 2020 and 2021.

The responsible view: Q&A with Chloë Sanders, Head of ESG

1 How is CVC helping portfolio companies capitalise on the transition to a low-carbon economy and respond to global megatrends such as climate change, technological revolution and shifting demographics?

No doubt, we are seeing a shift in consumer patterns as customers increasingly recognise their purchasing decisions have a material impact on society and our natural environment. When working with companies to develop their value creation plans, our Operations Team considers factors such as redefining their customer journey and product offering, as well as changing consumer purchasing habits due to developments in technology.

Furthermore, we play a key stakeholder role with our companies, by raising awareness of global issues and contextualising how the investment community is responding and reacting to key themes and trends.

With over 90 portfolio companies, collaboration is central to our global network. We have access to specialists across a range of sectors, allowing us to share best practice and expertise from around our network. In addition, events like our ESG Spotlight series act as a conduit, offering an informal forum for sustainability professionals across our portfolio to hear from subject experts, make introductions and learn from each other. The sustainability agenda presents a continuous learning opportunity, so it is really encouraging for us and our portfolio companies to be able to support each other along the way.

2 2021 is set to be the Year of Climate Action, influenced by COP26, the rise of biodiversity as an emerging priority and a renewed focus on climate risk driven by the Task Force on Climate-related Financial Disclosures. How is CVC accelerating its decarbonisation strategy?

As an investor, we have seen the climate change agenda evolve very fast over recent years. Climate change is a unique challenge because it affects all countries, sectors and asset classes, although not equally or in the same way. It is forcing governments, investors and regulators around the world to come together and collectively address this global emergency. Greater awareness of climate change has also contributed to an increase in demand for 'green' products, particularly in debt finance. This presents the financial services industry with a unique opportunity to support companies to achieve their sustainability ambitions.

2021 is set to be a foundational year for CVC's climate reporting and engagement. We already collect environmental data, both internally and across our portfolio, but we are looking to improve this further so that we can take our reporting and disclosure to the next level. We will be using TCFD and our collaboration with iCI as a stepping stone to guide us as we progress towards our commitments.

This year we are working closely with our portfolio companies that are formalising their decarbonisation strategies to better understand the challenges and opportunities of reducing emissions in line with the Paris Agreement. Some of our portfolio companies plan to set Science Based Targets over the next 12 months and we look forward to supporting them.

Additional support will come from our EcoVadis platform, which is launching a carbon action module, and our 2021 ESG Spotlight conference was dedicated to climate action, covering best practice reporting, the business case for decarbonisation and how companies can set credible carbon reduction targets.

Finally, in 2021 we joined iCI and I am personally really looking forward to collaborating and partnering with others within the industry to make sure private equity has an active and present voice in global climate change discussions, especially ahead of COP26.

3 What has been the main ESG challenge you have experienced over the last 12 months?

We are increasingly operating against a backdrop of fast moving regulatory and reporting changes. From new regulations such as SFDR and EU Taxonomy, through to increased focus by regulatory bodies, the landscape is continuously changing. Furthermore, our investors are under greater scrutiny from their stakeholders to meet their own reporting obligations and targets.

At CVC we are considering these impacts at a global portfolio-level whilst actively engaging with our companies on their specific circumstances, which can be quite a juggling act!

However, we can increasingly rely on our own reporting programme and innovative technologies like EcoVadis that has given us a structured process, building on existing internationally recognised standards, which we already use with many of our companies.

4 CVC will soon be celebrating its 30th anniversary. What is your ESG vision for the next 30 years?

It is well-recognised that to tackle some of the huge sustainability challenges we face as a global community, system level change is required, especially with regards to climate change. We believe that collaboration across businesses, governments and financial institutions will be essential. Looking forward, we see ourselves as playing an increasingly active role in such collaborations as we explore ways that we, as an organisation, can further support the sustainability agenda.

At the same time, building on the strong foundations we have in place, I hope we can play an increasing role in accelerating change within our companies. We can help them to align their business strategy with the sustainability agenda, set ambitious targets, measure progress through reporting and independent assessment, and also provide support to companies to meet their objectives by sharing knowledge and best practice.

> “Events like our ESG Spotlight series act as a conduit, offering an informal forum for sustainability professionals across our portfolio to hear from subject experts...”

Responsible investment overview

The ESG Committee, which includes Managing Partner representation, is responsible for overseeing CVC's Responsible Investment and ESG management activities and reporting to the CVC Group Board. The ESG Committee draws upon expertise from operations, marketing and communications, as well as philanthropy, to determine how best to work with our portfolio companies and help them establish long-term sustainable practices.

With the support of our ESG, Legal and Compliance personnel, the deal and operations teams are responsible for implementing our Responsible Investment Policy and Procedures during the investment process.

Our approach to responsible investment: From pre-investment to exit

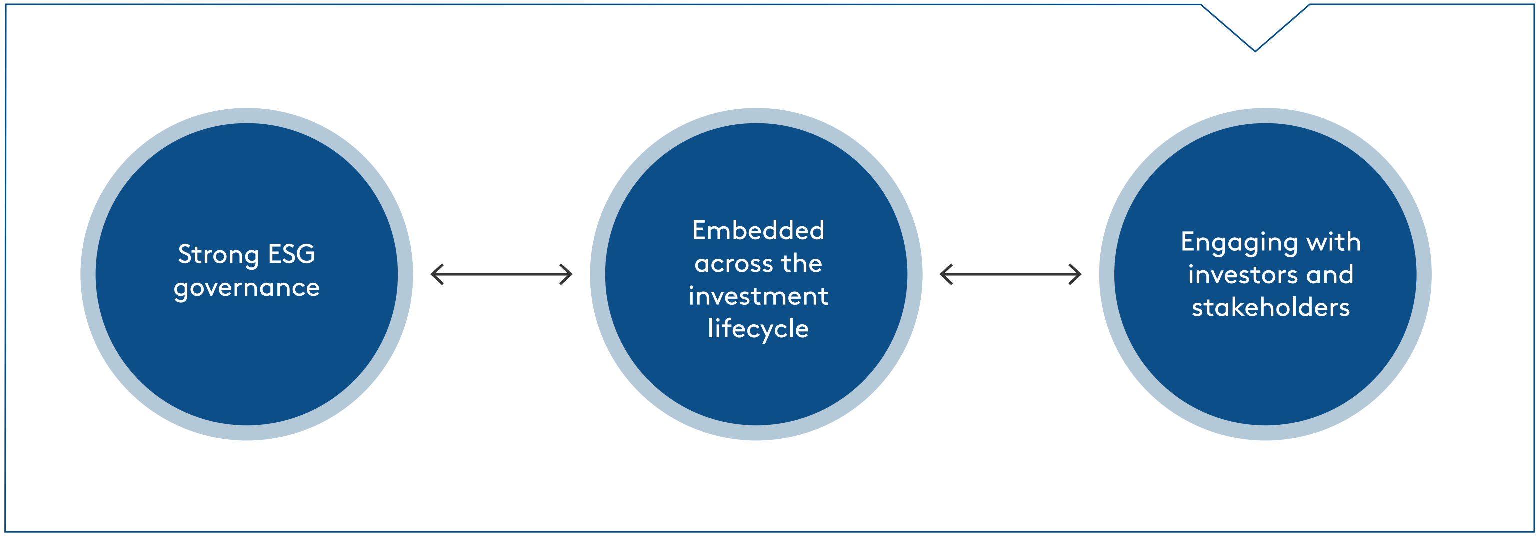
CVC is committed to investing in a way that creates sustainable, long-term value in close partnership with management teams and employees.

