



LEA 02	Disclosures	Monetary	Principles
<p>By providing investors the most up-to-date and comprehensive information for use in their investment decisions, APAX Partners LLP ("APAX") is committed to transparency and accountability. APAX's commitment to transparency and accountability is reflected in its disclosure of information to investors, including the following:</p> <p>APAX's investment strategy and its approach to ESG integration</p> <p>APAX's engagement with investee companies on ESG issues</p> <p>APAX's approach to ESG integration</p> <p>APAX's approach to ESG integration</p>	<p><b>LEA 02</b></p>	<p><b>Monetary</b></p>	<p><b>Principles</b> PRI 1, 2, 3</p>
<p><b>Type of engagement</b></p> <p>Individual/internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <p><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</p> <p><input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or other support</p> <p><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</p> <p><input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support</p> <p><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</p> <p><input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support</p> <p><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</p> <p><input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support</p>		

# RI TRANSPARENCY REPORT

## 2013/14

### APAX PARTNERS LLP

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2013-14 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

## PRI disclaimer

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# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	n/a							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Public							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	✓	Private	✓						✓
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 06	Formal commitments to RI	✓	Private				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	ESG advice and research when selecting investments	✓	Private	✓						
PE 09	ESG issues in investment selection process	✓	Public	✓		✓				
PE 10	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PE 11	Encouraging improvements in investees	✓	Private	✓	✓					
PE 12	ESG issues impact in selection process	✓	Private	✓						
PE 13	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 14	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 15	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 16	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 17	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 18	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 19	Examples of ESG issues that affected your PE investments	✓	Private	✓		✓				
PE 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PE 21	Approach to disclosing ESG incidents	✓	Private							✓

# APAX PARTNERS LLP

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory only services

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

OO 02.1 Select the location of your organisation's headquarters.

United Kingdom

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

250

OO 03	Mandatory	Descriptive	General
-------	-----------	-------------	---------

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

OO 04	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

**OO 04.1** | Indicate the year end date for your reporting year.

31/12/2013

**OO 04.2** | Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		18	000	000	000
Currency	EUR				
Assets in USD		23	709	493	605

**OO 04.3** | Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 04.4** | Additional information. [Optional]

AUM reflects current value of all active funds as per 31.12.2013 (rounded up)

OO 06	Mandatory	Descriptive	General
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**OO 06.1** | To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	>50%	0
Property	0	0
Infrastructure	0	0

Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

## Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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**OO 11.1** Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Private equity
- None of the above

OO 12	Mandatory	Gateway	General
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**OO 12.1** The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

**Core modules**

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

	Direct - Other asset classes with dedicated modules
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- Private Equity

**Closing module**



Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# APAX PARTNERS LLP

## Reported Information

## Public version

## Overarching Approach

## PRI disclaimer

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- Yes
- No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
- No

**Mission**

Our mission is to release the potential of companies, management teams and portfolio company employees and generate superior returns for our investors - the millions of individuals whose pension funds and investment plans commit to our funds.

**Integrity**

Apply the highest standards of integrity in dealings with all stakeholders.

Because private equity is such a long-term business, which depends on the trust it receives from its investors and all other stakeholders, integrity is crucial in everything Apax does.

**Our Global Business Standards**

Apax has developed a series of principles and procedures which it applies globally. It adheres to the same values across its business in all of the countries in which it operates irrespective of whether it is subject to official regulation. These principles inform its interactions with employees, portfolio companies, suppliers, investors and the local communities in which it operates.

The key principles are communicated through regular training and visits to all offices and are regularly monitored to ensure that the standards are being adhered to. The main areas of focus are as follows:

**Conflicts of interest**

Typically, conflicts are managed by obtaining consent, refraining from taking action and by disclosure. There are also policies designed to manage personal conflicts. Each Fund has a Board of Advisers, made up of the major investors in that fund to which potential conflicts can be referred for guidance.

**Confidentiality**

Confidential information received by any Apax Partners representative is treated as such and all reasonable practical steps are taken to restrict access by unauthorised persons. Everyone is required to sign an undertaking reminding them of their obligations on joining the firm and annually thereafter.

**Risk management**

The responsibility for risk management within Apax Partners rests with the Executive Committee. The overriding culture within the organisation is always to adopt the highest standards in all areas of the business and demand the same from all third parties who perform activities on our behalf.

**Stewardship**

Act in the long-term interests of the companies in which our funds invest.

Apax is conscious of its role as temporary stewards of the companies in which our funds invest. Apax is guided by the principle that it should leave its funds investee companies in a better position than when it invested in them.

Apax applies this principle internally by having institutional processes which govern the passing

of ownership from one generation to the next.

