



Responsibility Report 2022



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About Keyhaven Capital Partners

Welcome to our third Annual Responsibility Report

Keyhaven Capital Partners is a specialist private equity manager dedicated to the European lower middle market. With a diverse team, a network embedded in local markets and a flexible approach to deal making, we work with industry leaders to accelerate growth, building robust, sustainable businesses that deliver for their investors, employees, and local communities. Since our foundation in 2003, we have invested or advised on in excess of €2 billion and made more than 65 investments in Europe.

Despite the continued challenges posed by the macroeconomic environment in 2022, we had a busy year. We completed two secondary investments: a secondary direct transaction and a single asset continuation vehicle, which together account for almost €40 million of invested capital. Our portfolio companies were active on an M&A front, with no less than 19 add-on acquisitions completed, which have a collective Enterprise Value of €241 million. Early 2023 also exhibited strong momentum with regards to exits: to date, we successfully realised two assets and achieved returns ahead of expectations, distributing a substantial amount of capital back to our investors.



Message from Managing Partners



We are excited to publish our third Responsibility Report. This is testament to our unwavering commitment to sustainable growth and responsible business practices.

Claus Stenbaek
Managing Partner



Since 2022, we bolstered female representation across our portfolio. Our recent analysis reveals that over 30% of senior roles are now held by women.

Sasha van de Water
Managing Partner



As Keyhaven's Managing Partners, we are pleased to present our third annual Responsibility Report, providing a detailed account of our achievements over the past year alongside our ambitious plans for the future.

As our aspirations towards responsibility have grown, so too have our processes and initiatives dedicated to sustainable practices. Over the last year, we continued to refine our engagement and monitoring as we strive for greater transparency and impact.

We increased our efforts in supporting responsible initiatives in our portfolio companies and formalised it as an agenda item for all portfolio company board meetings.

As part of this report, we improved and redistributed our questionnaire across our secondaries portfolio to further systematise and improve in the collection of responsibility-related Key Performance Indicators ("KPIs").

We use the questionnaire to methodically monitor and track our progress on such initiatives. This allows our investors to follow developments for both our portfolio companies and at Keyhaven in a regular and transparent manner.

17

different nationalities at Keyhaven

20

different languages spoken

50%

of our team are women
across the firm

While we continue to improve our data collection, we believe that processes and procedures are never a substitute for individual responsibility. This same belief informs our approach to responsible investing. Our investment team seeks to embed greater awareness and action on responsibility-related issues in the operations of all our investments where we are able to drive real change.

Keyhaven counts eight partners who together possess a complimentary set of professional skills, deep cultural awareness, strong language capabilities, and significant industrial experience. We are well positioned for European lower middle market investing, where local networks and knowledge are vital to accessing and assessing the best opportunities, which in turn are key to creating long-term high-quality performance.

At Keyhaven, our responsible investing principles are fundamental to our reputation as a partner of choice in the European lower middle market. We believe that engaging with companies and investors on such issues can drive a measurable positive impact on the environment and society while creating sustainable value for both companies and investors.

Keyhaven has been a signatory to the UN-supported Principles for Responsible Investment (“UN PRI”) since 2013. In 2021, we became an Institutional Limited Partners Association (“ILPA”) Diversity in Action signatory and continue to participate in the 10,000 Interns Foundation, an initiative offering internships across a range of industries to black and disabled students across the UK to help kick-start their career. This year, we added to this roster, through supporting charities such as Macmillan Cancer Support and migrating our technology and servers to Microsoft Cloud, which reduces our carbon footprint and eliminates the need for physical, on-site storage.

We hope you enjoy reading this latest instalment of our Responsibility Report, offering a clear view into in our business and within our portfolio companies, while highlighting the positive steps we have made so far.

As always, we welcome your thoughts or queries, and would be delighted to discuss any aspects of this report or responsible activities at Keyhaven Capital.

With kind regards,

Claus Stenbaek
Managing Partner

Sasha van den Blink
Managing Partner

Responsible Investment

Policy and Commitment

We believe in setting out clear policies for operating and investing and sticking to them. We do not follow trends or fads, and we are not afraid of being contrarian in our views. We adhere to the highest levels of compliance and corporate governance and recognise that responsibility factors are fundamental inputs to making sound investment decisions. To ensure our standards remain relevant and core to our values, our policy is periodically reviewed by our entire team, starting with the Keyhaven Partners.

We have constructed our investment process to ensure that Keyhaven benefits from robust debate across varying viewpoints and opinions, so that we reach thoroughly deliberated investment decisions. By closely working together, we can leverage the expertise and resources of our management teams and investor partners to address responsibility-related issues effectively. This collaborative effort not only enhances our collective ability to drive impactful change but also reinforces our commitment to fostering a more responsible and sustainable business environment.



At Keyhaven, we annually appraise our Policy on Responsible Investment, and though we are pleased with our substantial achievements, our dedication drives us to continuously improve and build upon our past success.

Sasha van de Water
Managing Partner



As advocates for responsible excellence within our portfolio companies, we are equally committed to driving positive change within our own operations. By continuously strengthening our internal initiatives, we reinforce the culture of responsibility that is core to our Firm.

