

Responsible Business

ESG REPORT 2021



Contents

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Letter from the Executive Chairman

Since Investcorp's inception we have been committed to facilitating synergistic relationships with all of our stakeholders. We continue to invest in the best of what business and society have to offer. Our strategic insight enables us to channel those resources toward goals that address the nuanced needs of our fast-evolving world.

We must not discount the impact of the shifts the world has faced in recent years, following the Covid-19 pandemic and its subsequent challenges. Many organizations and individuals have faced innumerable losses and continue to face risks.

However, these shifts have allowed citizens, governments, and companies across the globe to come together and recognize the importance of collaboration. Society and its various components function optimally when they work together toward mutual benefit.

The pandemic has also highlighted a myriad of strengths that have emerged from this global community, from adaptability to creative solutions for unprecedented challenges. While the world has recently faced great adversity, it is crucial that we collectively recognize and build on the strengths and opportunities at hand so that society may thrive in the future.

While aspects of the future may be uncertain, one thing is clear — a need for strong ESG practices among businesses and the underlying value they represent: responsibility. As a firm, we hold a responsibility toward our investors and shareholders, our employees, and the companies in which we invest, and as individuals and global citizens, we have a collective responsibility as members of our communities.

At Investcorp, we operate with a mindset of finding solutions to deliver sustainable, long-term results that address evolving societal and economic goals. Over the past year, we have built and implemented a new and rigorous framework to help us navigate our business in the post-pandemic world while continuing to engage synergistically with our stakeholders.

This engagement enables us to determine where we can make the greatest impact in fulfillment of our

purpose. This ongoing dialogue is a key part of our learning and continued enhancement of our approach as we progress. Global collaboration is what positions us best to overcome the obstacles in our journey and create new, sustainable solutions.

We are excited about what the future holds and look forward to continuing to work with you to help shape it. ■



Mohammed Alardhi
Executive Chairman



Investcorp at a Glance

Investcorp is a leading global alternative investment manager for individuals, families, and institutional investors, offering diverse strengths and proven resilience. Since our founding in 1982, we have built a global reputation for superior performance, innovation, and service. We continue to execute on an ambitious yet prudent growth strategy of global and asset class diversification. Through a disciplined investment approach across each of our lines of business, our focus remains on generating value for all of our stakeholders.



All figures are as of June 30, 2021.

Please refer to our [Investcorp 2021 Annual Report](#) for full context on all figures and descriptions.

Diversity, Equity & Inclusion

Embedding Diversity, Equity & Inclusion (DE&I) into our workplace culture is at the core of everything we do. This year, DE&I became firmly embedded across all areas of Investcorp's business and daily operations. Since our beginnings in 1982, we have recognized that fostering an open, inclusive, and diverse culture is at the heart of our business and plays a vital role in creating value for our clients. Our ongoing efforts to drive a corporate strategy shaped by diverse perspectives are a testament to that belief.

Diverse Global Representation



DE&I Committee

10 partners across our offices, looking at regional and local DE&I initiatives



4

DE&I awards and
recognitions



7

external training
workshops



27

DE&I related
event and panel
participations



Flexible

working arrangements
implemented across the globe



Mental Health

awareness and support
available to all employees



Parenting Leave

given above statutory
requirement in all offices

Responsible Business Highlights

RESPONSIBLE OPERATOR

We became a signatory to the

UNPRI

We launched a new Responsible Business

Framework

We introduced asset-class specific

ESG

integration guidelines

We published our

First

SASB disclosure

RESPONSIBLE EMPLOYER

We ranked in the

Top 5

for DE&I leadership¹

We launched a new policy that requires

50%

of all shortlisted candidates to be from diverse backgrounds

32%

of our employees are female

45

nationalities are represented across the firm

78%

of our employees have undergone specific DE&I training

RESPONSIBLE CITIZEN



We switched to

100%

renewable electricity in our London office

We conducted our

First

carbon footprint assessment

Our staff contributed to

26

CSR initiatives in FY21

¹ The ranking was announced by Equality Group's first Inclusive Top 20 PE & VC Index.

01

A Year in
Progress

Taking Stock, Looking Forward

In our 2020 ESG Highlights Report, we made a commitment to work with all our stakeholders to enhance the way we think about and implement the integration of Environmental, Social, and Governance (ESG) considerations across all our lines of business and the markets in which we operate.

This year's report, renamed Responsible Business, outlines the progress we have made since that commitment and renews our priority to deliver value that is sustainable, inclusive, and considerate of all our stakeholders.

Our new framework can be summed up in one word: responsibility. At Investcorp responsibility means a duty, commitment, and expectation on the part of all Investcorp employees to contribute toward creating a more sustainable world and building better outcomes for all.

We do this by focusing on three core elements of that responsibility: how we operate as a global investment manager, the relationship we have with our employees, and our portfolio companies, and how we interact with the world and the communities in which we operate.

This report describes in more detail each of these three core elements and outlines how we are delivering against these.

We have also introduced the concept of issues that are “universally material,” reflecting our recognition of some of the defining issues of our time: climate change, rising social inequality, and the continued need for better governance.

We believe that businesses that take thoughtful and decisive action on these three issues will outperform those that do not over the long term, and that is why these issues now constitute a part of minimum due diligence for all prospective investments.



At Investcorp, we have a fundamental belief that sustainability is an inseparable part of creating value within our investments. Supporting the management teams of our portfolio companies across their ESG and DE&I initiatives is a critical component of our mission toward building more resilient businesses that will ultimately deliver attractive returns for our investors.



Rishi Kapoor
Co-Chief Executive Officer



Taking Stock, Looking Forward (continued)

Over the following pages we outline some notable milestones from our work this year, which include:

RESPONSIBLE OPERATOR

Our public commitments

- We became a signatory to the United Nations Principles for Responsible Investment, in recognition of the fact that applying these principles may better align investors with broader objectives of society.
- We became a signatory to the Institutional Limited Partners Diversity in Action initiative, representing our commitment to improve diversity, equity, and inclusion in private markets.
- This year, we published our first sustainability-related corporate disclosure in accordance with SASB's relevant standards for investment managers.

Revamping how we think about and act on sustainability

- We designed a new Responsible Business framework that embeds sustainability considerations in every part of our business, drawing on

the experience and expertise of our investment and portfolio managers, external sustainability experts, our Board of Directors, and other key constituent stakeholders.

- We introduced a new firmwide ^{that} enhances our existing approach to socially responsible investing, supported by detailed procedural guidelines for each of our investing platforms.
- We strengthened the firm's governance on sustainability-related matters by creating a new Executive Committee for ESG, operating under a centralized governance and federated ownership model, where newly appointed ESG stewards across each of our lines of business work closely with the ESG team to strengthen existing investing practices.
- We enhanced our enterprise risk management framework to ensure appropriate ESG risk review occurs at all levels of the investment process.
- We developed a proprietary approach to ESG integration within our credit portfolio, moving beyond the traditional exclusionary screening practices

common to ESG integration within credit investing.

RESPONSIBLE EMPLOYER

Deploying our capital to advance diversity within the investment management industry

- We completed a partnership with Xponance to collaborate on staking and seeding of diverse and woman-owned alternative asset managers, in order to accelerate diversity and inclusion across the investment management industry.

Reinforcing our commitments to accelerating action on diversity, equity, and inclusion

- We launched a firmwide diversity committee, made up of representatives from each of our offices, to ensure we enhance our efforts at the individual office level.
- We were ranked in the top five of our peers globally as among the most inclusive firms across the private equity and venture capital industry.¹
- We became a founding member of the not-for-profit organization Women in Private Equity (WinPE),

representing our aim to support and partner with industry peers in advancing gender diversity and promoting equal opportunity and representation of women within the private equity and venture capital industry.

- We partnered with 10,000 Black Interns, an initiative that seeks to transform the prospects of young Black people in the UK.

Training and development

- We conducted numerous sessions for employees across different teams on the firm's ESG strategy and integration efforts globally and have initiated the development of sustainability training based on input received during these discussions.
- We enhanced our employee performance appraisal process by including an additional competency requirement to assess the commitment and contribution of all Investcorp employees toward better ESG and sustainability practices across the firm.

¹ The ranking was announced by Equality Group's first Inclusive Top 20 PE & VC Index.

Taking Stock, Looking Forward (continued)

RESPONSIBLE CITIZEN

Taking meaningful steps toward reducing our carbon footprint

- We conducted the firm's first ever carbon footprint assessment across Scope 1, Scope 2, and select Scope 3 emissions to understand our baseline emissions profile.
- We transitioned to 100% renewable electricity sources in our London office and our data centers in the US.
- We initiated an environmental audit of our largest offices to determine what measures could be implemented over time to reduce our carbon footprint.

Engaging our portfolio on emissions management

- Our portfolio company, ABAX, the leading telematics solution provider in the Nordics, achieved carbon neutrality and reinforced its commitment to helping its over 36,000 customers emit less carbon each year.
- We initiated bottom-up carbon emissions footprint assessments of a selection of our majority-owned portfolio companies in North America.

- We commenced a project with an external specialist consultancy to estimate the magnitude of carbon emissions across our entire portfolio of investments and identify where more focused attention may be required.

Participating in industry dialogue on the future of private capital

- We contributed to numerous discussions, industry conferences, and workshops on ESG and sustainability, particularly as they relate to private markets, including several hosted by the World Economic Forum.
- We participated in The Neo-Renaissance Conference hosted by the Future Investment Initiative, where we provided our perspectives on the importance of taking an approach that ensures a just transition aligned with country- or region-specific goals that may differ in emerging markets compared to those in more economically developed nations.

Creating a lasting impact in our communities

- We announced our support for the Bahrain Crown Prince's International



We recognize that market volatility brings opportunities to build forward better, and we keep this in mind when it comes to our commitment to work with all our stakeholders to always do better.



Habib Abdur-Rahman
ESG Lead

Scholarship Program over the next 10 years, reflecting our conviction in the power of education as a key driver of economic and social progress.

- During the pandemic, we supported residents of our multifamily housing investments who were most in need, and provided over 1,000 residents concessions on their lease terms including payment timing flexibility and waived fees in excess of \$200k.
- We instituted community scholarship programs across several of our residential investment properties, to help students with financial need residing in our communities.

- Many of our teams engaged in several community initiatives centered around education, healthcare, fighting poverty, and the preservation of the environment.

LOOKING FORWARD

We have made much progress over the past year, but we are also keenly aware of the scale of the challenge ahead of us both in terms of our own activities as a corporation, and also our role as a provider of capital.

Over the coming year we will be doubling down on our efforts, particularly with regard to financing the decarbonization journey, driving more equitable and inclusive employment initiatives, and providing more focused support on enhancing governance practices to those of our portfolio companies that would benefit most from this in the emerging markets.

