

# SVPGLOBAL ESG STATEMENT

September 2022

## INTRODUCTION

Since the inception of our firm in 2001, SVPGlobal has used our investment capabilities to deliver strong investment results without undue risk for clients through market cycles. We began incorporating ESG observations for prospective investments in 2012 and have increased our level of ESG engagement meaningfully since then in our investment process, especially in our control investments.

SVPGlobal is a signatory to the United Nations-supported Principles for Responsible Investment ("UN PRI"). We are also committed as a firm to fostering a diverse and inclusive workplace and society. We have set out 1-, 5- and 10-year roadmaps defining new ways of doing business to achieve our vision.

## BELIEFS

Incorporating ESG standards across our investments, especially our control portfolio companies, as well as SVPGlobal's business practices is aligned with our firm's culture, investment value creation approach and the following core beliefs:

- ESG risks are financial risks
- ESG factors can positively impact financial value creation as well as limit downside outcomes
- We recognize that our firm and our portfolio investments can play a constructive role to mitigate environmental and social challenges

## INVESTMENT PROCESS

- We incorporate ESG considerations **across our investment screening, due diligence, and ownership for control investments.** ESG sensitivity is reviewed within the context of each specific investment
- **ESG Sensitive Business Guidelines, Controversies Review and Company Disclosures Review** steer our ESG screen

- ESG due diligence includes an **Assessment of Investment Specific** ESG factors and a **Thematic Assessment** of how broader **ESG Themes** of **Carbon Transition, Physical, ESG Regulation and Liabilities** might impact a specific investment
- We most directly monitor and promote ESG considerations where we have control or significant influence
- SVPGlobal specifies **broad KPIs to track the ESG performance** of our control investments. Key initiatives are often identified in **value creation plans** to drive execution against the KPIs
- We are committed to transparently **reporting** on progress

## **GOVERNANCE**

We see incorporation of ESG considerations across the investment process as core to achieving our firm’s mission and as such, ESG policies, processes, and procedures receive the highest level of attention from senior management.

Our ESG Steering Committee reports to the CIO and comprises senior investment and business leaders. Our entire investment team is engaged in reviewing ESG factors for all our investments, and we have designated Champions within the team to lead the internal effort. Our operating team works closely with senior management to incorporate ESG considerations within our control investments.

### **ESG for SVP BUSINESS:**

We align SVPGlobal’s business practices with our broader ESG commitment.

#### **Social Impact:**

See our Diversity & Inclusion Statement

#### **Governance:**

We are committed to the right engagement for our ESG commitments:

- **Senior Management**, comprising the Founder/CIO and heads of committees/ working groups below set priorities, review overall policies, commitments, and progress
- **ESG Steering Committee**, comprised of senior investment and business leaders and reports to the CIO

- **Diversity & Inclusion Council**
- **Employee Engagement**
- **Engage key industry partners across our ecosystem to align on commitments**