#### Socially Responsible Investing

The concept of socially responsible and sustainable investing is embedded in the Apax investment and portfolio management processes.

Environmental, Social and Governance issues are assessed by the Approval and Investment Committees prior to the investment and monitored by the Portfolio Review Committee. During the investment process, ESG risks and opportunities are assessed alongside more traditional financial and market aspects and the decision to invest is taken only if satisfactory answers to remaining ESG questions can be provided.

#### Community

Act with respect and consideration for the communities in which we operate.

Apax is committed to engaging constructively with the communities in which its funds invest. It has policies in place for corporate giving and encouraging individual employees in their personal charitable endeavours.

The Apax Foundation and Apax US Foundation are the channels for Apax's corporate giving and community engagement globally.

The Foundations concentrate their major grant-giving on the area of social entrepreneurship. Social entrepreneurship is a natural fit with what Apax does commercially and is also an area where several of our team, including some of the Foundations' Trustees, have significant experience.

In order to encourage the personal charitable and philanthropic activities of its staff, the Foundations also commit to projects in which Apax staff take an active role.

#### Relationships

Create long-term relationships founded on trust and mutual advantage.

Apax recognises that private equity is a people business which is reliant on the trust it receives from its investors, financial partners, advisers, management teams and the wider public. As such, Apax seeks to build and maintain long-term relationships which are based on trust and mutual advantage.

Apax has committed significant resources to ensure that its communications to investors and other stakeholders are transparent, timely and accurate. As such, it is a signatory of the ILPA guidelines, a set of principles which provide a more formal framework which aims to strengthen the alignment between investors and their GPs

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
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Yes

**OA 02.2** Provide a URL to your responsible investment policy.

URL

<http://www.apax.com/responsibility/our-values/>

No

**OA 02.3** Indicate if your other policies or guidance documents related to responsible investment are publicly available.

Yes

Yes, all

Yes, some

**OA 02.4** List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Overview of Apax RI approach	<a href="http://www.apax.com/responsibility/sustainability/">http://www.apax.com/responsibility/sustainability/</a>

No

**OA 03** **Mandatory** **Core Assessed** **PRI 1,2**

**OA 03.1** Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

<b>OA 03.3</b>	Additional information. [Optional]
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<b>OA 04</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>General</b>
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<b>OA 04.1</b>	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

<b>OA 04.2</b>	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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Apax operates a conflicts of interest policy which incorporates best practice from the BVCA and the latest guidance from the International Organisation of Securities Commissions (IOSCO). All Apax staff have a responsibility under the policy to identify conflicts of interest and ensure that they are appropriately managed.

In relation to the investment process there is an early assessment of potential conflicts by the Approval and Investment Committees. Conflicts can also be referred to an internal conflicts committee comprising the CEO, the Head of the Investment Committee and the Head of Risk and Compliance. Any material conflicts regarding the Apax Funds are referred to the relevant Apax Fund's LP Advisory Committee, which is made up of representatives of key investors in such funds.

No

## Objectives and strategies

<b>OA 05</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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<b>OA 05.1</b>	Indicate if your organisation sets objectives for its responsible investment activities.
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Yes

<b>OA 05.2</b>	Indicate how frequently your organisation sets or revises objectives for responsible investment.
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- At least once per year
- Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed
- No

OA 05.4

Additional information. [Optional]

Apax investment partners are required to sign an annual Statement of Representation that their portfolio company complies with its local regulatory framework and there is no awareness of any sustainability issues. Apax reports to its LPs on a semi-annual basis in a detailed manner and includes a section on latest CSR developments for each company. In addition there is a semi-annual presentation and review of sustainable investment performance to the LP Advisory Committee for each of the funds.

## Governance and human resources

OA 08

Mandatory

Gateway/Core Assessed

General

OA 08.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles present in your organisation

- Board members or trustees
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify  
Equity Partners



- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
- Other role, specify
- Other role, specify

<b>OA 08.2</b>	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
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Number
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0

<b>OA 08.3</b>	Additional information. [Optional]
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The Apax philosophy is that responsible investing should be embedded within the day to day activities of each and every investment team member and not carved out to a team of dedicated responsible investment staff as this would move the Responsible Investment responsibility away from the investment team who are ultimately responsible for the overall performance of their portfolio companies (including ESG performance).

The Apax sustainability committee which consists of 5 members drawn from different areas within the firm oversees all activities related to responsible investment and ensures that the Apax RI policies and processes are implemented and adhered to.