We remain agile in our approach to how we integrate ESG considerations across our investment processes, to ensure we stay current and go to where the most pressing problems and opportunities are. ■

02

Our
Approach

Our Approach

Our Responsible Business framework consists of three pillars of responsibility, with each pillar comprising five ESG issues that we consider to be universally important for our business.

RESPONSIBILITY

DEFINITION

noun. A duty, commitment, and expectation on the part of all Investcorp employees to contribute toward creating a more sustainable world and building better outcomes for all.

Applicable to both Investcorp and our investee companies, the framework was constructed after extensive dialogue with representatives from all our business units, consultation with external sustainability experts, and a review of growing regulatory expectations across the jurisdictions in which we operate.

We recognize that our portfolio companies are at different stages of their respective sustainability journeys, and this is reflected in our phased implementation approach, where action on issues is prioritized based on materiality and feasibility to execute, as well as our ability to effectively monitor progress on an ongoing basis.

While we consider the 15 issues identified in our Responsible Business framework as universally important to

the future success of our businesses, Investcorp considers the impact of climate change, social inequality, and governance and business ethics as universally material issues, and these therefore constitute a part of minimum due diligence for all prospective investments regardless of industry, sector, or geographic location.

For further information, please refer to our [Responsible Business Framework](#).

Responsible Business Framework

The Responsible Business framework consists of three pillars of responsibility, 15 dimensions, and 48 KPIs. We take a tailored approach to the implementation of this framework, so while all dimensions are universally important to our business, not all are material to all asset classes and/or investments, and similarly not all KPIs are applicable to all investments.

Responsible operator

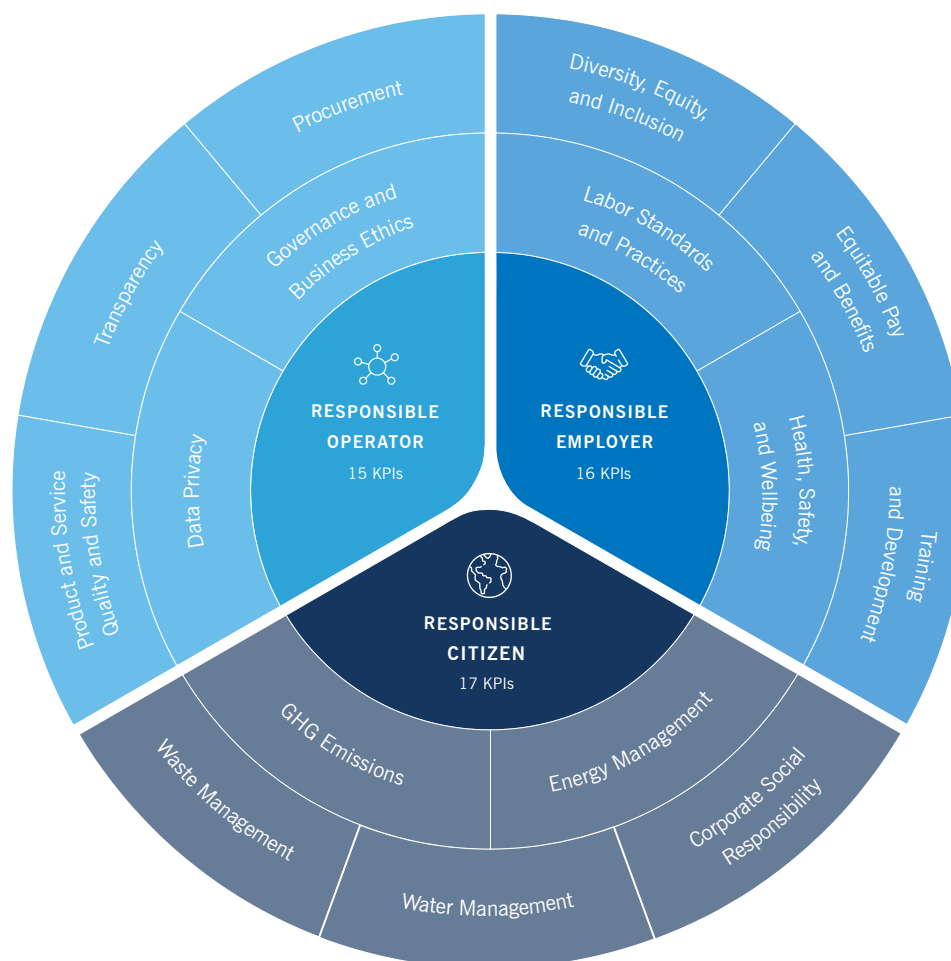
Being a responsible operator is foundational to building trust and confidence with all our stakeholders, and we expect the same level of care and rigor from our portfolio companies as we apply to ourselves.

Responsible employer

Being a responsible employer is about creating an environment where our people have access to opportunities for growth and quality training and development to build the skills they may need for the future.

Responsible citizen

As an investment manager with a global mandate, we are keenly aware that shifts in global climate and efficient utilization of natural resources bring potentially profound implications for financial stability and the global economy.



Governance

The oversight of ESG activities at Investcorp and across our portfolio follows a centralized governance and federated ownership model.

The Executive Committee for ESG, comprising Investcorp's Executive Chairman, the Co-CEOs, the CFO, and the Head of ESG, sets strategy and is the ultimate decision-making body for all ESG matters across the firm.

Investcorp's Board of Directors reviews the firm's approach to sustainability and provides oversight for ESG and sustainability-related matters. The Board of Directors receive updates on our strategy, developments in ESG integration across our businesses, and information on any material ESG considerations for the firm at least annually.

Investcorp's Head of ESG, who reports to Investcorp's Executive Committee and is supported by a team of professionals from across our businesses, oversees the implementation of the firm's Responsible Investment policy and ESG strategy firmwide.

The ESG team works closely with all investment and corporate teams to

enhance alignment of process and methodology across all our investing platforms to ultimately drive responsible business practices across Investcorp's own operations as well as those of our portfolio companies and assets.

Our centralized governance approach ensures key decisions in relation to Investcorp's ESG strategy, policies, and procedures – including the firm's approach to addressing both climate- and social inequality-related risks and opportunities – align with Investcorp's core values and purpose and can be efficiently cascaded throughout the firm.

To effect change across our investee companies, we believe it is important that implementation responsibility must rest with the investment teams and their portfolio companies. This federated ownership approach ensures teams are sufficiently empowered to drive responsible business practices within the companies that they steward, while benefiting from Investcorp's global network, resources, and scale. ■



Our commitment to making a positive difference in our global communities is not a new one, but one that has been one of our founding principles since our formation four decades ago. By further integrating the environmental, social, and governance principles across our investment platforms, we ensure these values remain core to everything we do.



Hazem Ben-Gacem
Co-Chief Executive Officer



Risk Management

The effective management of non-financial risk is fundamental to Investcorp's enterprise risk management culture.

Investcorp's approach to identify, measure, manage, and report on material ESG risks that may impact the financial or operational performance of our investments and/or the firm is governed by Investcorp's risk management framework and occurs on two key levels: (i) at the investment and/or product level and, more broadly, (ii) at the firmwide level.

The risk management framework is structured across three independent lines of defense. The first line of defense, comprising the firm's front-line investment teams and relationship managers, assumes responsibility for owning and managing risk directly; the second line oversees the first line, and is responsible for setting risk policies and procedures, defining risk tolerances, and ensuring they are met; and the third line, consisting of internal audit, provides independent assurance of the first two lines.

It is within the first line of defense

where investment-related ESG risk reviews are conducted and in the second line where ESG risk implications on Investcorp's risk profile are assessed on an enterprise-wide basis.

INVESTMENT AND/OR PRODUCT LEVEL ESG RISK REVIEW

New investments

At the individual investment level, all investment proposals across our private equity, real estate, credit, and strategic capital businesses are subject to evaluation and due diligence, including one or more stages of ESG risk review in accordance with the firm's Responsible Investment policy as well as, where relevant, any business-line specific ESG policies and guidelines. The results of the risk review are formally documented in an investment committee memorandum, which is presented for discussion and debate by the relevant line of business before the investment committee.

Investments and/or investment strategies are independently evaluated by Investcorp's risk management team, and for investments which present material risk to the firm, the risk management team will also present



Our Responsible Business framework evaluates ESG principles at every stage in the lifecycle of an investment from due diligence to exit. This allows us to consistently identify areas for improvement and work to build better, more sustainable investments.



Jan Erik Back
Chief Financial Officer

its findings and recommendations to the relevant business line investment committee in the form of a risk management memorandum, which also seeks to cover ESG-related issues.

As an additional control, the relevant investment committee is mandated to review for compliance with applicable investment processes, policies, and procedures – including content and coverage of investment committee materials – and identify any material deviations from such requirements, including any deviations from the required level of ESG diligence, in accordance with any applicable

business-line specific ESG policies and guidelines.

Existing deals

For all existing deals, each line of business periodically reviews the investment thesis of all investments that have been made by the respective line of business and compares them against the pre-acquisition investment thesis, including an assessment of any material ESG risks and mitigating actions identified. In case of a significant change in the investment thesis, including the impact of ESG factors on the financial or operational profile of an investment, the line of business may propose remedial action(s), which are then evaluated and approved by the relevant investment committee.

FIRMWIDE ESG RISK REVIEW

At the firmwide level, Investcorp is focused on better understanding the impact of climate change, social inequality, and governance and business ethics in driving more sustainable and equitable businesses. We consider these three issues as universally material across our business, both at the corporate as well as the investment level. ■

ESG Integration in Our Global Investing Platforms

PRIVATE EQUITY

Within private equity, the screening stage includes assessing alignment of the proposed investment against Investcorp's core values and purpose, screening against exclusions, and determining whether the company raises any reputational, business integrity, or ESG "red flags."

The due diligence process is led by the investment teams, who use SASB's industry-specific guidance in the first instance to formulate a view on the most material ESG issues that a company faces; it is at this stage where universally material issues are also assessed, which together with SASB's material issues considerations constitute minimum due diligence requirements.

In progressive stages of diligence, the teams may conduct a broader assessment based on Investcorp's Responsible Business framework. The overall assessment is included in the investment committee memorandum, and identifies material ESG risks, an ESG value creation plan, and residual



Whether they are just beginning or already carbon neutral, it's a real privilege to work with the management of our portfolio companies, and to share best practices where we can, to advance their sustainability journeys.



Andrea Davis
Chief Operating Officer –
Private Equity Europe

ESG management requirements following a potential transaction.

Immediately after the acquisition of a company and during the investment hold period, Investcorp's private equity post-acquisition teams work closely with our portfolio companies to establish an appropriate governance framework to manage ESG matters, agree on targets for improvement across all three pillars of Investcorp's Responsible Business framework with a focus on the most material issues at first, and determine skills capacity requirements

at the portfolio company to ensure we maximize the potential to generate value from ESG initiatives.