Our commitment

As part of our objective of building better businesses, we seek to lay the foundations for long-term sustainable growth and value creation for companies under our stewardship. Our approach across our private equity strategies is defined in our Responsible Investment Policy (the "Policy") that was first established in 2012 and is available on our website.

The Policy is reviewed periodically and, as part of the review process, we continuously look for ways that we can develop our approach to the management of ESG factors. The Policy outlines CVC's commitment to supporting ethical behaviours in all its activities, together with investing in and working with the local communities in which CVC operates. Further detail on our activities can also be found in our annual PRI transparency report.

> "There is no trade-off between returns and ESG; they go together in creating value."
>
> Jean Rémy Roussel, Managing Partner



How we integrate ESG throughout the investment process

Pre-acquisition

CVC's comprehensive approach to ESG due diligence reflects our conviction that mitigating risks and capturing opportunities relating to material ESG issues enhance the long-term value of a company.

If ESG risks are identified in due diligence, but we believe they are manageable or can be remediated immediately once an investment has been made, the issue will typically be included in the 100-day plan to ensure it is addressed early in the investment.

If CVC concludes that the ESG risks of a target company are too great and cannot be appropriately mitigated in a reasonable timeframe, no investment is made.

1 Identify

Sourcing, selection and due diligence

- Where relevant, investment teams engage external consultants, such as sustainability specialists or lawyers, to help diligence particular ESG aspects of the potential portfolio company business
- We assess material ESG risks and relevant management activities, using our due diligence guide, based on the international disclosure framework, SASB. Our findings are also reinforced by our proprietary due diligence checklist processes
- Using third party business intelligence tools, our teams assess ESG-related risks and management standards relevant to the target company

Monitoring and continuous improvement

From the early stages of the CVC fund ownership period, we seek to support portfolio companies in improving their ESG performance by adopting a tailored process.

During our period of ownership, we typically monitor our portfolio companies' ESG performance with a view to helping management teams identify and respond to opportunities for further improvement. We encourage portfolio companies to use sustainability rating agencies, such as EcoVadis, and we provide ongoing ad hoc support to companies, such as our ESG Spotlight conferences, access to sustainability experts, and participation in stakeholder materiality assessments to help companies identify and prioritise material ESG topics.

Our non-financial reporting programme measures progress against each of the areas of our value creation framework as set out on p. 9. This programme incorporates metrics from international standards such as the Global Reporting Initiative and the World Economic Forum's International Business Council. Examples of the data we are asking companies to provide includes information on GHG emissions, employee and customer engagement metrics, diversity statistics and employee training.

2

Stewardship

Proactive ownership, value creation and monitoring

Once an investment has been made, we work with a company's management team to improve the 'value fundamentals', as well as consider costs. ESG considerations are included in the post-closing review, which typically takes place during the first six-months of an investment.

During the period of ownership, we monitor our portfolio companies' ESG progress, through external assessments, such as EcoVadis ratings, and non-financial reporting, with a view to identifying and responding to opportunities for further improvement on an ongoing basis.

Investment teams are required to escalate internally ESG-related incidents that arise within portfolio companies that are deemed to be sufficiently material. ESG incidents are also tracked externally through third-party business intelligence tools.

3 Exit

Moving to the next stage of growth

Increasingly, we disclose relevant ESG information, gathered through the CVC fund ownership periods, to potential buyers at the exit stage. The incorporation of ESG considerations into exit preparations will depend on the anticipated method of exit.

Preparing for an IPO

When preparing for an IPO there is an increased focus on ensuring a company can meet its reporting obligations, which, depending on the jurisdiction of the IPO, are increasingly likely to include reporting on material ESG issues and opportunities. Public companies are also being increasingly scrutinised on their ESG management and governance. Therefore, through the EcoVadis assessment process and regular non-financial reporting, we seek to ensure that companies are preparing themselves for their next stage of growth following our ownership.

Case study: Softex

PT Softex ("Softex") is one of Indonesia's leading personal care products companies, with top three market share positions across the baby, adult and feminine care categories, and a popular portfolio of brands including Sweety, Softex and Confidence.

CVC invested in Softex in 2015 and recognised there was a significant growth opportunity to improve operational efficiencies and modernise the company's sales, distribution, and manufacturing processes. CVC also realised the need for Softex to tackle its impact on the environment, whilst also improving opportunities for its employees, to preserve its market-leading position for the long term.

With the support of CVC, Softex developed a comprehensive five-year sustainability roadmap, aligned to the UN Sustainable Development Goals, which aimed to reduce the company's carbon footprint, develop a benchmarking and reporting framework, improve efficiencies, and provide relevant training for employees. In addition, the CVC Foundation supported the development of Sofex's community initiatives through providing grant funding for a company-wide volunteering programme.

In September 2019, Softex launched a sustainability project dedicated to recycling baby diapers. Used diapers were processed into liquid before being converted into fertilizer for the local community. The programme was rolled out across 11 local orphanages and pre-schools and was supported by local authorities and environmental activists.

In 2020, the business was awarded 'Asia Best's Sustainability Report' at the Asia Sustainability Reporting Awards and achieved its PlanetMark accreditation to demonstrate its contribution to the United Nation's Sustainable Development Goals.

The operational improvements implemented by CVC, with the development of a robust sustainability programme, helped position Softex as a modern, agile and sustainable business, and it was acquired by Kimberly-Clark in 2020.

