

RESPONSIBLE INVESTMENT POLICY

INTRODUCTION

Permira is committed to responsible investment and the firm’s values of partnership, creativity and integrity. Permira believes that a focus on environment, social and governance (“ESG”) risks is an important part of seeking to build lasting value in the Permira funds’ portfolio companies. We believe that having a long-term, responsible approach is an important part of the Permira funds’ investment strategy and aim to deliver a better outcome for our investors, consistent with our fiduciary duties or other legal requirements.

APPLICATION OF THIS POLICY

The Responsible Investment Policy (the “Policy”) applies to the Permira group¹ (“Permira”), which includes a private equity (“PE”) business and a private credit business (“Permira Credit”). The PE business operates two core strategies: Buyout and Growth. Permira Credit operates four core strategies: Direct Lending, CLO Management, Structured Credit and Strategic Opportunities.

This Policy is supported by Permira’s ESG Framework, including the Portfolio Company ESG Guidelines as appropriate. Our view of responsible investment is encompassed by this Policy and Permira is committed to refining its approach as responsible investment practices and the regulatory landscape continue to evolve.

APPROACH²

Permira recognises that ESG factors can have a material impact on risk and return. Permira believes that companies that effectively manage material ESG risks and opportunities will be better placed to achieve a stronger financial profile in the longer-term, in part because responsible businesses adopt practices that are more attractive to their key stakeholders. Responsible investment, including the incorporation of ESG into investment decisions where appropriate and active engagement with portfolio companies for funds where Permira has control or sufficient influence, is aligned with the firm’s overall investment strategy.

Permira recognises that the materiality of ESG risks or opportunities can vary by company depending on product/service, sector or geography. While not an exhaustive list, as the firm recognises that many ESG risks or opportunities are multi-dimensional and are likely to evolve over time, certain indicative examples are provided below:



Permira has a values-based investing (“VBI”) framework, which supports investment teams in identifying sub-sectors or activities that are excluded from investment, and sub-sectors or activities which have heightened ESG risk profiles or ESG value creation opportunities. The purpose of VBI framework is to seek to protect us and the Permira funds from certain material ESG related risks and support value creation initiatives in underlying portfolio companies, aligning with our fiduciary duties. This framework currently applies to the latest buyout and credit funds and Permira intends to continue implementing it for future funds where consistent with the fund’s investment strategies.³

¹ The term Permira Group refers to, among others, Permira Management S. à r.l., an authorised alternative investment fund manager.
² Our program is informed by international guidance and industry frameworks including but not limited to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, the ILO Core Conventions, the UN Sustainable Development Goals, and the Principles for Responsible Investment.
³ Exclusion criteria may apply to certain funds based on sector and industry specific sustainability risks and have been reviewed and refined on an ongoing basis. The Values-based Investing Framework applies to P8, PCS5 and PSO1 investments only and may be applied in a phased approach to other funds

While Permira has an overarching philosophy of VBI and a commitment to responsible investment, different funds have different approaches to integration. Some funds are ESG-risk focused, while others have targets to drive priority ESG outcomes.⁴



SFDR

The Permira funds have differing strategies which have different priorities in terms of integration of ESG risks (e.g., Article 6 funds under the Sustainable Finance Disclosure Regulation (2019/2088) (“SFDR”)) and promotion of environmental and/or social characteristics (e.g., Article 8 funds under SFDR). The approach to considering ESG risks and engagement with portfolio companies (or managers in the case of Structured Credit) varies depending on the strategy, the funds’ influence and control of the underlying portfolio company and the vintage of the fund, since Permira’s approach has become more sophisticated over time in line with regulatory developments. The appropriate SFDR disclosures are provided in the relevant fund documentation for each fund. Permira’s entity-level SFDR disclosures are available [here](#).

ESG IN THE INVESTMENT LIFECYCLE – PRIVATE EQUITY FUNDS⁵

Understanding the key levers that drive business improvement, which include material and relevant ESG issues, is a key part of Permira’s PE funds’ transformational investment approach. ESG and sustainability factors, where appropriate, are considered throughout the investment process to seek to protect and create value, with such factors expected to be an important part of the governance of the funds’ portfolio companies.