## Promoting responsible investment

<b>OA 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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<b>OA 10.1</b>	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.
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Yes

**OA 10.2**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period  
(see definitions)

- Basic
- Moderate
- Advanced
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

Private Equity Growth Council's Guidelines for Responsible Investment

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

OA 11

Mandatory

Core Assessed

PRI 4

OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

OA 11.3

Additional information. [Optional]

Apax is regularly approached by both LPs and GPs asking for advice with regard to the implications of the adoption of the PRI. The Apax sustainability committee spends time with the institutions to discuss the pros and cons of the PRI and always encourages adoption of the Principles.

# APAX PARTNERS LLP

## Reported Information

### Public version

### Direct – Private Equity

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## Overview

PE 01

Mandatory to Report Voluntary to Disclose

Peering

General

PE 01.1

Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PE 01.2

Additional information. [Optional]

Apax Partners investment strategy is to invest in large buyouts (enterprise value above \$1 billion) in 4 specific sectors: Healthcare, Consumer, Tech& Telco and Services

PE 04

Mandatory

Core Assessed

PRI 2

<b>PE 04.1</b>	Indicate if your organisation's investment guidelines for private equity refer to responsible investment.
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- Our investment guidelines do refer to responsible investment
- Our investment guidelines do not refer to responsible investment
- We do not have investment guidelines

<b>PE 04.3</b>	Additional information. [Optional]
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Apax Partners has a very clearly outlined investment strategy which it communicates to its current and potential investors and sustainable investment is a specific part of this strategy.

## Fundraising of private equity funds

<b>PE 05</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,4,6</b>
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<b>PE 05.1</b>	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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- Yes

<b>PE 05.2</b>	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:
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- Policy and commitment to responsible investment
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in pre-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases
- Approach to ESG issues in post-investment processes
  - Always
  - In a majority of cases
  - In a minority of cases

<b>PE 05.3</b>	Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]
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The Apax Partners latest fund's (Apax VIII - 2013 close) PPM includes a section on the Firm's approach to responsible investment. In addition there is a detailed (25 pages) section in the Apax VIII due diligence materials sent to all interested investors describing the Firm's approach to responsible investment with another explanatory section (6 pages) in the Fund's DDQ. These sections include the Apax CR policy, an outline of the Firm's approach to sustainable investment both pre and post investment, detail on portfolio monitoring, how sustainability is governed internally and examples of portfolio companies.

No

**Pre-investment (selection)**

<b>PE 07</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>PE 07.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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Yes

<b>PE 07.2</b>	Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]
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The Apax investment team undertakes standard pre-investment Environmental, Social and Governance (ESG) due diligence for each new investment made by the funds. The due diligence is based on a detailed questionnaire which has been drawn up to cover the ESG areas which Apax believes are key to understanding the ESG profile of the company in which the funds are considering an investment.

The outcome of the ESG due diligence review is presented to and reviewed by the Apax Investment Committee prior to each new commitment and areas of risk and opportunity are highlighted by the respective investment teams. The objective is to create a high degree of awareness upfront with regards to potentially relevant ESG issues which can contribute to value creation at a very early stage of ownership of the company.

No

<b>PE 09</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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<b>PE 09.1</b>	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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**ESG issues**

Environmental

List up to three typical examples of environmental issues

Does the company have an environmental policy in place? If yes, when last updated?  
 Does the company comply with all the material relevant local environmental laws, standards and regulations? Are they up to date?  
 Are there initiatives in place to reduce the use of resources such as energy, water, paper & packaging?

Social

List up to three typical examples of social issues

Does the company comply with all the materially relevant local labour laws, standards and regulations? Minimum wage standards, minimum working age, union representation, anti-discrimination?  
 Does the company have a diversity policy? If yes, when last updated  
 Describe any concrete improvements that have taken place in the social performance of the company in the last 12 months

Governance

List up to three typical examples of governance issues

Does the company have a corporate governance policy?  
 Is there an independent function (compliance or internal audit) that reviews compliance with the anti-corruption policies and procedures?  
 Has the company been the subject or target of any enforcement investigation or proceeding relating to anti-corruption laws in the last year?

**PE 09.2** Additional information. [Optional]

The above issues are derived from the Apax Partners ESG due diligence questionnaire which is reviewed by the investment committee prior to making a new investment. The objective of the questionnaire is to highlight any issues in the ESG profile of the company which could impact either the risk profile of the business or set the scene for potential value creation opportunities. The key areas of focus of the ESG questionnaire are whether the company has complied with local ESG regulations in the past, whether there have been any incidents in the last 12 months and also whether the company has embarked on any initiatives to improve the ESG footprint of the business in the last 12 months.

**Post-investment (monitoring and active ownership)**

<b>PE 13</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>PRI 2</b>
<b>PE 13.1</b>	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.		