We look to engage and support our portfolio companies on ESG in a number of ways.

ESG Spotlight conference

In 2020 we launched our inaugural ESG Spotlight conference which saw our portfolio companies come together in a single forum to address shared ESG challenges and opportunities. To inform the event's agenda, we surveyed portfolio companies to better understand their expectations and determine priority topics. We wanted to create an inclusive and collaborative forum, so we invited several of our portfolio companies to present on their ESG strategies and share their experiences. Representatives from our portfolio companies discussed a number of areas including the process of undertaking a materiality assessment and developing a D&I strategy.

Our most recent Spotlight conference was held in June 2021. With the international climate summit COP26 taking place in November 2021, the 2021 conference focused on how companies can better report, manage and set targets for their carbon emissions, so that they are better prepared to transition to a low carbon economy.

Non-financial reporting

We work in close partnership with our portfolio companies to place them on a trajectory to sustainable long-term growth by monitoring their impact. One of the ways we seek to do this is through the collection of non-financial data based on the six components of our Value Creation framework.

External assessments

In addition to our non-financial reporting programme, we also monitor the ESG management and processes of our portfolio companies through external assessments such as EcoVadis. EcoVadis provides companies with a standardised assessment process, common platform, sector-specific benchmarks and performance improvement tools to help them deliver on their ESG action plans and improve their corporate disclosure. Over 75 percent of our companies were registered on the platform by the end of December 2020.

The EcoVadis assessment focuses on 21 sustainability criteria that are grouped into four themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. These criteria are based on international sustainability standards such as the Ten Principles of the UN Global Compact, the International Labour Organization conventions, the Global Reporting Initiative standards, the ISO 26000 standard, the CERES Roadmap, and the UN Guiding Principles on Business and Human Rights.

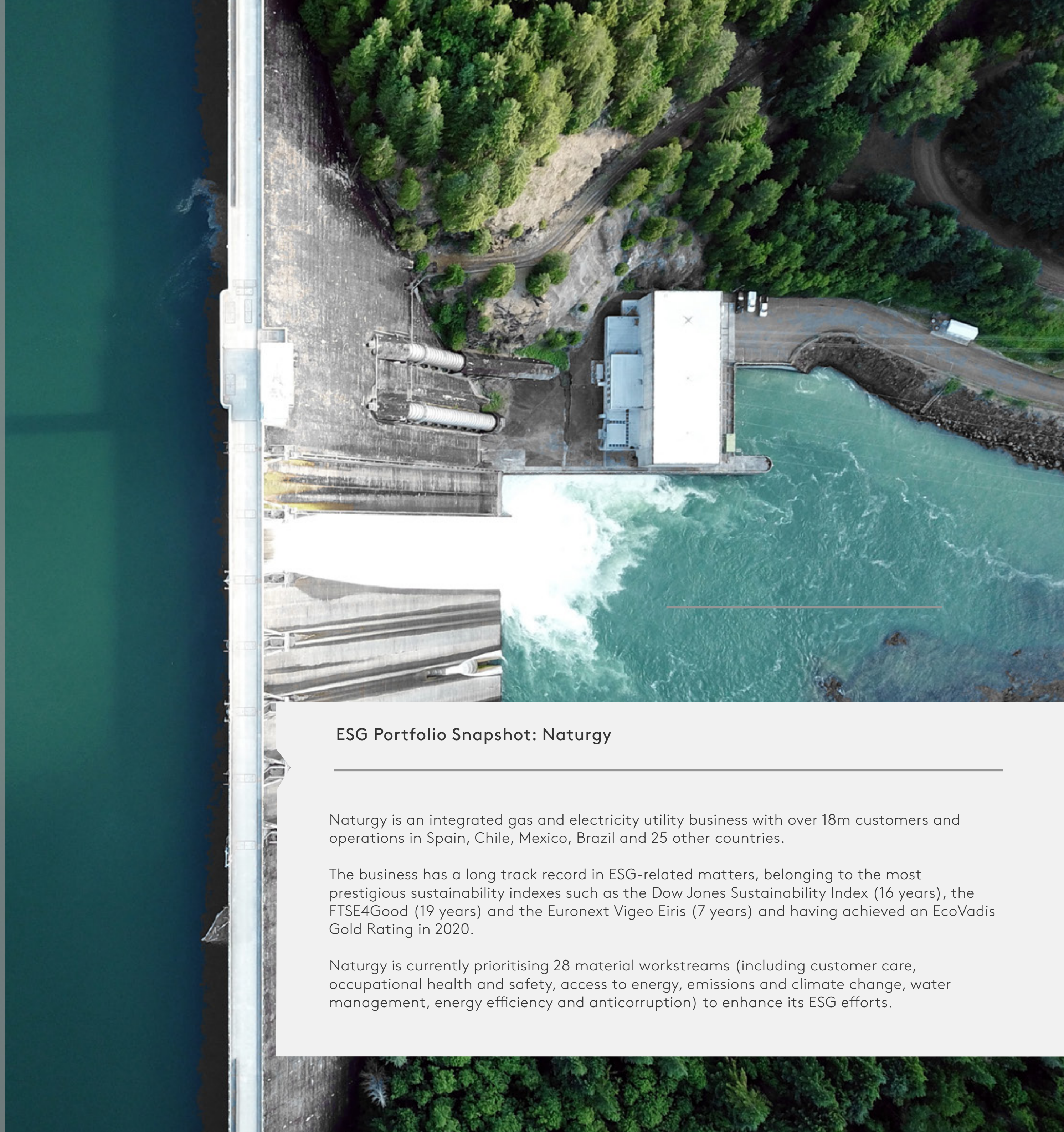
Cyber security

At a portfolio-level, we perform due diligence reviews on initial investments which includes a range of IT considerations and risk factors such as disaster and incident recovery, systems management, outsourcing and vendor management, and network security. We also undertake surveys of portfolio companies' cyber security governance arrangements with the aim of identifying higher risk industry sectors. Our last survey was completed in 2020.

Examples of how we are increasingly working in close collaboration with our companies on their ESG programmes, in line with our Value Creation Framework, can be found on p. 26 – p. 31.

05

Creating opportunities within our portfolio companies



ESG Portfolio Snapshot: Naturgy

Naturgy is an integrated gas and electricity utility business with over 18m customers and operations in Spain, Chile, Mexico, Brazil and 25 other countries.

The business has a long track record in ESG-related matters, belonging to the most prestigious sustainability indexes such as the Dow Jones Sustainability Index (16 years), the FTSE4Good (19 years) and the Euronext Vigeo Eiris (7 years) and having achieved an EcoVadis Gold Rating in 2020.