The teams regularly monitor and track progress against agreed plans as part of our standard investment review process.

At the exit stage, the post-acquisition teams work with our portfolio companies to prepare an ESG impact assessment outlining key improvements made and value generated as a direct result of our ESG efforts.

Investcorp's Strategic Capital business takes a similar approach to ESG assessments when considering minority interests in alternative asset managers.



ESG Integration in Our Global Investing Platforms (continued)

REAL ESTATE

Real estate acquisitions undergo a similar screening process to that of private equity, where potential investments are assessed against Investcorp's core values and purpose, as well as our exclusions policy, and screened for any reputational, business integrity, or ESG "red flags."

The due diligence process is led by the investment teams, who use SASB's industry-specific guidance for real estate owners, developers, and investment trusts to formulate a view on high-risk ESG issues; it is at this stage where universally material issues are also assessed. The key outcome of this process is the development of an ESG action plan, outlining key ESG risks, issues, and mitigation strategies, as well as any potential ESG opportunities.

Following the acquisition of a property or origination of a loan, the real estate post-acquisition team works closely with our partners and management teams to establish an appropriate governance framework to manage ESG matters, including a process to resolve any

outstanding ESG matters from the due diligence process.

In preparation for the sale of an asset, the deal team prepares an ESG impact assessment for review by the investment committee, outlining key improvements made and value generated as a direct result of our ESG efforts.

CREDIT MANAGEMENT

Within credit management, ESG assessments complement our understanding of the businesses into which we look to invest, and is an important element of our risk appraisal process. We actively incorporate ESG considerations to enhance our established credit evaluation process.

Investcorp has developed a process in collaboration with an external party, in which we utilize external ESG benchmarking alongside our own detailed analysis of each prospective borrower, to allow us to calibrate the extent to which a prospective borrower performs against their peers and to identify their alignment with Investcorp's core ESG principles.

This analysis is embedded within our investment process, and is actively debated, recorded, and subsequently monitored. This level of positive assessment, beyond the traditional exclusionary approach, also allows us to monitor the composition and evolution of our loan portfolios over time and to share this information with our investors.

JOINT VENTURE PARTNERSHIPS

Investcorp operates a joint venture with Aberdeen Standard Investments that focuses on investing in social and economic infrastructure projects in Gulf Cooperation Council countries. We also operate a joint venture with Tages Group, Investcorp-Tages, a merger between the respective absolute returns businesses of Investcorp and Tages Group. Both entities operate their own ESG policies at present, which are consistent with Investcorp's approach to responsible business. ■



03

Case
Studies



Responsible Operator

Being a responsible operator is a foundation for building trust and confidence with all our stakeholders, and we expect the same level of care and rigor from our portfolio companies as we apply to ourselves.

We believe that business operations with responsibility at the heart ultimately lead to better businesses and stronger results. We continually strive to improve business practices throughout our organization, whether in relation to our corporate governance practices or investment processes, the way we procure goods and services, or the way we collect, process, and store data on our clients, employees, and other stakeholders.

ISSUES WE CONSIDER TO BE UNIVERSALLY IMPORTANT

Governance & Business Ethics

Data Privacy

Procurement

Transparency

Product Service Quality & Safety

DATA PRIVACY

Protecting Digital Identity at Investcorp

Privacy is a fundamental human right. In an environment of increasing technological sophistication and recurring cyber threats, the issue of data privacy has come under increasing scrutiny by government and policymakers globally and is now among the most topical issues of the modern age.

The way in which organizations and individuals interact and exchange information has profoundly changed, and as a result, companies have become increasingly reliant on the collection, processing, and distribution – often cross-border – of large amounts of sensitive and personal data in order to provide customers with even better products and services. Therefore, the need to protect the data entrusted to us against the risk of fraud, identity theft, misuse, or abuse has never been more urgent.

As a global investment firm, Investcorp views the protection of the digital identities of our investors, clients, and employees as a strategic imperative, as the risks of failing to get this right are significant. The responsible collection and use of data, the deployment of the latest data protection practices, and continual user awareness training and phishing simulations are the cornerstones of our approach to protect the firm, our clients, and our employees.

Responsible collection and use

We recognize that data is a critical component to effectively serving our clients, and our approach to collecting data is determined by whether a specific piece of information enables us to provide a better service to our clients or fulfill a regulatory obligation. We do not collect data for data's sake.

Leading data protection practices

Investcorp has partnered with a Tier 1 security provider to improve detection and response capabilities through 24x7 coverage via a Security Operations Center to ensure we detect and deter any threat within our environment. In addition, we are constantly enhancing our vulnerability management program, allowing Investcorp to protect our physical and logical assets from design flaws and potential exploitation by cybercriminals.

Furthermore, data access rights are only provided on a need-to-know basis, which is why access rights are frequently reviewed, as and when roles

and responsibilities change within the firm.

Continual user awareness training

Most cybersecurity breaches are caused by human error, so it is incumbent upon everyone at Investcorp to be aware of the risks, continually educate themselves on better security practices, and ensure that they do their part to protect the firm, each other, and our clients.

All Investcorp personnel undergo a rigorous continuous learning cycle, which incorporates awareness sessions on the management of sensitive data. All staff are also regularly tested at random throughout the year to react to and identify threats in the form of phishing, vishing, or malware simulations. This allows our employees to stay current with the ever-changing threat landscape surrounding them. ■

DATA PRIVACY

Enabling Companies to Meet Global Data Security and Privacy Obligations



INVESTMENT

Calligo

SECTOR

Technology – Big Data

REGION

Europe

YEAR INVESTED

2016

Calligo is the first global provider of end-to-end transformative data services serving the SME and enterprise segments globally.

Founded in 2012, Calligo's CloudCore solution is one of the most innovative, secure, and high-performance public cloud platforms available – and the first to be designed with data privacy and data sovereignty at its heart.

Calligo's approach has effectively reshaped the traditional equipment-maintenance role of managed services providers and has enabled their clients to focus on their most valuable asset, their data, while ensuring it remains secure, available, and compliant with regulation.

The company's business-driven approach to overall data management seeks to transform the way companies do business and perform better, and

Calligo's research shows that companies that take this approach are likely to be four times more profitable, 25% more productive, and 25% better at client retention.

Calligo was the first to offer managed data privacy services, and last year launched the world's first managed machine learning services. Its innovative approach to managed data services has won Calligo continued industry-wide recognition, including Global MSP of the Year (2019), Global Top 20 MSP (2020), and Growth MSP of the Year (2021), among several others. ■

25%

more
productive

4x

more
profitable

25%

better at client
retention



Responsible Employer

Being a responsible employer is about diverse cultures, inclusive teams, engaged employees, and fair and equitable pay and benefits – we consider these to be critical to recruiting and retaining the best talent.

Responsibility is also about ensuring that our people not only feel valued but also heard; it is not only about creating an environment where our people have access to opportunities for growth, but also about ensuring they have access to quality training and development to build the skills they may need in the future.

Diverse and inclusive companies outperform

The relationship between diversity and the likelihood of financial outperformance is now even stronger than before, and the greater the diversity – whether in terms of gender, ethnicity, or cultural background – the greater the level of outperformance.¹

Despite the growing body of evidence on the impact that diverse executive teams have on realizing real bottom-line gains, progress on representation overall over the past five years has been slow. That's why we are taking a systematic, business-led approach to accelerate not only our own diversity and inclusion practices across Investcorp, but also those of investment managers around the world, exemplified by our partnership with Xponance, which is discussed in greater detail later in this report.

¹ Diversity Wins: How Inclusion Matters, McKinsey, May 2020

ISSUES WE CONSIDER TO BE UNIVERSALLY IMPORTANT

Health, Safety & Wellbeing

Labor Standards & Practices

Equitable Pay & Benefits

Training & Development

Diversity, Equity & Inclusion

DIVERSITY, EQUITY & INCLUSION

Diversity, Equity, and Inclusion at Investcorp

Investcorp treats diversity, equity, and inclusion as a business priority, and we are committed to creating an inclusive environment where diversity is embraced and celebrated.

We seek to promote this environment in the workplace, including, without limitation, in the firm's policies and practices, recruitment process, compensation and benefits, professional development and training, and advancement and promotion decisions.

We recognize that diversity is one of our strengths and is a necessary element in the success we plan to achieve. To that end, Investcorp welcomes insight and input from all groups and prohibits the alienation or exclusion of any group because it may not fit a set of cultural norms.

All Investcorp staff, regardless of position, are expected to implement this policy in their day-to-day work and in all their dealings and interactions with colleagues and clients.

Recruitment and employment

It is the policy of Investcorp to identify, attract, recruit, employ, train, develop, promote, and retain the best-qualified individuals for all positions in the organization. Equal employment opportunity has been and continues to be the policy and practice at Investcorp.

Our policy of equal employment opportunity is to:

- Recruit, train, develop, and promote persons in all job classifications without regard to race, color, religion, national origin, sex, age, sexual orientation, disability, or any other status;
- Ensure that promotion decisions are in accord with equal employment opportunity principles; and
- Ensure that all other human resource actions related to, for example, compensation, benefits, training and development, transfers, and any social or recreational programs are administered in accordance with the principles of equal employment opportunity.

Mental health and wellbeing

We continually seek to implement initiatives that help to improve the health and wellbeing of Investcorp employees, and at the height of the pandemic we rolled out Headspace, an application that offers meditation techniques to help improve the health and happiness of its users, to all employees globally, which reflects our

recognition that the mental health of our employees is a key priority for Investcorp.

Last year, we also expanded telehealth options for employees globally and offered all staff the opportunity to speak with qualified clinical counselors on personal matters that may be interfering with daily life, on a strictly confidential basis. In the US, we rolled out information on available mental health resources such as LifeWorks, Psych Hub, and NYC Well.

In addition to a comprehensive benefits package, including annual health and wellness stipends, the firm also enhanced its maternity and paternity benefits globally, and in all cases above that required by law.

DIVERSITY, EQUITY & INCLUSION

Diversity, Equity, and Inclusion at Investcorp (continued)

Hybrid working model

There is still a level of uncertainty around the post-pandemic future of work, including the implications on both employers and staff, and we recognize that there isn't a one-size-fits-all solution that entails both in-office and remote work.

We conducted an internal survey asking all Investcorp staff their views on the mode of work that would enable individuals, teams, and the firm to operate at the highest levels of performance, and as a result of that process we are experimenting with different models of flexible work that work best for our business, our employees, and other stakeholders that may be directly impacted by changes to our working environment.

We recognize that there could be trade-offs to remote working, particularly when we consider potential implications on creativity and innovation where proximity can favor collaborative work. What we have seen, however, is that with the right technologies it is possible to reduce the productivity gap that a lack of proximity may create and have

made a commensurate investment in creating more robust digital infrastructure across our business.

