

## **Perceva's Responsible Investment Policy**

Perceva aims at creating long-term value to its investors by investing in good companies and developing them into successful and enduring businesses. To that end, Perceva believes that taking into account Environmental, Social and Corporate Governance ("ESG") matters in its investment decisions is paramount, as these matters can have a material impact on portfolio companies' financial performance and the risk-adjusted return on its investments.

Therefore, Perceva is committed to investing in a responsible manner, and has formalized and adopted this RI policy statement.

Perceva will review and update this policy on a regular basis, as deemed appropriate.

### **1. Approach in the investment cycle**

The Perceva team will, to the best of its ability, take into consideration ESG matters throughout the investment cycle:

- i) Pre-investment: when evaluating investment opportunities, Perceva will:
  - take into account ESG matters in its due diligence process; and
  - work with portfolio company's management in order to develop a corrective action plan when needed.
- ii) During investment:
  - establish portfolio companies' ESG policies and practices through appropriate governance structures representation (e.g. board of directors);
  - monitor ongoing progress;
  - encourage continual performance improvement by portfolio companies; and
  - where appropriate, encourage disclosure of ESG issues by portfolio companies with relevant stakeholders (internal and/or external).

### **2. ESG Factors**

#### *2.1. Environment*

Perceva conducts business and encourages its portfolio companies to conduct their businesses in an environmentally responsible manner, including by:

- complying with relevant laws and regulations;
- using natural resources responsibly;
- limiting waste and pollution;
- encouraging business partners (suppliers, clients, etc) to conduct their businesses in an environmentally responsible manner;
- investing in sustainable products and services.

#### *2.2. Social*

Perceva respects, and supports its portfolio companies to respect, labor and human rights at all levels of the organization, including:

- striving to eradicate child or forced labor, including possible use of forced labor by suppliers to portfolio companies;

- avoiding discrimination of any form, e.g. based on age, gender, race, religion, sexual orientation or physical ability;
- complying with international conventions on human rights;
- complying with applicable national or local labor laws and regulation;
- considering matters related to working conditions, such as competitive wages and benefits, working hours, safety and health;
- respecting and protecting the employees' rights including freedom of association and collective bargaining.

### *2.3. Business ethics*

Perceva conducts business and requires its portfolio companies to conduct business in an ethical manner, including:

- supporting the eradication of corruption and bribery;
- complying with relevant anti-corruption laws and regulations;
- adhering to the highest standards of conduct and promoting integrity, competence and respect in carrying out business with all stakeholders.

## **3. ESG governance and management**

The board of directors of each portfolio company is responsible for defining the company's strategy and policies, including on ESG matters. Each portfolio company's CEO and management team are responsible for executing the strategy and policies set out by the board and carrying out the company's day-to-day operations.

Perceva encourages each portfolio company's board of directors to discuss at least once a year compliance and progress of the company on ESG matters. At the portfolio company level, Perceva requires the assignment of and accountability for ESG responsibilities to senior managers. It also encourages management teams to identify and raise material ESG matters to relevant decision-makers, including board members where appropriate.

Perceva provides its investment professionals as well as portfolio companies' management teams with appropriate support including best practice information and tools, as well as external resources when needed.

In terms of reporting at the firm level, Perceva will seek to be transparent in its approach relating to ESG matters by maintaining a yearly scorecard of its portfolio company, and itself, and make that information available to its investors.

## **4. Industry standards**

Perceva encourages its portfolio companies to consider the alignment of their ESG policy with international conventions and standards, including:

- the United Nations supported Principles for Responsible Investment (Perceva is not a signatory yet)
- the United Nations Global Compact