Naturgy is currently prioritising 28 material workstreams (including customer care, occupational health and safety, access to energy, emissions and climate change, water management, energy efficiency and anticorruption) to enhance its ESG efforts.

Case study: Petco

Petco, a complete partner in pet health and wellness, was acquired by CVC and the Canada Pension Plan Investment Board in 2016. Due to Petco's business model and large asset base of physical retail space, improving customer engagement and the omnichannel purchasing experience were identified by CVC as key commercial drivers for the business.

CVC worked with Petco to drive employee engagement in an effort to heighten and augment the customer experience in Petco's omnichannel ecosystem. Both Petco and CVC are believers in the long-term value creation that stems from a highly engaged employee base, and Petco has continued to invest in these employee initiatives.

In line with CVC's and Petco's commitment to improve racial equity, diversity, inclusion and belonging, year to date, over 50 percent of director and above new hires and promotions have come from under-represented populations. This will continue to be a strategic focus of the business.

Similarly, Petco is committed to minimising its impact on the environment. For instance, Buy Online Pick Up in Store, Curbside, and Same Day Delivery programmes not only provide both strong customer value, but digital orders fulfilled by these programmes use 23 percent less cardboard and 92 percent less plastic packaging compared to distribution centre fulfilled orders that on-line pure play competitors use almost exclusively. For 2020, this resulted in savings of 3.6 million lbs of cardboard and 30 thousand lbs of plastic.

Combining that commitment to sustainability with customer feedback regarding a desire for sustainable products, Petco made the strategic decision to begin expanding its sustainable pet food product offerings with a target to get to 50 percent sustainable products by 2025. These products are resonating with customers and, as a result, increase sales and reinforce customer loyalty.

Employee Engagement & Value Creation
Customer Engagement

Case study: Breitling

In 2017, CVC acquired leading luxury watchmaker Breitling and has worked with the Company to devise a comprehensive strategy to reduce the environmental and social impact of its business.

As part of the strategy, Breitling completed a materiality assessment that identified the key material impacts that it needed to address: climate change, responsible sourcing and packaging. This assessment helped inform its 2025 ESG roadmap.

To promote the adoption and promotion of sustainable packaging, Breitling introduced packaging made from 100 percent recycled plastic bottles, and now uses upcycled plastic waste in its products. The Company also supports various industry initiatives such as Ocean Conservancy, in its advocacy of science-based ocean health.

To achieve a higher level of responsible sourcing, suppliers have been encouraged to think about their ESG governance and risk management through Breitling's Supplier Code of Conduct. Breitling has also invited its suppliers to complete an annual EcoVadis sustainability assessment. Through its membership with the Swiss Better Gold Association, Breitling also advocates for improved working and living conditions in small-scale mining communities and the creation of responsible supply chains.

Through these initiatives, Breitling has been recognised as a sector leader on sustainability. The Company is now preparing to complete an industry-leading baseline assessment of its full scope value chain carbon emissions that will inform Breitling's future carbon reduction targets. This will build on its 2020 achievement to completely offset its direct carbon emissions and a portion of its indirect carbon emissions resulting from logistics and travel.

Case study: Siloam Hospitals

Siloam Hospitals ("Siloam") has been an investee company of CVC's since 2016.

Siloam is one of the largest healthcare groups in Southeast Asia and has a medical team of more than 500 general practitioners, 2,200 specialist doctors, and 9,000 nurses, allied health, and support staff. It offers healthcare services to nearly two million patients each year.

During the COVID-19 pandemic, Siloam used its healthcare network to support its local communities by establishing the "COVID-19 Heroes Appreciation" scheme to provide financial aid for 1,820 nurses and other high-risk staff across its 39 hospitals. Further financial aid was provided by CVC's Singapore office, who donated €168,000 to support nurses on the frontline as well as high risk staff.

The company has also been offering rapid COVID-19 testing for patients at cost and opened two hospitals, with a capacity of up to 480 beds, to increase capacity for COVID-19 patients. Finally, Siloam also donated 26,000 pieces of personal protective equipment to the East Java Police Department, Indonesia's largest police department.

By taking swift action, Siloam leveraged its network of medical professionals to provide much needed assistance to local communities and emergency support services.

Community Engagement

Employee Engagement & Value Creation

Case study: Żabka

In 2017, CVC acquired Żabka, a Polish modern convenience chain which had approximately 4,900 convenience stores. Recognising the importance of supporting and meeting customer needs, two of the pillars underpinning Żabka's sustainability strategy focuses on promoting sustainable lifestyles and contributing to a more sustainable planet. As a result, Żabka has been working with CVC to deliver its sustainability program and introduce clean energy technologies across its stores in order to reduce its operational carbon emissions.

In 2020, Żabka remodelled all its stores, which included the installation of more efficient lighting, which has helped save 120 thousand tonnes of carbon, as well as the introduction of refrigerants with lower greenhouse gas emissions in the stores' refrigeration units. The company has also switched its new headquarters to 100 percent renewable energy and is piloting further emission reduction technologies and techniques by opening a prototype store that is solely powered by renewable energy.

As a result of these changes, Żabka's GHG emission intensity per €1m revenue, generated year-on-year, was reduced by seven percent across its Scope 1, 2 and 3 emissions for 2019/2020, whilst its optimisation initiatives have saved 22.1 GWh. To further reduce emissions, the company has committed to announcing emissions reduction targets in line with Science Based Targets by 2021. In its commitment to encouraging sustainable lifestyles and promoting a circular economy, Żabka has set a target for 100 percent of its own brand products to either be recyclable or be made from recycled materials by 2025.

In recognition of its sustainability achievements, Żabka was awarded 'Green Portfolio Company of the Year' in 2020 by the Polish Private Equity & Venture Capital Association.