Furthermore, we believe that through leveraging automation, artificial intelligence, and machine learning technologies, our staff can focus on the most productive work, while having the benefit of choosing how that work is conducted.

This continues to be a high priority for us, and we are continually evaluating progress, reviewing alternative options, and taking on board the perspectives of our staff.

Ultimately, we believe that the flexibility offered by a hybrid working model not only allows us to better retain current talent, but also enhances our ability to expand our talent pool, allowing us broader access to diverse talent.

Remuneration philosophy

Investcorp has a clear and well-defined remuneration philosophy that seeks to motivate employees to target delivery of consistent performance in excess of market benchmarks. This philosophy is exhibited in the firm's remuneration

programs and is reflected in annual remuneration decisions.

Remuneration programs are designed to meet four key objectives, which are applicable across the entire employee population:

- Attract and retain top talent;
- Deliver pay for sustainable long-term performance on a risk-adjusted basis;
- Align executive remuneration with shareholders' and clients' interests; and
- Mitigate excessive risk taking and incentivize consistent outperformance relative to market benchmarks on a risk-adjusted basis.

Employee remuneration is divided into two fundamental components: (i) fixed remuneration, i.e., salary and benefits, and (ii) variable remuneration.

Variable remuneration, comprised of cash and awards under deferred remuneration programs, is remuneration that varies from year to year and the amount of which is dependent upon (i) the risk-adjusted financial performance of the Group as a whole, (ii) the risk-adjusted performance of each



There are no boundaries to what we can achieve as a team, and Investcorp is committed to helping every individual succeed.



Jordana Semaan

Diversity, Equity, and Inclusion Champion

employee's respective line of business (each line of business, an "LOB"), and (iii) the performance of the individual employee. The term "LOB" includes each support unit within the Group.

Recommendations for the award of variable remuneration to employees within each LOB are based upon the results of an annual performance appraisal pursuant to which each employee is evaluated against his/her predetermined objectives for the year as well as against a series of 10 core competencies, which are assessed on a performance basis.

Last year, we included for the first time two additional core competencies,

DIVERSITY, EQUITY & INCLUSION

Diversity, Equity, and Inclusion at Investcorp (continued)

requiring each employee to be assessed for their contribution toward both the ESG and DE&I objectives of the firm.

We continually review all applicants, hires, promotions, separations, career development opportunities, and compensation to ensure equitable treatment irrespective of gender, religion, race, or sexual orientation.

For further detail on Investcorp's remuneration policies and practices, please refer to our

Inclusive ownership

Almost every employee at Investcorp is an "owner" of the firm. We believe that giving ownership to employees at all levels through staff equity programs better aligns their interests with those of management and shareholders. It also makes for a far more engaged workforce, committed for the long term, while giving everyone an opportunity to participate in the value created for shareholders.

Policies, programs, and partnerships

- Recruitment – all open positions globally are required to shortlist at least 50% of candidates from diverse backgrounds.
- Training and development – all employees and new hires undergo mandatory unconscious bias, diversity, and inclusion training on an annual basis.
- Diversity committee – as part of our commitment to creating an open, inclusive, and diverse culture, each of our regional offices has an appointed diversity representative to help progress Investcorp's DE&I objectives.
- Employee competencies – every employee receives a rating on both ESG and DE&I as part of the annual performance appraisal process, in which individuals are assessed for their contribution toward achieving the firm's objectives.

- Partnerships – we maintain close partnerships with a number of DE&I-focused partners including the GCC Chapter of the 30% Club, Level 20, 100 Women in Finance, 10,000 Black Interns, Women in PE (WinPE), ILPA, and CEO Action for Diversity & Inclusion™ (CEO Action), and continually look for ways to use our influence to help advance DE&I at Investcorp, within our portfolio companies, and across private markets. ■

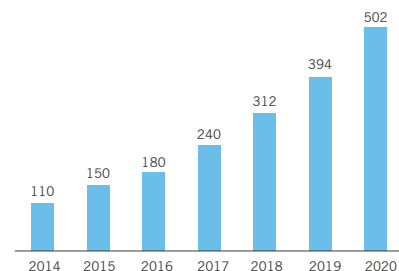


DIVERSITY, EQUITY & INCLUSION

Investing in Woman- and Minority-Owned Alternative Asset Managers

In April 2021, we partnered with Xponance, a \$12 billion multi-strategy investment firm, to collaborate on General Partnership (GP) staking and seeding interests in diverse and woman-owned alternative asset managers.

By building on the strengths of our own extensive alternatives experience and Xponance's 25-year track record in pioneering efforts in the seeding and funding of strategies offered by diverse and woman-owned managers, our partnership offers investors greater access to best-in-class private capital GPs.

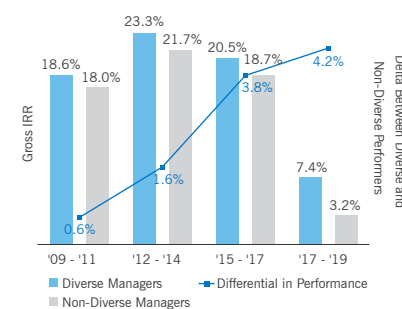
WOMAN- AND MINORITY-OWNED PRIVATE EQUITY FIRMS¹

The universe of woman- and minority-owned private equity firms has more than quadrupled since 2014, and our partnership with Xponance acts as a "force multiplier" to expand opportunity for innovative investment strategies offered by diverse and woman-owned firms and industry professionals.

David Lee, Partner in Investcorp's Strategic Capital Group: "We have been highly attuned to the growing appetite for capital within the diverse manager community, which has expanded at a higher rate than the overall private equity and private credit market over the past few years, despite traditionally being underserved and undercapitalized. At the same time, there is mounting interest from investors in gaining exposure to diverse managers. Through this partnership with Xponance, we are delighted to be able to connect with a broader group of stakeholders to create what we believe to be sustainable value for the managers and our investors."

Diverse GPs in the mid-market space have historically been overlooked, despite recent data showing that diverse managers have consistently outperformed the market, with the magnitude of this outperformance also increasing over time.

We believe that our approach will help to further accelerate this trend by increasing access to the type of strategic capital and other resources needed to help these firms further optimize their

DIVERSE AND EMERGING MANAGER PERFORMANCE VS. MARKET²

business structures, support vertical or horizontal expansion, and seed adjacent strategies. ■

¹ Fairview Capital 2020 Market Review of Woman and Minority Owned Private Equity Firms (Dec 2020).
Note: Based on institutional quality private equity and venture capital firms that are 50%+ owned by women and/or ethnic minorities (as defined by the US Census Bureau) and based/primarily investing in the US.

² HarbourVest: Data as of June 30, 2019. IRR represents cash flows in investments in US Buyout and Venture fund managers with vintage years within the three-year time periods across the HarbourVest portfolio. Diversity defined as 25% or greater of senior level team identifying as female, belonging to an underrepresented minority, or both.

HEALTH, SAFETY & WELLBEING

Driving Continuous Improvement in Health & Safety Standards



INVESTMENT

RoadSafe

SECTOR

Industrial Services

REGION

North America

YEAR INVESTED

2021

RoadSafe is a leading provider of roadway safety services supporting the maintenance of critical infrastructure in civil, utility, and railroad end markets in the US.

Headquartered in Chicago with over 1,700 employees located across over 20 states and 50 branches, RoadSafe offers traffic management and road infrastructure services, as well as specialty distribution of products to its customers nationwide.

RoadSafe's culture and mission put safety first. Its focus on continuous improvement across key safety metrics – including Total Recordable Incident Rate (TRIR) and Lost Time Incident Rate (LTIR) – has earned the company an industry-leading safety track record.

The company's holistic incident management and accident investigation program – no matter how minor the incident – which is supported by a dedicated five-person national safety

team as well as branch-level safety advocates, enables rapid tracking, analysis, and resolution of safety issues.

Its safety program is designed to work across multiple states and locations and has resulted in RoadSafe's TRIR dropping 25% from 3.21 to 2.56 (3 is the industry average per the US Bureau of Labor Statistics) between 2019 and 2020, while its LTIR fell 40% from 0.83 to 0.59 (1 is the industry average) over the same period.

Launched in 2019, RoadSafe University created a proprietary curriculum to drive improvements in safety and enhance the wellbeing and advancement of its employees.

In addition, RoadSafe partners with external safety agencies, such as the Occupational Safety and Health Administration and the American Traffic Safety Services Association, for ongoing employee certification. Focus on safety begins with a five-day onboarding training program and is thereafter incorporated into every training at every level.

Branch, district, and company-level safety results are part of the annual management incentive plan; achieving targets results in an above-baseline bonus, and failing to achieve targets results in a penalty. ■

TRIR dropped by

25%

between 2019
and 2020

LTIR fell

40%

between 2019
and 2020



HEALTH, SAFETY & WELLBEING

Safeguarding the Wellbeing of Students Both Online and Offline



INVESTMENT

Impero

SECTOR

Technology – Security

REGION

United Kingdom

YEAR INVESTED

2017

Impero is the UK's number one provider of online student safety, classroom, and school network management safeguarding software, helping schools, colleges, and multi-academy trusts to meet safeguarding responsibilities – both online and offline.

Impero's comprehensive classroom software allows schools to improve the teaching environment and maximize efficiency for school network managers.

The company's recent acquisition of Netop, a Danish-headquartered education software business with a significant presence in the US, has more than doubled Impero's presence in the US, while also accelerating product development, including the company's safeguarding and wellbeing solutions.

Impero's wellbeing software allows customers to monitor threats caused by an increasingly digital environment and

proactively analyze behavioral patterns to enable early intervention where needed on mental health and other wellbeing issues.

The software is mission critical given increased concerns regarding the impact of digital exposure on mental health. Research indicates that in the UK one out of six children in school suffers from a mental health problem, two children in each UK school are at risk of physical abuse or neglect, and 15 million sick days per annum are lost due to stress. Furthermore, the wider cost of mental health problems in the UK is estimated at £100 billion per year.

Impero has

>35%

share of the UK secondary school market

Serving more than

1,050

secondary schools in the UK

Impero's software is accessed by

>2M devices

Globally, Impero's software is accessed by over 2 million devices in over 80 countries, including schools in more than 700 US districts.

Impero is also focused on improving ESG issues in their workplace, and has launched several environmental, social, and local initiatives to support that effort, including a cycle-to-work scheme, a supplier vetting process to ensure each of its suppliers meets Impero's standards, as well as enhanced corporate governance processes.

We're particularly proud of Impero's approach to diverse representation across the workforce, where women represent 35% of the total workforce and 25% of the senior leadership team. Furthermore, Impero's engineering team has twice as many women compared to the industry average. ■

EQUITABLE PAY & BENEFITS

Enabling More Equitable Pay in Germany



INVESTMENT

softgarden

SECTOR

Technology – HR Software

REGION

Europe

YEAR INVESTED

2018

Headquartered in Berlin, softgarden is a fast-growing provider of human resources software, which uses principles from e-commerce to serve more than 3,000 corporate customers throughout Europe, primarily in the DACH region.