Claus Stenbaek
Managing Partner

In August 2013, Keyhaven became a signatory of the United Nations-supported Principles for Responsible Investment and we have had an internal responsible investing policy since 2006. UN PRI's six principles guide our investment decisions, and we actively encourage our business partners to follow the same guidelines:

Principles for Responsible Investment



Principle 1

We will incorporate issues into investment analysis and decision-making processes



Principle 2

We will be active owners and incorporate responsibility issues into our ownership policies



Principle 3

We will seek appropriate disclosure issues by the entities in which we invest



Principle 4

We will promote acceptance and implementation of the Principles within the



Principle 5

We will work together to enhance our effectiveness in implementing the Principles



Principle 6

We will each report on our activities and progress towards implementing the Principles

Approach and Process

Investment Analysis and Decision Making

- We aim to identify any potential risks and to ensure that the investee company implements and considers responsibility issues appropriately by keeping an open forum for dialogue.
- We conduct in-depth due diligence focusing on responsibility on each opportunity, its management team, and the sector a company is operating in. We complete similar due diligence on our investor partners when appropriate.
- Our commitment to sustainability during the investment appraisal process is underlined by having a standalone section dedicated to such considerations within investment recommendation papers.
- Where necessary, responsibility and PRI principles are included in the limited partnership agreement, side letters and other legal documents to ensure they are anchored in our investment relationships.
- We have decided not to invest in sectors we do not consider in line with our values, specifically tobacco, defence, gambling, precious metals and stones, natural resources, and minerals.
- We are committed to only investing in opportunities that exhibit compliance with appropriate national, state, and local labour laws in the countries in which companies operate; support the payment of competitive wages and benefits to employees; provide a safe and healthy workplace in conformance with national and local law; and, consistent with applicable law, respect the rights of employees to decide whether or not to join a union and engage in collective bargaining.

Ownership Practices

- We seek to grow and improve the companies in which we invest for long-term sustainability that benefits multiple stakeholders, including those with explicit responsibility objectives.
- We strive to incorporate governance structures that provide appropriate levels of oversight and transparency in the areas of audit, risk management and potential conflicts of interest and to implement compensation schemes and other policies that align the interests of owners and management.
- We seek to utilise our experience to identify and implement measures in portfolio companies aimed at increasing recycling, reducing emissions, and lowering energy consumption, sharing best practices from both current and realised investments.
- We maintain strict policies that prohibit bribery, child or forced labour and discriminatory policies across our portfolio companies.

Monitoring

- To monitor progress, we require our portfolio investments to complete a responsibility questionnaire annually and to promptly share with Keyhaven any new initiatives or ideas. Furthermore, the Chief Compliance Officer will formally report on such matters during the annual LP Representative Committee Meeting and at the Annual Investor Meeting.
- We implement our standards by engaging directly with relevant stakeholders or alternatively through representatives within portfolio companies through our Board or LP Advisory Committee positions.
- Given the nature of many of our portfolio companies, we expect the activities and processes of our underlying management teams to improve over time.

Disclosure on issues to investors

- We formally summarise and present our developments on an annual basis at each LP Representative Committee Meeting and in this annual Responsibility Report.
- We highlight pertinent responsibility updates in quarterly investor reporting documentation.
- Lastly, we promote principles in public and private forums wherever possible.

Responsible Investment continued

Responsible investing is a key differentiator for Keyhaven. We expect our portfolio companies and partners to act with the same levels of compliance, corporate governance, and ethics that we set for ourselves.

Guidelines



Responsibility:

- We seek to grow and improve the companies in which we invest for long-term sustainability and to benefit multiple stakeholders, including those with explicit environmental, social and governance interests.



Review:

- Portfolio companies are required to fill in an annual questionnaire in support of our efforts to systematically monitor their internal progress on responsibility objectives.
- We have established an internal Responsibility Committee to give a formal forum to such matters.



Monitoring:

- We work with management teams to improve governance over the course of our investment period.
- We bring attention to matters within our portfolio companies through our active engagement with their management teams and through our participation at board meetings.



Reporting:

- We publish a Responsibility Report.
- We comply with annual PRI reporting.



Exit:

- Responsible investing progress is documented in the data room for new investors.

What we did in 2021 and 2022

- Improved reporting and formalised processes within our internal Responsibility Working Group
- Joined ILPA's Diversity in Action initiative
- Monitored, analysed, and reported on key updates at portfolio companies
- Outlined Keyhaven's alignment to the UN's Sustainable Development Goals
- Published our third Responsibility Report

Targets for 2023

- Use external resources to enhance training for the Investment Team
- Utilise software and technology to improve KPI monitoring for portfolio investments and pipeline deals
- Organise external training for the Investment Team
- Broaden the groups we work with to further our ambitions of achieving carbon neutrality
- Expand our engagement with charitable organisations

Responsibility in Action

This marks the third year that we have gathered and consolidated a set of KPIs for our portfolio companies.

We will continue to repeat this exercise annually by sending our Responsibility questionnaire to portfolio companies and monitoring progress made from previous years, with results shared in this report. We are pleased to see that many companies in our portfolio are making timely progress towards their goals and a selection of the KPIs are shared on the right.

