

# Bencis Responsible Investment Policy

Since its inception in 1999, Bencis has created a **distinctive company culture** around three key objectives:

- **Inspiration:** We believe that long term success can only be created by passionate people operating as a team. This principle governs the way we work as a team at Bencis but also with the management teams of the companies we invest in. We believe in co-operation, common objectives and alignment of interest.
- **Improvement:** We continuously strive for, and focus on, better performance. Results and financial returns are a consequence of what we do, not an objective in itself. We believe that long term success follows hard work and incremental improvement.
- **Integrity:** At Bencis, we find it important that we, and our portfolio companies, conduct business in a responsible, reliable and transparent way. What you see is what you get, and as we put it: we do what we say, and we say what we do.

We have long relied on these objectives to govern our way of doing business in an informal way. **For us, this company culture secures responsible investment effectively. Regardless, we formalised our efforts on Responsible Investment** from 2014 onwards, as we wanted to make our commitment more explicit, to our investors, to the companies we invest in and to ourselves.

To us, **Responsible Investment means that we invest in companies that make a positive contribution to a more sustainable, better, fairer and more transparent world.** We like to invest in companies that have this as a prime objective, but we also invest in businesses that do not: in these cases we still choose to invest if we believe we can reduce the impact on the environment, improve the contribution to a healthy and fair society and/or increase the transparency around the governance or conduct of the business. Our commitment to this is much wider than the general exclusion of certain sectors: on each and every investment we evaluate, we consider counterparties, business practices, reputations and impact on the environment and society. Most importantly, we consider this with our team, and we expect everyone at Bencis to contribute to this debate and to dissent if relevant. When in doubt, we do not invest.

To assess the impact of our companies, we have developed a **proprietary five-step framework**. First, we look at the relevance of nine ESG factors in the company's industry and take a view on where this industry is moving over time. Using our framework, we create an industry heatmap, highlighting the friction between the entire industry value chain and a sustainable future. Then, the company's performance is assessed by analysing data of the company's current operations. Opportunities for improvement are identified, objectives are set and an action plan is created. Last but not least, we conduct the assessment annually to monitor progress over time.

We **apply this framework from the start**, in due diligence before, or just after the initial investment by Bencis. We then follow this up in board meetings, as well as through a systemic annual review conducted by our counsel. The findings of this review are shared with our investors. As a GP, we also subject ourselves to this framework and review process.