Through digitizing recruiting processes, softgarden's Talent Acquisition Suite gives its customers the basis to objectively review and analyze their recruiting and hiring practices and ensure a level playing field for all candidates.

softgarden's Talent Acquisition Suite helps companies attract and hire the best candidates through tools that allow employers to expand reach and attract the attention of more job seekers. softgarden's Feedback Solution enables and encourages applicants and employees to publicly review companies online, which seeks to create a more

complete picture of potential employers. Feedback collected from both accepted and rejected candidates, as well as from current employees, provides invaluable insights to HR departments.

Furthermore, softgarden also provides its customers with unique sets of proprietary data for benchmarking purposes, such as salary data. The company has collected more than 400,000 proprietary salary data points – both expectations from candidates as well as actual salaries – which represent the most complete, reliable, and up-to-date salary database in the DACH region. This has enabled companies to ensure pay and benefits for candidates and existing employees are competitive, equitable, and fair – not only when benchmarked internally, but also externally.

During 2020, softgarden launched a free job portal (www.jobs2live.de) for essential jobs such as caretakers, nurses, and social workers to support Germany's response to the Covid-19 crisis. ■

> 1M

applications processed every year through softgarden's Talent Acquisition Suite

> 400K

proprietary salary data points collected in the DACH region



TRAINING & DEVELOPMENT

Building World-Class Dialysis Talent in India



INVESTMENT

NephroPlus

SECTOR

Healthcare

REGION

India

YEAR INVESTED

2019

NephroPlus is India's largest dialysis network and has 260 centers across 160 cities and 22 states in India. Each NephroPlus center is a "one-stop shop" for all dialysis needs. With a strong commitment to quality, NephroPlus is spearheading a change in the way dialysis is done in India.

Delivering high-quality affordable care

Through extensive value engineering and bulk procurement, NephroPlus can offer affordable dialysis care at around \$25 per session, compared with global averages of \$200 per session.

The company also has a strong focus on patient-centric care where each patient is treated as a "guest." One of the main goals at NephroPlus is to enable dialysis guests to lead lives as close to normal as possible, and it strives to ensure that dialysis sessions remain a small part

of a guest's life, encouraging them to do things everyone does – work, travel, and have fun. It is the only dialysis network in India to have holiday dialysis capabilities with 15 tourist destinations across the country including in Agra, Goa, Srinagar, Dehradun, Rishikesh, Tirupati, and Varanasi. It is also the only network in the world which conducts a Dialysis Olympiad every two years.

The company also set up a Covid-19 assistance fund for dialysis patients affected by the pandemic, raising INR 3 million from investors, management, and team members. A mechanism of selecting genuinely needy people was put in place, resulting in the initiative helping a total of 57 guests over approximately 2,400 sessions.

Building world-class dialysis talent

NephroPlus launched Enpidia, a state-of-the-art dialysis training academy, focused on developing leading dialysis technicians and nurses in the industry, alleviating the severe shortage of trained and certified dialysis staff across India.

Enpidia is also the only academy in India to partner with the Board of Nephrology Examiners Nursing and Technology (BONENT) to provide internationally recognized accreditation that enables dialysis technicians to practice globally.

Additionally, Enpidia offers dialysis courses in association with Bharat Sevak Samaj, the Indian national development agency for vocational training. The company has trained over 200 technicians over the last three years. ■

+1.7M

dialysis sessions conducted over FY21

The company has trained

>200

technicians over the last three years

Responsible Citizen

As an investment manager with a global mandate, we are keenly aware that shifts in global climate bring potentially profound implications for financial stability and the global economy.

We therefore have a responsibility to not only understand the risks that climate change poses to our portfolio – and develop solutions to address such risks – but to also build a greater understanding of the impacts that our portfolios have on the world.

Responsible citizenship is not just about limiting and reversing harm to the natural world – it is also about our relationship with the communities in which we work, invest, and live. We believe that strengthening those communities and giving back strengthens us as investors and as people.

ISSUES WE CONSIDER TO BE UNIVERSALLY IMPORTANT

GHG Emissions

Energy Consumption

Waste Management

Water Management

Corporate Social Responsibility

GHG EMISSIONS

Investcorp's Emissions Performance

Our total GHG emissions dropped by 50% in FY21, driven largely by a decrease in business travel due to restrictions imposed as a result of the coronavirus pandemic as well as partial closures of our offices.

Electricity from carbon-intensive electricity grids in certain jurisdictions, as well as business travel, together constitute the bulk share of the firm's total emissions.

As restrictions are lifted globally, we anticipate emissions to return to levels experienced in prior years, while we concurrently continue our work to implement energy reduction and efficiency initiatives globally.

GHG EMISSIONS

| tCO ₂ e | FY21 | FY20 | FY19 |
|------------------------------------|---------|---------|----------|
| Scope 1 ✓ | 95.9 | 130.2 | 115.3 |
| Scope 2 ✓ | 2,884.4 | 3,018.9 | 3,011.5 |
| Scope 3 (select) ✓ | 2,020.9 | 6,830.9 | 7,164.9 |
| Total ✓ | 5,001.2 | 9,980.0 | 10,291.7 |
| Emissions intensity ¹ ✓ | 11.8 | 22.2 | 24.6 |

¹ Emissions intensity per full-time equivalent (FTE) for Scope 1, Scope 2, and select Scope 3. Total number of FTEs are based on year-end numbers extracted from internal HR systems.

• Deloitte & Touche (M.E.) has provided limited assurance for these indicators for FY19, FY20, and FY21. Deloitte's assurance statement can be found on page 40 of this report, and the Reporting Criteria are available on page 41 of this report.



GHG EMISSIONS

Reporting Criteria

This section has been prepared in alignment with the GHG Protocol's Corporate Accounting and Reporting Standard, the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and the Technical Guidance for Calculating Scope 3 Emissions.

During the year to June 30, 2021, our measured Scope 1, Scope 2, and select Scope 3 emissions totaled 5,001 tCO₂e, which is equivalent to 11.8 tCO₂e per FTE based on the year-end number of FTEs for the offices considered in this assessment.¹

We have taken an operational control approach when consolidating our organizational boundary, accounting for GHG emissions from operations over which Investcorp has operational control.² The GHG categories and associated activity data that constitute our operational boundary for each of the three years presented are outlined below.

SCOPE 1

Definition

- Natural gas combustion within boilers and fuel combustion within leased and owned vehicles.

Activity data

- Gas consumption (in kWh) is received directly from suppliers' invoices, and fuel consumption (in liters) for each company vehicle is based on total spend on fuel extracted from the Group's internal systems and average cost of fuel per liter in each location per month.

SCOPE 2

Definition

- Purchased electricity for our own use.

Activity data

- Electricity consumption (in kWh) is received directly from suppliers' invoices.

SCOPE 3

Definition

- Category 3: well-to-tank (WTT) emissions of energy sources for categories captured under Scopes 1 and 2, which account for greenhouse gases emitted during the extraction and transportation of fuels from the source to the point of supply – this covers natural gas, oil, and fuels used in the generation of the electricity;
- Category 4: transmission and distribution (T&D) emissions, which account for the greenhouse gases associated with electricity lost during transmission on the national grid;
- Category 6: business travel using air, rail, and taxi;
- Category 7: employee commuting and homeworking to account for remote working activities occurring at employees' homes in the light of the coronavirus pandemic; and
- Category 8: emissions from the use of leased data centers.

Activity data

- Category 3: the base data captured under Scope 1 for natural gas combustion within boilers is applied to emissions factors covering WTT emissions;
- Category 4: the base data captured under Scope 1 for purchased electricity for our own use is applied to emissions factors covering T&D emissions;
- Category 6: the distance traveled in kilometers for air and rail travel is received directly from travel logs received from suppliers; where distance traveled is not available, as in the case of business travel using taxis, emissions are estimated based on spend on land transportation extracted from the Group's expense systems;
- Category 7: emissions for employee commuting are based on estimated annual emissions for an average employee based on the Quantis GHG Protocol Scope 3 Screening Tool,³ which is then applied to the number of employees per office;⁴ an estimate of the number of homeworkers per month

GHG EMISSIONS

Reporting Criteria (continued)

is arrived at by subtracting the number of staff onsite in any one office (based on building access logs maintained by building security personnel, where available) from the total number of staff employed in that office;⁵

- Category 8: total power consumption in kWh is calculated⁶ based on actual installed power capacity purchased by Investcorp from the supplier and not actual usage, given the unavailability of usage data at the time of data collection – actual energy consumption is therefore likely overstated.

Emissions are estimated by multiplying activity data with corresponding relevant emissions factors.⁷ All emissions are then converted into tons of CO₂e (tCO₂e) using the global warming potential factor to express GHG emissions in a comparable manner and enable consistency in reporting over time and for different emissions sources, globally.

The emissions factors used to estimate emissions are either country-specific or based on regional or global averages, and therefore emissions are intended to represent a relevant estimate of

the firm's carbon footprint. Note that the general approach to estimating emissions for each fiscal year considers activity data split across two calendar years, but only the latest available emissions factor for any one fiscal year (e.g., for FY21, emissions factors for the calendar year 2021 were used, and where this was unavailable the latest available emissions factors were applied). ■

¹ Total number of year-end FTEs are based on numbers extracted from internal HR systems.

² Offices with fewer than four employees have been excluded from the organizational boundary this year. A newly launched office in Beijing has also been excluded from the perimeter, given limited operations this year, but will be included in future assessments, and activities of Mercury Capital Advisors have been excluded this year based on unavailability of data.

³ For further information, refer to the Quantis GHG Protocol document "Documentation of the data and calculations to support the Greenhouse Gas Protocol Scope 3 Screening Tool."

⁴ The emissions related to employee commuting have been calculated on a basis of 47 working weeks per year, excluding the number of weeks worked at home. The Quantis tool estimates that the average employee emits 1,700 kgCO₂e/year.

⁵ Homeworking emissions are only accounted for the 18 months commencing January 2020 through June 2021, which corresponds to the onset of the pandemic, and relates to the second half of the FY20 reporting period and the entire FY21 reporting period,

respectively. Emissions related to homeworking have been estimated in accordance with the methodology outlined in EcoAct's "Homeworking Emissions Whitepaper 2020," which includes emissions from office equipment, heating, and cooling where geographically relevant. Homeworking emissions have been estimated for our operations where data was available, which includes London, New York, and Bahrain only.

⁶ Power consumption (in kWh) is calculated by multiplying the power capacity (in kW) of our data center power circuits (running at 30A and 208V) by the number of hours in one year (i.e., 8,760 hours).