Environment & Planet
Customer Engagement

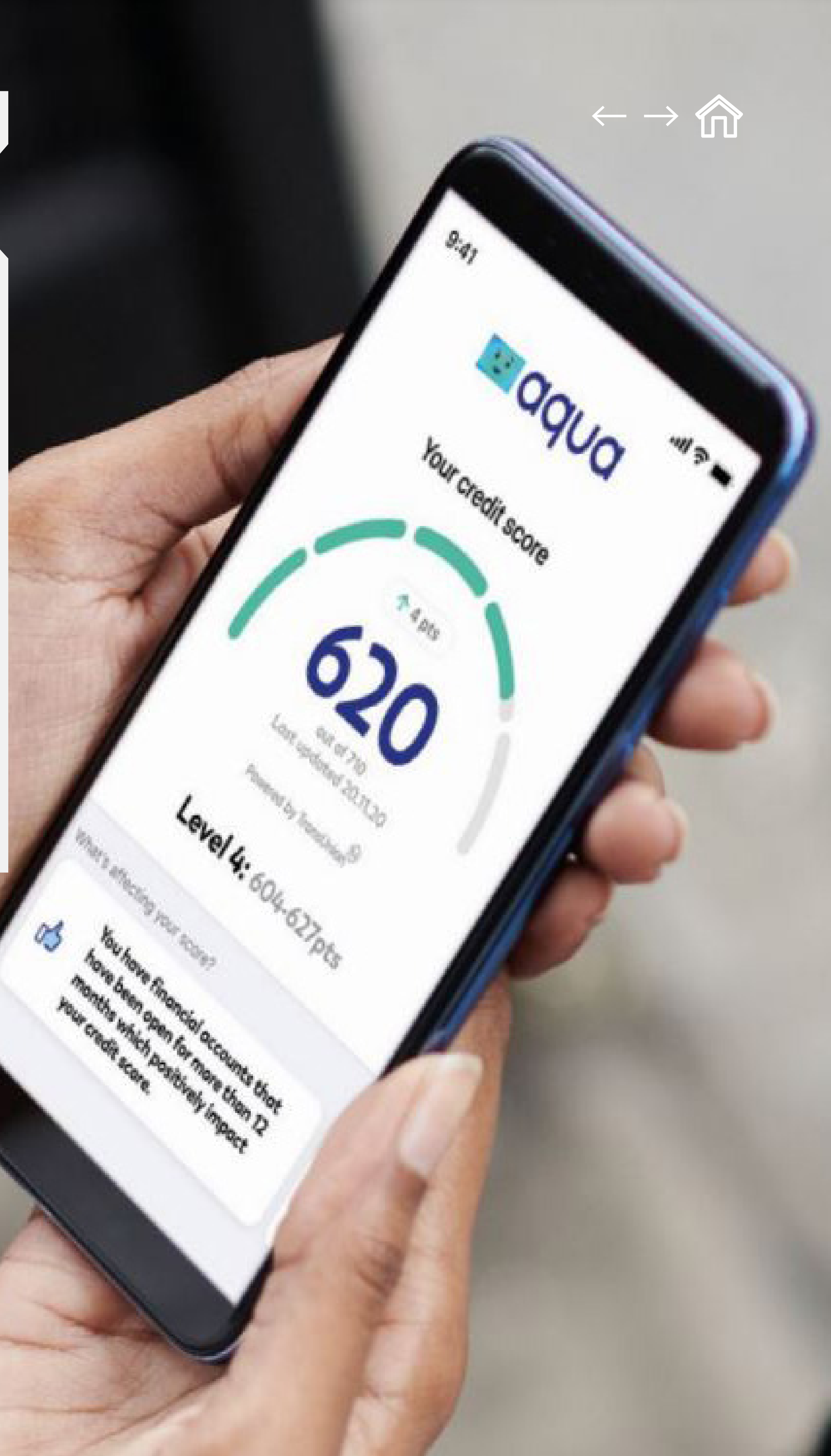
Case study: NewDay

CVC and Cinven acquired NewDay, a leading consumer finance provider specialising in the UK credit card market, in 2016.

The COVID-19 pandemic had a significant economic impact on NewDay's customers due to rising unemployment and the impact of national lockdown restrictions on certain sectors and industries.

CVC worked with NewDay to introduce and implement policies to help manage its customers' personal financial circumstances. NewDay's team of specialists created tailored payment programmes, including a payment holiday offer, to support customers experiencing financial difficulties. The Company also introduced additional measures including payment freezes and short-term payment plans, which offered a significant reduction in monthly payments for up to six months. In 2020, 234,000 customers benefited from a payment holiday or payment freeze.

These measures led to a decrease in customers complaints, resulting in only 0.79 complaints per 1,000 active accounts, down from 1.05 in 2019. NewDay employees also maintained a high level of engagement during the year and employee survey results showed that the Company's handling of the pandemic made 94 percent of employees proud to work at NewDay.



Governance & Ethics
Employee Engagement & Value Creation

Case study: Ahlsell

Ahlsell, the leading Nordic wholesale distributor of installation products, tools and machinery, has been an investee company of CVC's since 2012. CVC has actively engaged with Ahlsell on the importance of its environmental impact due to the size of its operations and its extensive supply chain within the region.

In its 2020 materiality assessment, Ahlsell identified sustainable supply chain as a material topic and has since been working with its suppliers on their approach to sustainability as well as addressing the sustainability of its own operations. This includes conducting supplier audits equating to 50 percent of total purchase value and thereafter by likeliness of risk. A particular focus of this engagement has been on encouraging and driving a lower carbon footprint in its suppliers' direct and upstream operations. Ahlsell is also developing a new risk assessment tool which is due to launch in 2021.

Climate impact was also noted as a material topic and so Ahlsell is taking steps to address its environmental impact by setting a target to halve its carbon footprint by 2030, compared with 2016, and to be fossil-free by 2045. It is also pursuing a recycling rate of 80 percent in its branches and 90 percent in its central warehouses by 2025.

In 2020, Ahlsell invested in innovative and sustainable solutions, leading to 12 new products and services. This included the development of Biyorem, an effective 100 percent organic, degradable decontaminant for all types of oil spills such as animal, vegetable, mineral and synthetic oils and oil-based paints. The company also launched Ecolumi, a fully recyclable series of lighting fixtures for offices and schools that improves energy efficiency. Although these products are in the early stages of being rolled out, Ahlsell is finding that customers are receptive to these new, innovative products, and sales numbers are growing steadily and, to date, there have been no complaints.

06

Our Philathropic Commitments

ESG Portfolio Snapshot: Moto

Moto is the UK's leading operator of motorway service areas, operating nearly 50 sites at over 30 locations across the UK. Moto's sites satisfy essential needs of passing traffic by providing a variety of goods, amenities and services; including fuel, catering, convenience food, retail and accommodation.

Moto's sites have an important role for local communities, especially for local students and other young people in their employ. Moto's charitable foundation "Moto in the Community" is a key channel for community engagement. To date, with support from the CVC Foundation, the charity has raised £7m.

Our commitment to the community

Launched in 2011, the CVC Foundation is our network-wide philanthropy programme that aims to improve the lives and prospects of children and young people in the communities where our offices and portfolio companies do business.