Permira’s approach to ESG spans the period from screening to exit and includes the following where appropriate under the circumstances:



		Strategy	
		Buyout	Growth
	Asset Selection and Origination:		
	ESG screening and analysis of risks and red flags, where material and appropriate	●	●
	Consider values-based investing framework ⁶	●	
	Diligence and Deal Execution:		
	External ESG due diligence and third-party reputational risk screening, as relevant	●	●
	Material ESG risks identified by investment teams in consultation with Permira ESG specialists, management teams, and/or external due diligence provider(s)	●	●
	Material risks and/or opportunities incorporated in ESG action plan ⁷	●	
	Material risks and/or opportunities reviewed by the Investment Committee (“IC”)	●	●

⁴ There can be no assurance that Permira will be able to reach its fund level targets.

⁵ There can be no assurance that Permira will be able to implement its investment strategy or achieve its investment objectives.

⁶ Exclusion criteria may apply to certain funds based on sector and industry specific sustainability risks and have been reviewed and refined on an ongoing basis. Out of the Private Equity funds, the Values-based Investing Framework applies to P8 investments only and may be applied in a phased approach to other funds

⁷ Less relevant for the Growth funds given that they do not typically control the VCP

	Ongoing Monitoring and Reporting:		
	External third-party ESG, reputational risk and cyber monitoring	●	●
	Annual ESG data collection, monitoring and reporting	●	●
	Engagement on ESG Focus Areas:		
	Active ESG engagement with portfolio companies on ESG risks and/or opportunities, as relevant	●	●
	Material ESG priorities in ESG action plans and/or value creation plans	●	
	ESG updates to Portfolio Review Committee	●	●
	Portfolio company webinars for knowledge sharing on key topics (e.g., regulations, carbon footprinting, DEI)	●	●
	Regular and timely reporting to Permira funds' investors on material ESG risks, opportunities and/or incidents ⁹	●	●
	Exit Readiness:		
	Consider ESG priorities based on exit route ¹⁰	●	●

Portfolio Company ESG Guidelines

As set out in the firm's Portfolio Company ESG Guidelines, Permira expects that management teams are committed to aligning with appropriate ESG standards within a reasonable timeframe, considering international standards¹¹, as appropriate. Permira recognises that companies may be at different stages with their implementation of ESG standards and procedures at the time of investment.

Permira believes that these principles will help portfolio company management teams build long-term value for their businesses, and by extension, for the Permira funds and fund investors. Permira expects management teams to be committed to ESG. It is the responsibility of portfolio company management teams to implement appropriate policies and procedures to manage ESG risks that may be relevant considering the geography and sector of that portfolio company.

⁸ The stewardship approach may vary depending on the buyout fund with the most recent fund being an Article 8 fund under SFDR, promoting E&S characteristics and a risk based approach taken for previous funds (Article 6 funds)

⁹ As appropriate and subject to confidentiality.

¹⁰ As relevant and appropriate depending on the exit route. Less relevant for the Growth funds, although there are examples of companies in the Growth funds where such activities have been undertaken

¹¹ Examples of international standards include but are not limited to: International Standards Organisation (ISO) management systems for relevant ESG topics; IFC Performance Standards; UN Global Compact 10 principles; UN 2030 Sustainable Development Goals; OECD Principles of Corporate Governance (internationally recognised best practice standards on corporate governance); Sector sustainability initiatives, depending on operations, products, regions; National Stewardship and Governance Codes, where appropriate

ESG IN THE INVESTMENT LIFECYCLE – PRIVATE CREDIT FUNDS¹²

The Permira Credit funds are committed to considering ESG risks in the investment process, as relevant. The approach varies depending on the investment strategy, recognising that the considerations for a debt provider are different to those of a private equity fund acquiring a controlling stake in a company.