Yes



**PE 13.2**

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

**PE 13.3**

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

**ESG issues**

- Environmental

List up to three example targets of environmental issues

CO2 Emissions

Water Usage

Have there been serious incidents in the last 12 months

- Social

List up to three example targets of social issues

Number of women in management positions

Number of days lost due to illness

Voluntary turnover

- Governance

List up to three example targets of governance issues

Monitoring of compliance with compliance policies and processes

Are there anti-corruption and anti competitive conduct policies in place

Has the company been the target of an investigation relating to anti corruption

- We do not set and/or monitor against targets

- No

The focus of the Apax sustainability effort in 2013 has been on the implementation of a proprietary software solution to monitor, track and report on the environmental, social and governance performance of the Apax Partners' portfolio companies.

A key feature of this programme is an annual data collection cycle designed to highlight each portfolio company's performance in its key areas of risk and opportunity. A set of general key performance indicators ("KPI's") across environmental, social and governance areas has been developed, which allows Apax to gather qualitative and quantitative data from its portfolio companies; in so doing, Apax is able to provide transparency on the portfolio ESG footprint to the Firm's investor base. The proprietary software facilitates and streamlines the data capture of the KPI information and additionally functions as a central repository for ESG information and its related supporting documentation across the portfolio

#### **Environmental Issues**

The Apax portfolio consists of a large number of "asset light" businesses which do not have a significant environmental impact. The Apax portfolio is focused on reducing its global environmental impacts - from the sourcing of raw materials, to the manufacture and distribution of products, to the use and disposal of products by consumers, patients, and providers. The portfolio's environmental stewardship initiatives will help protect the planet while improving efficiency, reducing costs and preserving their ability to do business in the future. Across our portfolio, we have a high number of initiatives in place that reduce complexity, waste and energy consumption. These initiatives range from: reducing electricity usage via replacing traditional light bulbs into led, reducing paper usage by setting default double sided printing in all of the offices and reducing water usage by investing in low flow fixtures, auto shut off faucets and other water reducing features.

#### **Social Issues**

The Apax portfolio employs a large and very diverse workforce. The portfolio contains a number of very large employers, each employing over 25,000 full time employees, and a few small employers employing less than 1,000 FTE's. Across the board our portfolio companies strive to foster strong employee engagement and develop the qualifications and expertise of their employees with career development programmes and training. We have also noted that a growing number of employees seek more flexibility in how they balance work with the rest of their lives, for example, childcare responsibilities. At a number of our portfolio companies there are now options for flexible work schedules, part-time work and telecommuting in place.

#### **Governance Issues**

At Apax we realise that good corporate governance is the foundation of effective corporate management. For us, corporate governance means the application of international and national values and principles of responsible and transparent company management and control that are geared towards sustainable added value. We target full compliance with the laws and regulations of each country in which we operate, as well as with international standards. It is the necessary condition for our engagement with society. We are convinced that good corporate governance strengthens the trust placed in our portfolio companies by their business partners and employees and also by our institutional investors.

Robust corporate governance systems are in place across the Apax portfolio. Almost all companies have a code of conduct and/or a code of ethics which guides their business activities. All companies have anti-corruption/anti-competition processes in place which are monitored regularly. Portfolio companies that are new to Apax or which have historically had less focus on governance will be encouraged to adopt appropriate codes and processes.

PE 14	Mandatory	Core Assessed	PRI 2
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**PE 14.1** Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

- Yes

**PE 14.2** Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

- No

## Communication

PE 20	Mandatory	Core Assessed	PRI 6
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**PE 20.1** Indicate whether your organisation proactively discloses ESG information on your private equity investments.

- Disclose publicly
- Disclose to investor clients (LPs)/beneficiaries only

**PE 20.3** Indicate the type of ESG information that your organisation proactively discloses to your clients (LPs)/beneficiaries.

- ESG information in relation to our pre-investment activities
- ESG information in relation to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other, specify

**PE 20.4** Indicate your organisation's typical frequency of disclosing ESG information to your clients(LPs)/beneficiaries.

- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc, specify

**PE 20.5**

Describe the ESG information and how your organisation proactively discloses it to your clients (LPs)/beneficiaries. [Optional]

Apax reports to its LPs on a semi-annual basis in a highly detailed manner and includes a section on latest ESG developments for each company. Each company provides a written update on its ESG activities. In addition there is a semi-annual presentation and review of sustainable investment performance to the LP Advisory Committee for each of the funds. And an annual data collection cycle whereby ESG data across 80 KPIs is collected from all portfolio companies. The outcome of this data collection exercise gets disclosed to investors on an annual basis.

No proactive disclosure to the public or to clients (LPs)/beneficiaries