We have developed many partnerships with not-for-profit organisations, venture philanthropy groups and social enterprises across our global network. Through these relationships, we provide a package of support that typically includes funding, pro bono expertise, employee volunteering and access to the wider CVC network.

For nearly a decade, our Foundation has been made possible through annual funding committed by our Board, fundraising events and individual donations, together with the enthusiasm of the CVC executives who serve on our Philanthropy Committee and the many employees who volunteer or offer pro bono advice to the charities we support.

Opportunity for all

The aim of the CVC Foundation is to make a positive contribution to society and support disadvantaged people to achieve their full potential. We focus on three main areas:

- Education
- Employability
- Entrepreneurship

We support organisations working with people affected by poverty, a lack of quality education, unemployment, racial and/or gender inequality, as well as poor physical or mental health.

Our charitable partners

We currently support 27 charities that are aligned with our core priorities. Charities receive significant grant funding from CVC along with volunteering, pro bono advice and access to our network.

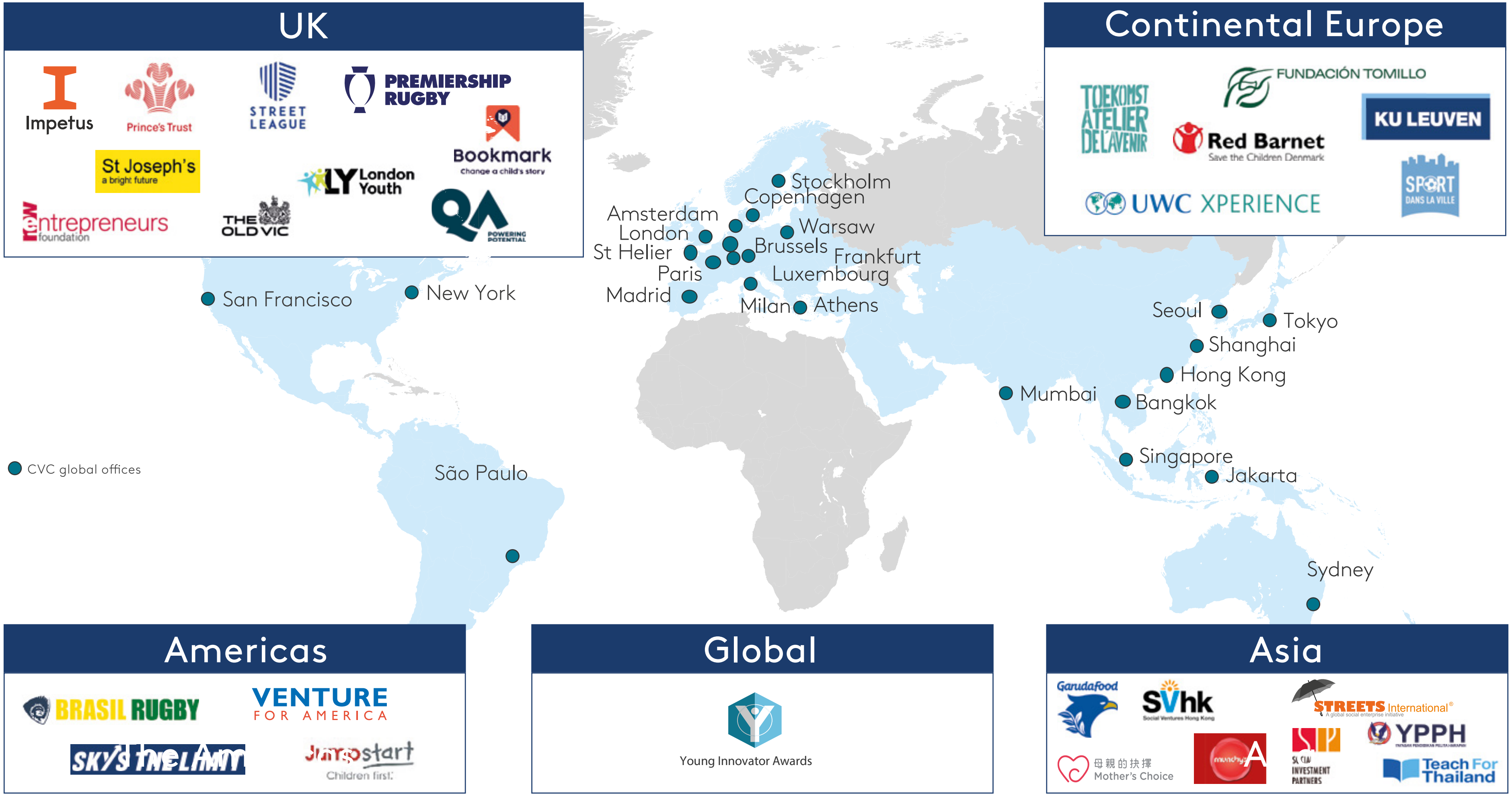
Employee engagement is central to our philanthropy programme and every office is encouraged to support local charities. CVC employees take responsibility for managing our charitable partnerships, and our Philanthropy Committee, comprising staff from across our network, provides strategic direction to our grantmaking programme whilst supporting our colleagues.

Since 2011, our philanthropy programme has developed rapidly and today is present in 18 countries.

> We currently support 27 charities that are aligned with our core priorities – education, employability and entrepreneurship.

Working across our network

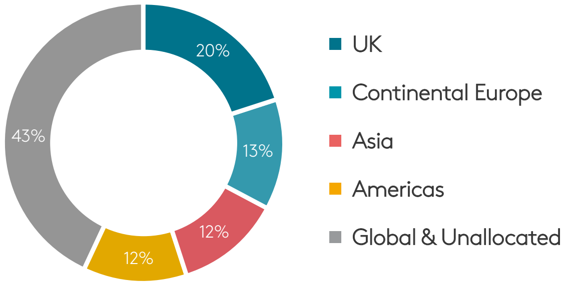
CVC's local offices around the world enable us to have a meaningful and global impact through the CVC Foundation.



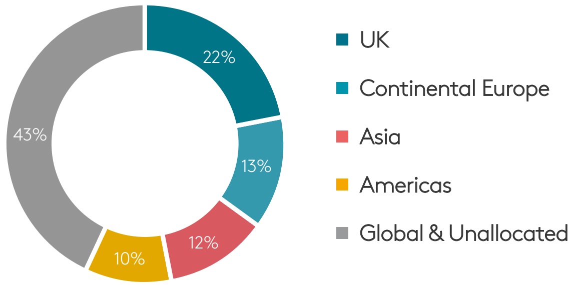
How do we make an impact?