⁷ Emissions factors have been sourced from the following databases: the UK's Department for Environment, Food and Rural Affairs (DEFRA), the International Energy Agency, and Exiobase.

ENERGY CONSUMPTION

Transitioning to Lower-Carbon Operations in Our Offices

We are actively making changes across the firm to continually improve current practices and the firm's impact on the environment.

Reducing our direct impact on the environment

Investcorp operates out of 13 offices globally, with the majority of our employees based out of our London, New York, and Bahrain offices. While we recognize that our direct environmental impact is relatively low given most of our operations are office-based, we are nonetheless actively making changes across the firm to continually improve current practices and the firm's impact on the environment.

Over the past few years, we have implemented a number of initiatives to address our emissions related to energy use, waste production, and business travel. These include:

- Recycling and plastic reduction efforts across all offices, including gradually phasing out the use of plastic bottles and disposable paper cups and/or cutlery;
- Programming air conditioning systems to switch off during periods when the offices are unoccupied;
- Increasing the use of motion sensor technology to save energy, or at the very least ensuring lights are switched off manually at the end of every day;
- Accelerating the replacement of all fluorescent and halogen-based lighting with LED lighting;
- Where possible, reducing non-essential business travel including the use of air travel, taxis, and private cars, with a commensurate increase in investment on video conferencing and similar technologies;
- Increasing cycle rack capacity in our London office, which in conjunction with our cycle-to-work scheme provides staff with an alternative to using public transport;
- Where possible, limiting the use of printed materials and increasing the provision of recycled printing paper, with a commensurate increase in investment in digital interfacing technology and cloud-based productivity solutions;
- Significantly reducing the number of printed annual reports; and

- Where possible, ensuring food and drink are locally sourced, and wastage is minimized and disposed of in a socially responsible manner.

ENERGY CONSUMPTION

Transitioning to Lower-Carbon Operations in Our Offices (continued)

Environmentally aware office by design

We are particularly proud of our progress toward lower-carbon operations in India. The design and fit-out of the firm's new office in Mumbai has sustainability and the health and welfare of Investcorp's staff at its core. The office's biophilic design, installation of recyclable and energy-efficient LED lighting, and considered use of environmentally friendly materials throughout (e.g., "Green Label Plus"-certified Tuntex carpets, recyclable drywall gypsum partitions, and Haworth furniture that embeds circular design thinking) demonstrate the importance we place on conservation of the environment and the continued wellbeing of our employees.

Furthermore, during the fit-out of our India premises, which is located in the LEED Platinum-certified Godrej building in the Bandra Kurla Complex, we worked closely with our project manager to ensure that the execution of the fit-out itself employed sustainable practices to reduce waste, manage energy use,

and ensure the wellbeing of the project team.

Switching to green energy in London and New York

This year, Investcorp switched to 100% renewable electricity in our London office and completed LED lighting upgrades throughout the building. We also completed the decommissioning of a hot water cylinder in the London office to reduce overall energy consumption.

In New York, emissions related to our data centers are also now carbon-free, given the use of 100% green electricity. ■



GHG EMISSIONS

ABAX Goes Carbon Neutral



INVESTMENT

ABAX

SECTOR

Business Services

REGION

Europe

YEAR INVESTED

2017

Founded in 2003, ABAX is the leading telematics solution provider in the Nordics and develops sophisticated fleet tracking, electronic triplogs, and equipment and vehicle control systems.

Headquartered in Larvik, Norway, the company has approximately 340 employees and operations across the Nordic region as well as in Poland, the Netherlands, and the UK.

ABAX committed itself to achieve carbon neutrality by early 2022 but managed to beat that target by two years. In 2020, the company became carbon neutral through implementing carbon reduction activities. These included switching to an electric corporate fleet and more sustainable sources of electricity at the locations in which they operate, and offsetting the remaining emissions with PAS 2060-certified carbon projects that

support local communities in central Africa. The company recently extended its commitment to carbon neutrality by targeting a green supply chain by 2022.

ABAX is also assisting its customers to reduce their carbon emissions by providing them tools to monitor driving behavior and idling time of their fleets, in order to manage their assets more efficiently.

ABAX has worked extensively with WeForest, an international nonprofit organization, on reforestation initiatives to reduce the carbon emissions already in the atmosphere. Recently, the company partnered with Empower, a Norwegian enterprise building a blockchain-powered global plastic waste ecosystem, to help developing countries establish effective recycling solutions. Together, they have already directly financed solutions that will in effect help to remove 1,000,000 plastic bottles that would have otherwise been sent to landfills or ended up in the environment. ■

36,000

customers emit less with ABAX

51%

reduction in Scope 1 and Scope 2 emissions

44%

reduction in business travel emissions

10-15%

reduction in mileage and corresponding environmental effects



WASTE MANAGEMENT

Reducing Waste Through Leveraging AI and IoT Technology



INVESTMENT

FreshToHome

SECTOR

Consumer

REGION

India

YEAR INVESTED

2020

FreshToHome.com is one of the leading direct-to-consumer online meat brands in India, focused on providing a wide variety of fresh and hygienic seafood and meat at the convenience of doorstep delivery to the consumer.

Founded in 2015, FreshToHome manages the entire supply chain for seafood and meat from direct procurement from fishermen to last-mile delivery through its innovative technology platform.

Using artificial intelligence, IoT technology, and just-in-time supply chain practices, the company managed to reduce meat wastage by 80 tons per month in the year ending March

2021, with an average waste yield of approximately 1.5% compared with an approximate 15% industry standard.

The company has also helped create 17,000 jobs in the last five years. Furthermore, by eliminating middlemen and directly procuring from fishermen via its tech-enabled platform, FreshToHome has increased fishermen's income by approximately 20% through higher realization for fishermen.

The company has been recognized by Prime Minister Narendra Modi as a start-up positively impacting the lives of fishermen and farmers in India. ■

17,000

jobs created in the last five years

1.5%

average waste yield versus a 15% industry standard

Reduced meat wastage by

80 tons

per month

Increased fishermen's income by

20%



CORPORATE SOCIAL RESPONSIBILITY

Making Car Rentals Inclusive and Accessible to All



INVESTMENT

Theeb Rent a Car

SECTOR

Consumer Services

REGION

MENA

YEAR INVESTED

2013

Theeb is a leading player in the car rental and leasing market in Saudi Arabia with a total fleet of over 18,000 cars, and operates a nationwide network of 48 branches, 10 in-house vehicle maintenance centers, and two used car sales centers.

In an effort to make its services more inclusive, Theeb recently launched the “Rahati” initiative, which provides vehicles specially designed and equipped to serve the elderly and those with special needs, such as wheelchair adapted family cars, at no additional cost.

This service forms a part of Theeb's broader social responsibility program through which it not only seeks to make its services more accessible, but also aims to generate a positive impact in the communities in which it operates.

The company has also recently implemented the “Theeb Al Khair” program, sponsoring charitable societies in the Kingdom, which this year included the Charitable Foundation for Orphan Care “Ekhaa.” This sponsorship includes an annual care program for 30 orphans, providing for all their daily needs.

Furthermore, Theeb's recent sponsorship of the “Create to Learn” project for female graduates of the College of Health and Rehabilitation Sciences at Princess Noura University seeks to enhance the role of occupational therapy in recreational activities within schools and thereby improve the mental, physical, and social wellbeing of students. ■



CORPORATE SOCIAL RESPONSIBILITY

The Contribution We Make to Our Communities

Investcorp continually seeks to implement initiatives that improve our impact on the environment, the wellbeing of our employees, and the advancement of the communities in which we operate.

The firm's corporate social responsibility initiatives are focused on four areas of strategic importance, which together seek to deliver on Investcorp's overarching corporate purpose of enriching the lives of future generations.

These focus areas are education, healthcare, fighting poverty, and the preservation of the environment.

Some recent programs include:

STRENGTHENING OUR COMMITMENT TO EDUCATION

Building financial literacy among young people



Investcorp has a longstanding commitment to education, and our partnership with INJAZ Al-Arab is one such example. INJAZ is the regional hub in the Middle East for Junior Achievement Worldwide, a nonprofit organization that provides education and training in workforce readiness,

financial literacy, and entrepreneurship to hundreds of young people each year.

Operating in 13 countries and working with over 4,000 schools and 300 universities, INJAZ is now the largest nonprofit organization dedicated to overcoming unemployment in the MENA region, having engaged 3.7 million students since inception.

Two years ago, we strengthened our commitment to this initiative and launched the Investcorp Value Creation Award, where Investcorp investment professionals devote time to facilitate a case study for participating university students on value creation initiatives undertaken at one of the firm's portfolio companies.



INJAZ Al-Arab is an important part of our contribution to our community and our role as a responsible citizen – we believe that through strengthening our communities, we strengthen ourselves as investors and as people.



Ramzi AbdelJaber
Chief Administrative Officer



CORPORATE SOCIAL RESPONSIBILITY

The Contribution We Make to Our Communities (continued)

Bahrain Crown Prince's International Scholarship Program (CPISP)



In May 2021, we announced our continued commitment to support the Bahrain Crown Prince's International Scholarship Program (CPISP) over the next 10 years.

This not only reflects our conviction in the power of education as a key driver of economic and social progress, but also the pivotal role that CPISP plays in providing top educational scholarship opportunities to young outstanding Bahraini students.

We're also proud of the fact that a number of our staff members at Investcorp graduated from world-class universities with the support of CPISP, and we have seen firsthand how crucial such education-based initiatives are not only to the development and future success of CPISP scholars, but importantly to the Kingdom of Bahrain.



It was a privilege to be handpicked for the Crown Prince's International Scholarship Program. It motivated me to pursue excellence throughout my university education and later in professional life.

The program goes beyond providing financial support and really seeks to ensure scholars are provided with all the tools they need to become accomplished and active contributing members of society.

The CPISP put me on a path that eventually led to Investcorp, and I am delighted that Investcorp is now perpetuating the virtuous cycle by supporting the same program to put young Bahrainis on the path to success.



Khulood Ebrahim
Real Estate
Product Specialist



I was one of a lucky few to have been offered the opportunity to be part of the Crown Prince's International Scholarship Program (CPISP) early in its inception, almost 20 years ago.

I owe much of the person I am today, both personally and professionally, to the experiences and opportunities throughout that journey: living in new places, meeting people with different backgrounds, and understanding differing viewpoints, which provided a much-needed global perspective in an increasingly globalized world.

Twenty years later, I am very proud to find myself a partner at Investcorp, an organization which continues to invest in and share many of the same values as those championed by the CPISP.



Ali AlRahma
Private Equity
Product Specialist

CORPORATE SOCIAL RESPONSIBILITY

The Contribution We Make to Our Communities (continued)

BRINGING STATE-OF-THE-ART MEDICAL TECHNOLOGY TO THE PEOPLE OF BAHRAIN

Royal Medical Services

As part of our commitment to supporting healthcare and enhancing the wellbeing of our local community, we donated one of the world's most advanced CT machines (GE NM/CT 870 DR SPECT/CT machine) to the Royal Medical Services Hospital in Bahrain.

