

RESPONSIBLE INVESTMENT POLICY

INTRODUCTION

About Oakley Capital

Oakley Capital (“Oakley”) is a Western Europe-focused private equity firm that invests in mid-market and lower mid-market companies to help them grow. Oakley supports businesses within three core sectors – Technology, Consumer and Education– providing the financial support and operational expertise that promising entrepreneurs and business founders require to realise the potential of their businesses.

Oakley recognises that sustainability and environmental, social and governance (“ESG”) factors are increasingly integral to the operations and offering of the businesses that Oakley invests in, as well as for Oakley itself. Individuals and society as a whole are demanding more transparency of how the products and services they choose to use impact society and the environment. This policy outlines how we as investors will work with our investee companies to responsibly grow businesses.

Our Beliefs

At Oakley we believe that investing responsibly will protect and create value, beyond the standard drivers of compliance and risk management. We recognise that ESG factors impact our investments. We also believe that identifying, assessing, and managing these factors as part of our investment process will help to create more successful, resilient, and sustainable businesses, which in turn will generate enhanced value to society more broadly.

Our Commitments

We are committed to investing responsibly and have been a signatory to the United Nations sponsored Principles for Responsible Investment (PRI), and its Six Principles, since 2016. The Principles, as outlined below, have been incorporated into Oakley’s business processes and practices.

- Incorporating ESG issues into investment analysis and decision-making processes;
- Being active owners and incorporating ESG issues into ownership policies and practices;
- Seeking appropriate disclosure on ESG issues by the entities in which investments are completed;
- Promoting acceptance and implementation of the principles within the investment industry;
- Working together to enhance effectiveness in implementing the principles; and
- Reporting on our activities and progress towards implementing the principles.

Scope

Our Responsible Investment Policy is applicable across Oakley Capital Limited (OCL), Oakley Capital GmbH (OCG), and Oakley Capital Manager Limited (OCML), including future managers and successor funds, all staff and the management of investments made since 2010. The policy outlines the approach we take to investing responsibly across the Oakley funds and at Oakley as a firm.

ESG PRIORITIES

Based on the sectors Oakley primarily invests in, we have identified the ESG topics which are most often relevant to our investments. This is our starting point when assessing ESG during due diligence, when engaging with our portfolio companies, and when defining our firm-wide ESG priorities.



OUR APPROACH

Responsible investing principles are part of the life cycle of an investment, during origination and screening, due diligence, and subsequently throughout our period of ownership and realisation. We seek to ensure that relevant ESG factors are considered in all steps of the investment process.

Pre-Investment

When considering potential new investments, we assess target companies to understand the ESG risks and opportunities facing the business. An initial screening exercise is undertaken to identify any businesses or sectors which may require further ESG understanding. Additional due diligence is conducted by the deal team, supported by the Head of Sustainability, to identify material topics and potential red flags. If significant areas of concern or opportunity are identified, further specialist due diligence may be undertaken with support from independent experts.

ESG findings, including risks and opportunities, are included in the investment documents and presented to the Investment Committee for discussion, scrutiny and final approval.

Portfolio Engagement and Monitoring

Oakley is typically a control investor and as such, we strive to be an active owner and to engage with management teams to promote and encourage the adoption of ethical and sustainable practices and appropriate ESG standards. Oakley is committed to working with the portfolio company to improve the company's ESG performance and disclosure practices during our ownership period.

ESG risks and opportunities are considered at company Board meetings. Investee companies are required to inform Oakley immediately should a material ESG incident occur.

IMPLEMENTATION AND OVERSIGHT

One of Oakley's Partners, David Till, with support of the Partner Group, is ultimately responsible for the Responsible Investment Policy. Day-to-day oversight of the policy is the responsibility of the Head of Sustainability.

Oakley has an ESG Committee comprising the Head of Sustainability, three Partners and David Till. The Committee meets monthly to monitor progress and members are responsible for the implementation of this policy.

All Investment Professionals are required to follow the Responsible Investment Policy and to consider relevant ESG factors as part of their pre-investment and portfolio monitoring responsibilities. Investment Professionals receive regular training on the Responsible Investment Policy, accompanying ESG tools and relevant ESG topics.

REPORTING AND ACCOUNTABILITY

Oakley is committed to being transparent about our ESG performance. Oakley discloses material ESG incidents to its investors on a quarterly basis. We report annually in accordance with the PRI framework, which requires us to explain how we have implemented the six Principles of Responsible Investment.

REVIEW

This policy is dated March 2021 and will be reviewed and updated, as appropriate, on an annual basis by Oakley's ESG Committee.