There are three main elements to our philanthropy programme:

2020 Grants by region - Budget



2020 Grants by region - Forecast



1) Charitable grants

We provide multi-year funding commitments to the charities in our core philanthropy programme as well as one-off donations. Grants to charities range from €25,000 to €200,000 and are made for general purposes or to fund specific projects over a two-year period. We work closely with our charities and monitor their activities, ensuring that they can demonstrate the impact they're having on beneficiaries.

2) Employee involvement

CVC's employees are philanthropically motivated and active in their local communities. Our employees are involved in a number of ways: volunteering their time; providing pro bono advice; serving as board members of CVC-supported charities; and through fundraising events. We also operate a corporate matching scheme that supports employee fundraising efforts for charities of their choice.

We actively support our employees to make a positive impact in their local communities and employees can volunteer for an unlimited amount of time subject to the agreement of their line managers. We match employee donations to registered charities and non-profits of their choice at 2x for senior staff and 5x for junior colleagues. We also match the monetary value of any volunteering employees undertake based on their salary.

In 2020, approximately 75 percent of employees were involved with a charity and over half of our employees were involved in charitable fundraising and donations. During 2021, we plan to develop additional employee volunteering opportunities and roll out initiatives to respond to local emergency appeals.

CVC's Pandemic Relief Fund delivered €8.5m in employee matching donations and funded 290 COVID-19 related causes.

> During 2020, CVC employees donated towards the purchase of laptops for students through appeals across the London, New York and Brussels offices. With the benefits of employee-matching, CVC raised enough money to buy over 1,220 new and refurbished laptops for disadvantaged students so that they could continue with online learning during the COVID-19 pandemic.

Employee Engagement in Philanthropy 2020 (self-reported)

2020 YE Assessment	Count	% (against active employees)
Involved in Charity	391	66%
Volunteering/Pro Bono	115	19%
Fundraising/donation	337	57%
Attending Events	111	19%
Board Member	40	7%
Other Charity Work	64	11%

3) CVC Young Innovator Awards

In 2015, we launched the Young Innovator Awards to support young entrepreneurs to create the businesses of the future.

Entrants to the Young Innovator Awards compete to win a package of cash grants, mentoring, and access to our global network. For businesses with a social or environmental impact, there is also the potential for follow-on investment from the CVC Foundation.

As part of our commitment to building better businesses, the Young Innovator Awards are a cornerstone initiative within our philanthropy programme, enabling us to both tackle youth unemployment and contribute to the economic development of our local communities. For our employees, the event encourages team building, collaboration and allows our colleagues to share their expertise and career experience with aspiring entrepreneurs.

Recent examples of companies that have benefited from the Awards include Pathspot, the world's first real-time hand hygiene management system, Foods for Tomorrow, Magnolia and MYNDUP.

Originally launched in our London office, the Young Innovator Awards now run annually across eight CVC offices with over 40 employees actively involved in the initiative. Since 2015, we have awarded €750,000 of grants to 90 businesses, with the average grant amounting to €10,500. The portfolio of winners raised €14m in venture capital, a multiplier of 23x CVC's grant, and created over 300 new jobs in their local communities. In future, we will continue to grow this programme to more CVC locations.

London Young Innovator Award finalists

Working with our portfolio companies

The CVC Foundation has a long history of working with portfolio companies on community programmes. We do this by making introductions to trusted charity partners, co-funding projects and using the expertise and contacts of our philanthropy team plus funding from the CVC Foundation to help them scale their impact. Working with our portfolio companies is an important pillar of our philanthropic programme as it leverages our own charitable efforts, whilst mobilising our resources to reach more communities and create a legacy of philanthropy that lasts well beyond our period of ownership.

Case study

QA - Teach the Nation to Code

QA, the UK's leading tech skills and talent services provider, launched Teach the Nation to Code, a series of free workshops designed to introduce students, the unemployed, and job changers to computer coding. The programme aims to inspire young people to pursue careers in software development to encourage more diversity in the tech sector.

Following a successful pilot in 2018 where 200 university students attended free coding workshops, the CVC Foundation agreed multi-year funding to enable QA to scale the programme, reach under-represented groups and reduce youth unemployment.

To date, QA has delivered 42 workshops to more than 3,000 attendees based in 28 countries, of which nearly half were female - a group that has historically been under-represented in the tech industry. In addition, 60 learners have also enrolled in further study through the QA Academy, an immersive 12-week programme where attendees participate in practical consulting projects, gain access to career development tools and networking opportunities.

Teach the Nation to Code has now become a key CSR initiative at QA and in 2021 the company is due to broaden its offering to include workshops in the fast-growing cloud computing sector.

"Working with CVC to deliver Teach the Nation to Code has been a truly inspirational experience. Our passionate team of trainers have given up the time to design and deliver the workshops, but we would not have succeeded in reaching such a large and diverse community of learners without the support of CVC."

John Gordon, Teach the Nation to Code Project Lead

COVID-19 relief

COVID-19 has caused unprecedented global disruption and affected the lives of billions of people around the world.

In response, CVC launched a Pandemic Relief Fund, which has collectively committed over €100m to projects that address the consequences of the pandemic. This included €3.3m donated by CVC and its staff to 20 portfolio companies' COVID-19 relief initiatives.

As part of the initiative, many of our portfolio companies sought to help their employees, families and local communities through emergency aid, including basic healthcare and medical equipment. The effects of COVID-19 will be long lasting, and we remain committed to helping those in need over the long-term.

> “The effects of COVID-19 will be long lasting, and we remain committed to helping those in need over the long-term.”

Case study: Hermes

Hermes Transportes Blindados S.A: Providing supplies for 7,500 Peruvian households

Hermes Transportes Blindados S.A ("Hermes") is a leading provider of cash management services based in Lima, Peru. The Company offers valuable logistics, cash processing and custody services to a blue-chip client base comprising more than 1,000 active clients in the financial, retail, utilities and mining segments.

In recognition of the impact COVID-19 has had on exacerbating social inequalities, Hermes delivered cash grants on behalf of the Peruvian government to families living below the poverty line (less than US$3/day of income). The Company also established a programme to deliver directly, and via local charitable organisations, food and cleaning products to households in order to alleviate food poverty and improve sanitation within its local communities. CVC donated €70,000 to the programme and to date, 7,500 vulnerable people in Peru have received much needed supplies.