"This is a crucial step in upgrading our X-ray department with the latest technology and will support our role in maintaining and strengthening our position as one of the major healthcare providers in the region," said Major General Professor Sheikh Khalid bin Ali Al Khalifa, Commander of the Royal Medical Services.

The Royal Medical Services Hospital was established in 1968 as a small clinic. In 1979, the hospital grew from a small operation into a 120-bed hospital and has since continuously grown and expanded its services,

becoming the second largest hospital in Bahrain with 483 beds to date.

SUPPORTING OUR COMMUNITIES IN THEIR TIME OF NEED

Assisting our tenants in the US

During the pandemic, Investcorp provided over 10,000 meals to residents of many of our multifamily housing investments throughout approximately 40 of our communities in the US.

We took decisive action as we sensed that our communities were in need. Whether it was the inability to travel, medical concerns, or just an overall need to socialize with members of their own community, it was critical to provide our residents with something they could smile and feel good about. Some days it was ice cream for the kids and other days it was pizza Fridays or taco Tuesdays. But the biggest smiles were reserved for the hundreds of food trucks that we dispersed to our communities to make a small difference in a very difficult time.

In addition to the free meals, Investcorp also provided direct tenant assistance. Since the beginning of the Covid period, over 1,000 residents were provided concessions on their lease terms, including payment timing flexibility and the waiving of fees totaling in excess of \$200,000 in concessions across the portfolio. Many of these tenants were longstanding residents that had had no record of payment issues, and we were willing to assist in this time of need. This flexibility also allowed us to retain a large percentage of our tenants who remain tenants to this day.

Scholarship program

We instituted a tuition scholarship program across our residential investment properties, where we offer scholarships totaling \$10,000-\$20,000 to help students with financial need residing in our communities. The scholarships are intended to assist with vocational training, trade and technical educational programs, and skills-based learning.



CORPORATE SOCIAL RESPONSIBILITY

The Contribution We Make to Our Communities (continued)

Some other contributions we made over the past year:

- Our Asia team took part in a voluntary beach clean-up in Coney Island, on the east coast of Singapore.
- We supported the President's Special Initiatives Fund at Brookings, which enables investments in new research and empowers Brookings to respond nimbly to fast-moving events.
- We contributed toward the "Chrysalis Night In" virtual gala honoring TruAmerica's Bob Hart, the CEO of one of Investcorp's operating partners in our Real Estate business; the organization is a nonprofit dedicated to creating self-sufficiency for homeless and low-income individuals.
- We donated to the virtual gala dinner of the New York Police & Fire Widows' and Children's Benefit Fund.
- We contributed toward the AY21 gift of Harvard Kennedy School's Center for Public Leadership.
- We made an annual contribution

in support of the programs of the Eisenhower Fellowships for 2020.

- We contributed to the Green Future Project, which supports reforestation projects to help corporations offset their carbon footprint and support local jobs, in order to reverse the effects of climate change and preserve the planet for both current and future generations. ■



04

Appendices

SASB DISCLOSURE

Transparent Information & Fair Advice for Customers

This is our first time reporting against the SASB disclosure framework. The discussion that follows details our disclosure against the Asset Management and Custody Standard as it most closely aligns with our business.

For the year ended June 30, 2021

FN-AC-270a.1

(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.¹

To our knowledge, there have been no covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.

FN-AC-270a.2

Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers.

To our knowledge, Investcorp did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with its marketing and communications to customers, as described above.

FN-AC-270a.3

Description of approach to informing customers about products and services.

When communicating with clients about our investment management services and specific products, we are subject to various laws and regulations, as well as Investcorp's own policies, procedures, and guidelines requiring our communications to be clear, fair, and not misleading. Additionally, we consider the nature of the audience to which our communications are directed and provide the appropriate details and explanations.

¹ 'Covered employees' is defined by SASB as employees subject to filing the following forms: Form U4 with the Central Registration Depository ("CRD") of the Financial Industry Regulatory Authority ("FINRA"); Form U5 with the CRD of the FINRA; Form U6 with the CRD of FINRA, Form BD with the Investment Adviser Registration Depository ("IARD") of the U.S. Securities and Exchange Commission ("SEC"); and Form BDW with the IARD of the SEC.

SASB DISCLOSURE

Employee Diversity & Inclusion

FN-AC-330a.1

Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees.

For details on how we foster equitable employee representation across our global operations, please see of this report.

Gender Representation of Global Employees (%)

| | Female | Male | N/A* |
|--------------------------|------------|------------|-----------|
| Executive Management | 7% | 93% | 0% |
| Non-Executive Management | 21% | 79% | 0% |
| Professionals | 31% | 69% | 0% |
| All Other Employees | 67% | 33% | 0% |
| Total | 32% | 68% | 0% |

* N/A = not available or not disclosed by Investcorp employees.

Racial/Ethnic Group Representation of US Employees (%)

| | Asian | Black/African American | Hispanic/Latino | White | Other ^ | N/A* |
|--------------------------|------------|------------------------|-----------------|------------|-----------|-----------|
| Executive Management | 23% | 0% | 0% | 77% | 0% | 0% |
| Non-Executive Management | 35% | 0% | 2% | 63% | 0% | 0% |
| Professionals | 29% | 2% | 2% | 66% | 0% | 0% |
| All Other Employees | 18% | 24% | 0% | 59% | 0% | 0% |
| Total | 29% | 4% | 2% | 66% | 0% | 0% |

^ Other includes the classifications: Native American or Alaska Native, Native Hawaiian or Pacific Islander, and "Two or More Races."

* N/A = not available or not disclosed.

Figures may not reconcile due to rounding.

SASB DISCLOSURE

Incorporation of ESG Factors in Investment Management & Advisory

FN-AC-410a.1

Amount of assets under management, by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing, and (3) screening.

Investcorp's Responsible Investment policy provides a broad framework for Investcorp's approach to integrating ESG considerations across our investment businesses, including our screening practices. The policy applies to all lines of business where we have sole operational control, which constitutes the majority of our total assets under management.

Investcorp operates a joint venture with Aberdeen Standard Investments (ASI) that focuses on investing in social and economic infrastructure projects in Gulf Cooperation Council countries, and another joint venture with Tages Group, Investcorp-Tages, a merger between the respective absolute returns businesses of Investcorp and Tages Group. While our Responsible Investment policy is not directly applicable to these business interests, the framework described therein is not inconsistent with existing

ESG policies and processes currently in effect in these businesses on a standalone basis.

As of June 30, 2021, Investcorp had \$37.6 billion in total assets under management.

FN-AC-410a.2

Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies.

At Investcorp, responsible investing means building sustainable businesses through strengthening corporate governance practices; driving solid partnerships with employees, customers, and communities; and managing the impact of business operations on the environment.

Investcorp's approach to responsible investing across the investment process focuses on identifying and managing ESG issues that we believe have the potential to create, protect, or erode value for ourselves and our beneficiaries ("material issues").

Given the differences in the business

models of our varying investing lines of business, Investcorp takes a bespoke approach to the integration of ESG factors within each of our asset classes, whether these are negative or positive screening practices or the systematic inclusion of material ESG factors into investment analysis and investment decisions.

Our tailored approach is detailed in internal procedural documents for each asset class, which inter alia outlines roles and responsibilities for the incorporation of ESG factors, approaches to target setting and competency building within portfolio companies, the governance framework for incident management, and ongoing management of ESG issues, as well as investor reporting.

We note that Investcorp's ability to assess and influence ESG issues in practice may vary by investment. We would generally expect to be able to undertake more due diligence and influence future changes in relation to identified ESG-related matters for control investments than when we plan to acquire a minority equity position or where we act as a minority lender.

Nonetheless, while our focus areas and ability to influence decision-making will vary on a case-by-case basis, our general approach is primarily focused both on managing risk and seeking opportunities for value creation through the effective management of ESG issues.

Our [Responsible Investment Policy](#) is publicly available on our website, and for further details on how we integrate ESG considerations by asset class, please see [Investment Management & Advisory](#) of this report.

FN-AC-410a.3

Description of proxy voting and investee engagement policies and procedures.

In relation to unquoted investments, the Group's approach is to seek to add value to the businesses in which the Group invests through its extensive experience, resources, and contacts and through active engagement with the boards of those companies. In relation to quoted investments, if any, the Group's policy is to exercise voting rights on all matters affecting its interests.

SASB DISCLOSURE

Business Ethics

FN-AC-510a.1

Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, and anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.

Investcorp did not sustain any monetary losses in the reporting period as a result of legal proceedings associated with the conduct as described above.

FN-AC-510a.2

Description of whistle-blower policies and procedures.

The Board of Directors of Investcorp Holdings B.S.C. (the “Board of Directors”) has established Whistleblowing Procedures (the “Procedures”) to:

1. Encourage reporting by staff of genuine concerns by disclosing to the relevant person under these Procedures information which a member of staff reasonably believes tends to show

that any wrongdoing either has been committed, is being committed, or may be committed by Investcorp or its staff.

Wrongdoing may include:

- Criminal activity;
- Breach of Investcorp’s internal policies and procedures, including the Investcorp standards;
- Failure to comply with any applicable law or regulation or other legal obligation, including but not limited to health and safety laws and regulations;
- Financial fraud or other actions that raise questions regarding the integrity of Investcorp’s financial statements or its accounting, auditing, internal control, and reporting practices;
- Bribery, fraud, or corruption;
- Discrimination of any nature;
- Harassment or intimidation;
- Danger to health and safety;
- Damage to the environment;
- Miscarriages of justice;

- Serious negligence; or
- The deliberate concealment of any of the above matters.

2. Reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken; and

3. Ensure that such concerns are promptly and properly investigated and addressed.

Investcorp also makes available an anonymous Whistleblowing Hotline and reporting website, which is administered on behalf of Investcorp by an independent external third party.

SASB DISCLOSURE

Systemic Risk Management

FN-AC-550a.1

Percentage of open-end fund assets under management by category of liquidity classification.

We recognize that there is an active standard-setting project related to this industry standard, including a preliminary decision by SASB to remove this accounting metric from the Asset Management & Custody Activities Standard. We have therefore chosen not to disclose information for this accounting metric.

FN-AC-550a.2

Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management.

Almost all of Investcorp's assets under management are invested in private market strategies, characterized by closed-end partnerships that are not subject to rolling subscription and redemption windows, but that are rather managed over multiyear timelines incorporating defined periods for the commitment, investment, and distribution of capital.

FN-AC-550a.3

Total exposure to securities financing transactions.

As of June 30, 2021, the net exposure to securities financing transactions amounts to \$192m. This comprises investments in collateralized loan obligations of \$238m net of secured financing through repurchase agreements of \$46m.