Permira’s ESG approach spans screening, entry and ongoing stewardship. For each Permira Credit strategy, there are varying degrees of access to and influence with portfolio companies, and includes the following where appropriate:

	Strategy				
	Direct lending ¹³	Permira strategic opportunities ¹⁴	CLO management	Structured credit	
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	ESG screening and analysis of risks and red flags, where material and appropriate	●	●	●	
	Apply specific exclusion criteria in fund documentation as relevant, and consider VBI framework ¹⁵	●	●	●	
	Review of CLO manager’s ESG policies, e.g. exclusion criteria				●
<div style="background-color: #003366; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="text-align: center;"> <p>2</p> <p>Entry</p> </div> </div>	Diligence and Deal Execution:				
	External third-party reputational risk screening	●	●	●	
	Material ESG risks identified by investment teams in consultation with Permira ESG specialists, management teams and sponsors, and external due diligence	●	●	●	
	Risk ratings applied according to sector, activity and ESG management maturity	●	●	●	
	Material risks reviewed by the Investment Committee (“IC”)	●	●	●	
	Request for additional exclusions to be added to CLO manager exclusions criteria where appropriate				●

¹² There can be no assurance that Permira will be able to implement its investment strategy or achieve its investment objectives.

¹³ Primary investments only, does not apply to secondary investments

¹⁴ Primary investments only, does not apply to secondary investments

¹⁵ Exclusion criteria may apply to certain funds based on sector and industry specific sustainability risks and have been reviewed and refined on an ongoing basis. Values-based Investing Framework applies to PCS5 and PSO1

<div style="background-color: #003366; color: white; border-radius: 50%; width: 40px; height: 40px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> 3 </div> <p style="text-align: center; margin: 5px 0;">Stewardship</p>	Ongoing Monitoring and Reporting:				
	External third-party reputational risk monitoring ¹⁶	●	●	●	●
	External third-party cyber monitoring	●	●		
	Annual ESG data collection, monitoring and reporting, tailored by strategy	●	●	●	●
	Engagement on ESG Focus Areas:				
	Ongoing ESG engagement with portfolio companies, where applicable	●	●	●	
	Ongoing ESG engagement with CLO Managers on ESG approach and policies				●
	Offer and implement ESG margin ratchets in loan documentation, where applicable	●	●		
	Portfolio company webinars for knowledge sharing on key topics (e.g., margin ratchets, carbon foot printing)	●	●		

SYSTEMIC ESG ISSUES

Permira recognises climate and human rights as two systemic issues, which can affect companies across sectors and geographies.

Climate

Permira recognises that a changing climate and a transition to a low carbon economy present risks and opportunities for the global economy, including for Permira and the Permira funds' portfolios. In 2024, Permira received validation from the Science-Based Target Initiative ("SBTi") for science-based targets applying to Permira's direct operations and for its eligible portfolio companies¹⁷ to set SBTi-validated targets. For more information on Permira's science-based targets please see: Permira's press release ([here](#)) and the SBTi summary ([here](#)).

Permira aims to integrate the consideration of climate risks and/or opportunities in Permira's own operations and in its investment process where appropriate. This may include identifying climate-related risks, considering carbon footprints, and engaging on target setting, as appropriate. Disclosures that are aligned with Taskforce on Climate-related Financial Disclosures (TCFD) and relevant regulatory requirements are available ([here](#)).

Human rights

Permira believes all companies have a responsibility to respect human rights in line with the UN Guiding Principles on Business and Human Rights. Permira seeks to incorporate an assessment of human rights-related risks as part of its wider consideration of ESG risks.

Our approach aims to include assessing human rights risks in due diligence as relevant, identifying and prioritising action presenting risk to people; enabling access to remedy; disclosure and reporting, and stakeholder engagement.

¹⁶ Permira Credit funds and CLOs may choose to sell positions in the secondary market where material ESG risks or incidents become known post-investment.

¹⁷ Includes all listed equity investments, and unlisted private equity investments where Permira has a Board seat and the funds have ≥25% equity. Companies that have been held for less than two years may be excluded. The SBT is based on a 2022 baseline.

OVERSIGHT AND IMPLEMENTATION OF ESG

Permira's approach to ESG risk is overseen by the Head of ESG and the ESG Steering Committee. The ESG Steering Committee includes members of the ESG team and the Head of Investor Relations, the Chief Compliance Officer, the Chief Operating Officer, the General Counsel, a member of the Marketing team and selected investment professionals. Regular updates are provided for the ESG Steering Committee for additional oversight on Permira's commitments and the status of actions undertaken.