Move for Good

During 2020 we encouraged employees, and their families, to engage with their local communities whilst supporting their physical and mental health through our Move for Good challenge.

As part of the initiative, the CVC Foundation sponsored employees for each kilometre they either walked, ran, cycled or swam during a two-week period.

84 percent of CVC employees took part in the challenge and covered a total of 87,742km, more than twice around the globe. As a result, CVC donated €13.4m to 129 COVID-19 relief charities around the world.

Due to the success of last year's challenge, we will be inviting employees to take part in a 'Race for Recovery' challenge in 2021, which we hope will deliver even more funding to COVID-19-relief charities and philanthropic causes.

07

Appendix

ESG Portfolio Snapshot: World of Books

CVC Credit provides the debt facilities to support Livingbridge's acquisition of World of Books ("Wob"). Founded in 2008, Wob is the UK's leading online re-commerce business primarily focussed on the global resale of used books and became a certified B Corp in 2019.

In 2020, over 20 thousand tonnes of books were responsibly recycled and the resale and recycling of used books allowed Wob to save 26,562 tonnes of new paper. The company also focuses its efforts on climate action as it reduced its owned carbon footprint by 30 percent per book sold in 2020 and pledged to be carbon neutral by 2022.

Appendix

Overview of CVC's governance structure and committees

ESG Committee

The ESG Committee is responsible for overseeing and reporting to the Group Board on CVC's Responsible Investment programme to ensure it is embedded in our investment processes from pre-acquisition to exit. The Committee also works with deal teams and other Committees such as Investment Committee and Portfolio Committee to improve the integration of ESG within our portfolio companies' way of operating.

HR Committee

The HR Committee is responsible for the full employee life cycle aspects of the firm. There is a separate HR Committee for the Credit platform, which is made up of senior employees from the investing and business operations teams.

Diversity & Inclusion Committee

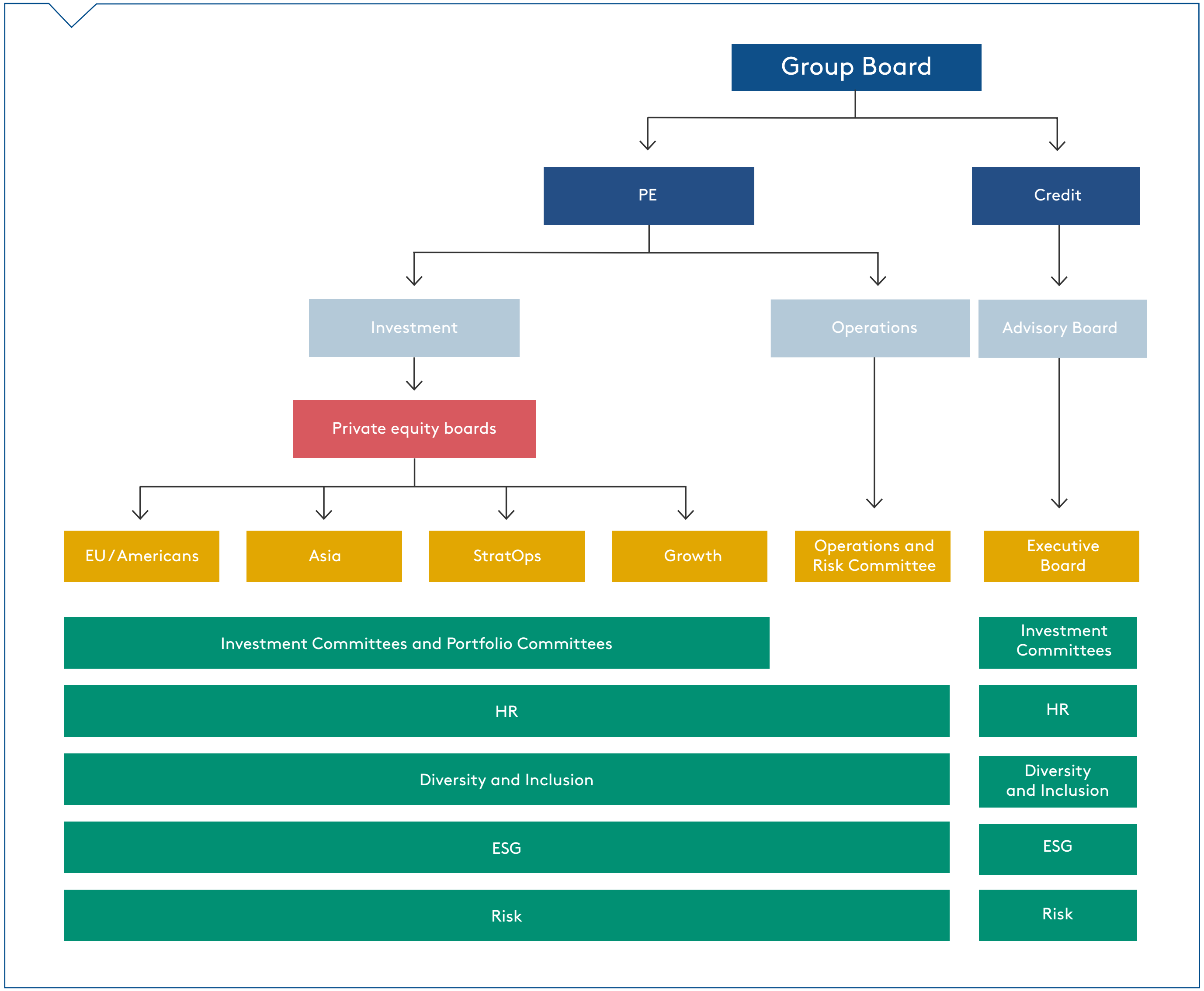
The Diversity & Inclusion Committee oversees the application of policies and initiatives aimed at increasing diversity within CVC across four pillars: Attraction, Development, Retention and Measurement.

Ethics Committee

The Ethics Committee is responsible for the application and compliance with CVC's code of ethics and associated procedures. It has oversight of all processes that could reputationally impact the firm outside of investment risk.

Philanthropy Committee

The Philanthropy Committee determines the strategy and oversees our philanthropic activities across the CVC network.



Contacts and Disclaimer

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While CVC may consider ESG factors when making an investment decision, CVC does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards.

The views and experiences presented are subject to change and it should not be assumed that they are representative of each portfolio company.

Any case studies presented herein are solely for illustrative purposes. There can be no assurance that any such investments are or will be profitable or that other investments have similar characteristics or experiences.