FN-AC-550a.4

Net exposure to written credit derivatives.

As of June 30, 2021, the net on-balance sheet exposure to written credit derivatives amounts to \$24m. The notional value of these derivatives amounts to \$897m.

SASB DISCLOSURE

Activity Metrics

FN-AC-000.A

(1) Total registered AUM and (2) Total unregistered AUM.

(1) Total registered AUM was approximately \$49 million as of June 30, 2021. Our registered AUM includes funds subject to the Undertakings for Collective Investment in Transferable Securities (UCITS) Directive.

(2) Total unregistered AUM was approximately \$37.6 billion as of June 30, 2021. Our unregistered AUM equals total AUM minus total registered AUM.

FN-AC-000.B

Total assets under custody and supervision.

As of June 30, 2021, Investcorp had total assets under management of \$37.6 billion. Please refer to our [Investcorp's total assets under management](#) for further information on Investcorp's total assets under management.

Deloitte Independent Assurance Report

Independent limited assurance report to Investcorp Holdings B.S.C. (“Investcorp” or “the Company”) on the compilation of selected sustainability performance indicators (“KPIs”) presented in Investcorp’s 2021 Responsible Business report.

An overview of the scope of our assurance work

We have been engaged by Investcorp Holdings B.S.C. (“Investcorp” or “the Company”) to perform a limited assurance engagement on the compilation of selected sustainability performance indicators (“Subject Matter”) for the years ended 30 June 2019, 30 June 2020, and 30 June 2021. The assured data appears in the 2021 Responsible Business report (“Report”).

Selected Subject Matter for assurance

The Company’s reported performance during the given reporting period for selected key sustainability performance indicators (“KPIs”) presented on _____ and denoted with the symbol 🟢 in the Report. The KPIs comprised of:

- Scope 1;
- Scope 2;
- Scope 3 (select);
- Total; and
- Emissions intensity.

Reporting criteria

The above Subject Matter has been assessed against the reporting criteria shown in _____ of the Report (“Reporting Criteria”).

What standards we used: basis of our assurance work and level of assurance

We carried out limited assurance

procedures over Investcorp’s selected Subject Matter in accordance with the International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (“ISAE 3000”) and with the International Standard on Assurance Engagements 3410 “Assurance Engagements on Greenhouse Gas Statements” (“ISAE 3410”). To achieve limited assurance, ISAE 3000 and ISAE 3410 require that we review the process, systems, and competencies used to compile the Report, on which we provide limited assurance. It does not include detailed testing for each of the KPIs reported, or of the operating effectiveness of processes and internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited

assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Consequently, our conclusion is not expressed as an audit opinion.

What we did: key limited assurance procedures

To form our conclusion, we undertook the following procedures:

- Interviewed management to understand the process of identification, data collection, consolidation, and reporting for each of the selected KPIs.
- Reviewed and evaluated the Reporting Criteria for measurement and reporting for each of the selected KPIs against the actual calculation performed by the Company to support the numbers of the selected KPIs disclosed in the Report.
- Agreed the selected KPIs to the Company’s internal calculations and supporting documentation.


Deloitte Independent Assurance Report (continued)

- Compared the content of the Report against the findings of the aforementioned procedures.

Inherent limitations

The process an organization adopts to define, gather, and report information on its non-financial performance is not subject to the formal processes adopted for financial reporting. Therefore, data of this nature is subject to variations in definitions, collection, and reporting methodology, often with no consistent, accepted external standard. This may result in non-comparable information between organizations and from year to year within an organization as methodologies develop. To support clarity in this process, Investcorp has developed a Reporting Criteria document for the years 2019, 2020, and 2021 which defines the scope of each assured metric and the method of calculation. This is available in [Appendix A](#) of the Report and should be read together with this report.

In relation to our work performed on the selected subject matter, we note the following specific limitations:

- Our assurance procedures did not include detailed testing of IT controls of the underlying systems used by Investcorp to collate and report data for the environmental metrics.
- With the exception of the KPIs denoted with the symbol  in the Report, our testing did not include assurance of, or detailed testing of the underlying data for each of the KPIs reported, or of published assertions. As such, our work does not involve procedures to verify the accuracy of the performance data or assertions published.

Our independence and quality control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics

Standards Board for Accountants (IESBA Code), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior, and the ethical requirements that are relevant in the UAE. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

In performing our work, we applied International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Roles and responsibilities

Investcorp

The Company is responsible for the calculation of the selected KPIs in accordance with the Reporting

Criteria. Specifically, the Company is responsible for ensuring that the information provided under the selected sustainability KPIs is properly prepared in accordance with Investcorp's calculation methodologies and confirming the measurement or evaluation of the subject matter against the applicable Reporting Criteria. Management is also responsible for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte

Our responsibility is to provide a limited level of assurance on the subject matters as defined within the scope of work above to Investcorp in accordance with our letter of engagement, and report thereon. In conducting our limited assurance engagement, we have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for

Deloitte Independent Assurance Report (continued)

Accountants (IESBA Code).

We confirm that we apply International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our work has been undertaken so that we might state to Investcorp those matters we are required to state to them in this limited assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Investcorp for our work, for this report, or for the conclusion we have formed.

Conclusions

Based on our limited assurance procedures performed and evidence obtained, subject to the limitations

mentioned above, nothing has come to our attention that causes us to believe that the selected KPIs for the years ended 30 June 2019, 30 June 2020, and 30 June 2021 have not been prepared, in all material respects, in accordance with the Reporting Criteria. ■



Deloitte & Touche (M.E.)

28 November 2021

Important Information

This Responsible Business report (the “Report”) is being made available regarding Investcorp Holdings B.S.C. (together with its subsidiaries and affiliates, “Investcorp”) and its efforts on environmental, social, and governance (“ESG”) performance. This Report should be read in conjunction with Investcorp’s 2021 Annual Report and the information and disclosures contained therein.

The information contained in this Report may not necessarily be complete and may change at any time without notice. Investcorp undertakes no, and expressly disclaims any, obligation to update, amend, or clarify any statements made or information provided, whether as a result of new information, subsequent events, or otherwise.

By accessing this Report, you agree that this material is the intellectual property of Investcorp and that you will not directly or indirectly copy, modify, recast, publish, or redistribute this Report and the information contained herein, in whole or in part, or otherwise make any commercial use of this material without Investcorp’s prior

written consent. All rights reserved.

Select portfolio investments

This Report contains descriptions and analysis of select portfolio company investments, and does not contain an analysis for all Investcorp portfolio investments. No assumptions should be made that these investments were or will be profitable. Not all Investcorp portfolio investments had or have the characteristics, prospects, performance, or projected successes highlighted in this Report.

References to the portfolio companies are intended solely to illustrate the application of some of Investcorp’s investment process only and should not be viewed as a recommendation of any particular security or portfolio company, or used as an indication of the current or future performance of Investcorp’s portfolio companies. The investments described in the selected case studies were made by different investment funds, vehicles, accounts, or other investment products managed, sponsored or affiliated with entities controlled by Investcorp (each a “Fund”), and do not represent all

the investments purchased or sold by any such Fund. The information contained in this Report is not intended to address the circumstances of any particular entity or individual and is solely intended to summarize for illustrative purposes the ESG processes and strategies previously used by Investcorp or its portfolio companies. This Report should not be relied upon for any other purpose. Investment professionals, portfolio managers, and portfolio companies may use some or all of the techniques and/or processes described herein, which remain subject to change. Moreover, the Report does not summarize investment performance, and the specific transactions and portfolio companies described in this Report do not represent all the transactions or portfolio companies engaged in, purchased, sold, or recommended by Investcorp.

Source of information

Certain information contained in this Report was obtained from published and nonpublished sources, including Investcorp’s internal analysis and information provided by the applicable

portfolio companies described herein. Such information, including the impacts of Investcorp’s ESG initiatives, contains estimates that have not been verified by Investcorp or an independent third party, and neither Investcorp nor any such portfolio company guarantees, assumes responsibility for, or makes any representations or warranties (express or implied) with respect to, the accuracy, adequacy, or completeness of such information (or for updating the Report based on facts learned following its publication). The impacts described may also reflect the influence of external factors such as macroeconomic or industry trends that may be unrelated to the ESG initiative presented. There is no guarantee that results shown will be replicated in the future, and actual results may be better or worse in future years.

Past performance

Any performance data or comments expressed in this Report are an indication of past performance. Past performance is neither indicative nor a guarantee of future results and should not be relied upon as such; no

Important Information (continued)

representation is being made that any investment will or is likely to achieve profits similar to those achieved in the past, or that significant losses can or will be avoided. There can be no assurances that Investcorp's or any Fund's investment objectives will be achieved or that any of its respective investment programs will be successful. Similarly, there can be no assurances that the ESG processes and strategies previously used by Investcorp's portfolio companies will continue or will achieve any particular desired outcome. Readers should not assume, and no representation is being made, that any investment or transaction involving the portfolio companies identified and discussed herein, or any other investment made, was or will be profitable or will not incur significant losses.

No offer or solicitation

This Report and the information contained herein are for informational purposes only and are not intended to be, do not constitute, and should not be relied on in any manner as, advice or an offer to sell, or the solicitation of

an offer to buy, any security or other ownership interest (including interests in any Fund), product, or service, or to participate in any trading strategy with or alongside any Fund, nor shall the Report or the fact of its distribution form the basis of, or be relied on in connection with, any transaction or investment decision. If any such offering is made, it will only be made by means of a final prospectus, confidential private placement memorandum, or other such offering document (as amended and/or restated from time to time), which would contain material information (including associated risks of an investment and certain conflicts of interest) not contained in this Report and which would supersede and qualify in its entirety the information set forth herein. No part of this Report constitutes, and should not be relied on in any manner as, investment, legal, tax, regulatory, accounting, or other advice of any kind.

Forward-looking statements

The contents of this Report may represent, contain, or be based upon forward-looking statements

or information that is based on management's beliefs, assumptions, current expectations, estimates, and projections about the financial industry, the economy, Investcorp itself, or its investments. All statements other than statements of historical facts, including those regarding expectations, beliefs, projections, future plans and strategies, anticipated events or trends, and similar expressions are forward-looking statements, and may be identified by the use of terminology including, but not limited to, "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof, or other variations thereon, or comparable terminology. Forward-looking statements are inherently uncertain, and changing factors, such as those affecting the markets generally, or those affecting particular industries or portfolio companies, may cause events or results to differ from those discussed. Accordingly, these statements are not guarantees of future performance, results, or courses of action and involve certain risks, uncertainties, and assumptions that are difficult to predict with regard to, for example,

timing, extent, likelihood, and degree of occurrence. Moreover, actual events, results, and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements, and undue reliance should not be placed on such statements or the conclusions drawn therefrom. ■



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