



GREENPEAK Partners ESG Strategy

18 May 2021

Introduction

GREENPEAK Partners is a team of investment professionals driven to build sustainable businesses in sustainable markets for a sustainable world. We believe that a sustainable economy is built by entrepreneurs with a vision to combine economic success with the achievement of ecological, social and governmental (ESG) criteria beyond today's standards. GREENPEAK Partners recognizes the positive impact of ESG issues on long-term performance value creation, in particular for its investment model of building mid-size businesses by the combination of smaller businesses in the service sector (Buy & Build Platforms).

Therefore, at GREENPEAK Partners, ESG is a philosophy and a framework for continuous, ongoing work and value creation in the businesses we build and operate.

1. Motivation

GREENPEAK Partners have tapped the investment landscape motivated by investing in good businesses for the following reasons:

a) Providing an authentic contribution to humanity

In our own personal environment and from our experience, we see and recognize the urgent need to move our economies away from destroying our planet. We want to convey a sustainable world to our children and next generations.

b) Capitalizing on the Mega-Trend of Sustainability

Assuming that a sustainable economy will be the superior model for all countries and regions in the world, we expect sustainability to become one of the major Mega-Trends of the 21st century with the opportunity to provide superior returns to our businesses, stakeholders and investors.

c) Using levers as investors to achieve measurable ESG improvements

As an investment company, we use our influence and management capacity to ensure that our businesses effectively and efficiently move in the right direction. We strive to establish metrics and key results to measure improvements and to prove significant positive effects.

2. Objectives

With the implementation of its ESG strategy, GREENPEAK Partners aims at the following objectives:

a) Becoming a role model for investing in good businesses

We strive to become the north star for next-generation investment managers, businesses and employees. We will become a reference investment group for customers, suppliers, business sellers and investors and be recognized as such in our peer group and/or in public.

b) Profitability through sustainability

We will enter into profitable investments and will demonstrate that ESG improvements can be a driver of profitability and that this brings additional value to companies' performance.

c) Measure and show ESG improvements

We will define measurable key performance indicators and will demonstrate that ESG performance has improved through the lifetime of our funds.

3. Responsible Investments

In the context of the types of service businesses that GREENPEAK Partners invests in, ESG issues can include, but are not limited to

- Contribution to an effective health care system
- Employment terms and labour standards
- Human capital development
- Corporate governance and management
- Business integrity
- Efficient use of resources
- Air, land, water and more in general pollution
- Ensure data protection
- Promote the use of regenerative energy sources
- Effective waste management
- Reduction of CO₂ emissions and/or CO₂ footprint offset

We exclude investing in tobacco, drugs, pornography, child & forced labour, gambling, weapons, human cloning, transgenic activities and products that constrain or violate

human rights in any manner. Furthermore, we will not engage in projects which are unacceptable in environmental or social terms or which support racism. We will not invest in or partner with businesses with signs of corruption, money-laundering practices or crime.

4. GREENPEAK Partners as an investment management company

As a management company, GREENPEAK Partners has identified the following relevant ESG issues and actions:

<i>Environment</i>	<i>Social</i>	<i>Governance</i>
<ul style="list-style-type: none"> - Reduce paper consumption from prints and favour recycling actions - Green IT infrastructure - Encourage to use electric cars 	<ul style="list-style-type: none"> - Creating a healthy and amicable work environment - Gender equality - Equal pay - Work-life-balance - Active involvement of our Partners in their communities 	<ul style="list-style-type: none"> - Establish partnership culture in our businesses and within the investment team - Effective monitoring of our Buy & Build Platforms through transparent Board involvement

GREENPEAK Partners will conduct specific ESG relevance analysis for each of its investment platforms and define specific improvement targets for each ESG issue. We will then report on relevant ESG issues, metrics and key results on fund level and on an annual basis.

GREENPEAK Partners deploys specific resources to this process including management capacity on Partner level and external consultants.

GREENPEAK Partners will evaluate the possibility to reduce its climate footprint both at the level of the management company and the investment platforms. We thrive to fully understand our environmental impact and assess different options to reduce and offset the footprint of our activities.

Upon issuance of our first annual ESG report – probably for the year 2021 – we will evaluate our readiness to become a credible signatory of the United Nations Principles of Responsible Investing (UNPRI).

5. Assessment and Key Results

GREENPEAK Partners implements relevant ESG actions depending on each fund’s maturity level and current ESG standards. We follow up the steady evolutions of the ESG framework to keep our ESG policy and practices up to date. These principles are to be applied progressively in GREENPEAK Partners’ investments, following a continuous improvement process. For instance, GREENPEAK Partners has established for the Fund II a process structured around five key points:

a) Due Diligence Assessment

Before acquiring a business, we will assess its ESG status through the completion of an ESG questionnaire. This enables the investment team to identify the level of awareness of the management on ESG topics, potential areas of concern and opportunities.

b) Integration of ESG in the Investment Committee

ESG considerations form an integral part of the evaluations of the investment committee. This ranges from assessing the potential for ESG value creation in the selection of a new investment platform to discussing ESG risks and opportunities when a potential partner company is presented to the Investment Committee. Moreover, ESG factors play a central role in the final decision on add-on acquisitions.

c) ESG Roadmap and Metrics

Once a Buy & Build Platform has gained relevant size, i.e. typically an EBITDA exceeding € 3.0 mn., we assess the platforms ESG status and develop metrics to measure ESG progress and define specific targets for improvements in these key performance indicators.

d) Board Discussions

During portfolio companies' Board meetings, we will discuss the ESG roadmap and progress at least once a year to follow-up on relevant objectives for each business and/or Buy & Build Platform. This also helps to raise management's awareness on ESG issues and opportunities.

e) Reporting

We will compile annual ESG reports and make them available to all stakeholders.

As an optional feature, GREENPEAK Partners will support ESG audits of its Buy & Build platforms.

This GREENPEAK Partners ESG Strategy should be reviewed and updated in December 2021.