The ESG Steering Committee reports to the Firm Operations Committee, the Executive Committee and the Permira Holdings Limited ("PHL") Board.

In addition to these Permira Group functions and structures, Permira Credit also has a dedicated ESG Group which includes the Head of ESG and members from the ESG team, Permira Credit senior leadership, compliance, investor relations, portfolio monitoring and investment professionals. Permira Credit has appointed one representative from each of its business lines to focus on Permira Credit's ESG strategy. Updates from this ESG Group are provided to the ESG Steering Committee.

Permira professionals play an important role in the implementation of Permira's responsible investment approach. All Permira employees are required to be aware of and participate actively in the implementation of this policy (both in the investment process and during the period of investment in a portfolio company, working with portfolio company management). Permira provides internal ESG training, updates and/or briefings to employees on a regular basis.

ESG risks can have a material effect on the value of portfolios and the value of investments on exit. Permira's Remuneration Policy rewards long-term performance and requires employees to have appropriate regard for Permira's Responsible Investment Policy.

INDUSTRY INITIATIVES AND ENGAGEMENT

Permira actively engages with the wider industry on ESG, for example, as:

- Signatory of the UN-supported Principles for Responsible Investment, since 2011
- Founding signatory of the UK Initiative Climat International (iCI), since 2020
- Member of ILPA's Diversity in Action, since 2021
- Founding member of the ILPA ESG Data Convergence Initiative, since 2021
- Member of the Sustainable Markets Initiative Private Equity Taskforce, since 2021
- Members of industry associations and related ESG/responsible investment groups/committees

Permira's Responsible Investment Policy, ESG Framework and Portfolio Company ESG Guidelines have been developed with consideration of international standards, sector-specific sustainability initiatives and other international guidelines. Permira's Portfolio Company ESG Guidelines encourage PE portfolio companies to consider and align with such initiatives and standards, as appropriate.

ESG-related regulatory requirements, Permira's own commitments and the aim to maximise risk-adjusted investment returns inform Permira's and the Permira funds' approach to ESG. Permira continues to believe that involvement with industry initiatives and adoption of internationally recognised reporting standards are helpful in achieving that goal.

PERMIRA'S OWN OPERATIONS

Given the nature of the firm's operations, Permira's approach to responsible investment within its funds presents the most meaningful opportunity to encourage sustainable practices. Permira is also committed to aiming to lead by example and operating its own business responsibly, focusing on areas including:

- Climate Action: validated science-based targets including an internal near-term target for Permira's direct operations, and a portfolio coverage target with 5 year and long-term milestones. Seeking to further contribute to climate action by investing in certified carbon credits from projects that support carbon emissions avoidance and removals

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- Diversity, Equity and Inclusion: considered to be multi-dimensional and inclusive in related to Permira's employees and the wider alternative asset management industry
 - Respect for human rights in our own operations and supply chains: assessed as part of Permira's broader consideration of ESG risks, including modern slavery, and reporting annually on Permira's approach
 - Giving Back: supporting communities where Permira operates through The Permira Foundation, a registered charity, with a particular focus on skills and education
 - Integrity: maintaining high standards across all of our activities in line with Permira's Code of Conduct and other policies

ABOUT THIS POLICY

This policy is reviewed annually by the ESG team, with inputs from key functional areas in Permira and the ESG Steering Committee.

IMPORTANT DISCLOSURES

Unless otherwise stated, the information herein is as of the date of this policy. The delivery of this document will under no circumstances create any implication that the information herein has been updated or corrected as of any time subsequent to such date or, as the case may be, the date as of which such information is stated.

Like all investments, an investment in a fund advised by Permira involves the risk of loss. There can be no assurance that any benefits from Permira's responsible investing program are achieved by the funds.

This document does not constitute or form part of an offer to issue or sell, or of a solicitation of an offer to subscribe or buy, any securities or other financial instruments, nor does it constitute a financial promotion, investment advice or an inducement or incitement to participate in any produce, offering or investment.

Any forward-looking statements or other similar statements regarding anticipated developments are inherently uncertain and subject to change. Actual results may vary. It should not be assumed that any sustainability or ESG principles, initiatives, standards, or metrics described herein will apply to each asset in which the funds invest or that they have applied to each of the funds' prior investments.