Item	Score	Comment
Environmental		
Reduction of carbon footprint	90%	90% of portfolio companies are implementing initiatives to reduce carbon footprint, such as improved product sourcing, water and energy usage and transport initiatives
Product sourcing	67%	Over two-thirds of portfolio companies have product sourcing strategies to reduce their environmental impact
Environmental incidents	95%	95% of portfolio companies did not report any environmental incidents in the last 12 months
Social		
Women in senior positions	100%	100% of portfolio companies have women in senior positions
Employee benefit scheme and welfare programme	86%	Over 85% of portfolio companies have employee benefit schemes and welfare programmes
Equal workforce	38%	Over one-third of portfolio companies have more than a 50% female workforce
Charitable giving	90%	90% of portfolio companies are involved in charitable giving and initiatives to support the community
Governance		
Code of conduct/ethics	90%	90% of portfolio companies have a formal code of conduct/ethics
Volunteer days off	57%	Over 50% of portfolio companies allow employees to take days off to volunteer
Anti-bribery policies	81%	Over 80% of portfolio companies set in place anti-bribery policies

Responsibility in Action continued

The following is a representative selection of achievements across our unrealised portfolio companies during our ownership.


DARAG

First independent non-life insurance company specialising in taking over the inactive or discontinued business, so-called “run-off”, of direct insurers and reinsurers to its own balance sheet

HQ	Investment Size (millions)
UK	€33.9
Acquired	Sector
July 2014	Insurance

Key Achievement

Improved governance through implementing a new shareholder oversight committee, and recruiting a new Group COO and Chief Risk Officer to re-engineer the claims operating model, a new Head of Internal Audit, and internally promoting a new Head of Global M&A.




Amethyst Radiotherapy

Leading multi-country operator of radiotherapy clinics for the treatment of most types of common cancers

HQ	Investment Size (millions)
Pan-European	€17.9
Acquired	Sector
October 2019	Healthcare

Key Achievement

Partnered with several foundations and charities to support local communities.



Barbara Sturm Molecular Cosmetics

Internationally renowned specialist in aesthetics medicine. The company's products target non-surgical skin rejuvenation and provide anti-ageing treatments

HQ	Investment Size (millions)
Pan-European/US	€16.4
Acquired	Sector
January 2019	Consumer

Key Achievement

Palm oil-based ingredients are sourced from RSPO certified sustainable sources. Supply chain partners have committed to achieving CO₂ neutrality by sourcing more energy from green sources.

DR. BARBARA
STURM

elseco

Specialist insurance underwriter focused on the space, aviation, and energy industries

HQ	Investment Size (millions)
UK	€13.5
Acquired	Sector
December 2018	Insurance

Key Achievement

Took a leading role in promoting responsible behaviour in space through pioneering the launch of the World Space Sustainability Association (WSSA) in October 2021 as a founding member.

elseco

EVAGO Group

Live events infrastructure and services provider that is headquartered in Germany and represented in over 15 countries with offices in the Netherlands, the UK, the US, and Australia

HQ	Investment Size (millions)
Germany	€26.5
Acquired	Sector
September 2019	Business Services

Key Achievement

Increased the number of females in the workforce by 80% between 2021 and 2022. Improved carbon footprint with electric vehicles now accounting for 22% of the total fleet.

EVAGO
GROUP

Optimapharm

Niche full-service Contract Research Organisation with headquarters in Croatia and a presence in 27 countries

HQ	Investment Size (millions)
Pan-European	€9.2
Acquired	Sector
May 2020	Healthcare

Key Achievement

Led by a female CEO, over 77% of all FTEs are represented by females, including 60% of senior positions.



Novation Tech

Leading carbon fibre and composites manufacturer serving the automotive, aerospace, eyewear, and sports industries

HQ	Investment Size (millions)
Italy	€15.2
Acquired	Sector
May 2017	Manufacturing

Key Achievement

Novation's Croatian factory used 100% renewable energy in 2022. Conducted 1,310 hours of training for employees in 2022.



OUTCO

Expert outdoor compliance services business that provides winter services and grounds maintenance, together with surfacing and civil engineering solutions to the corporate market

HQ	Investment Size (millions)
UK	€18.9
Acquired	Sector
November 2018	Business Services

Key Achievement

Investing in green operations; using more environmentally friendly salt and trialling the use of liquid salt which reduces overall salt consumption during gritting services.



capital D

Secondary purchase of an LP partnership interest in Fund I and a commitment to Fund II with co-investment rights

HQ	Investment Size (millions)
Pan-European	€14.8
Acquired	Sector
November 2021	TMT

Key Achievement

Qmee: Enhanced diversity in the team with 50% of employees now female or people of colour.

VONQ: Established a cross-functional Responsibility Committee monitoring KPIs and setting annual objectives and initiatives.



MyFamily

Leading global producer of engravable pet ID tags and tag engraving machines outside of the US market

HQ	Investment Size (millions)
Italy	€15.0
Acquired	Sector
March 2021	Consumer

Key Achievement

Increased renewable energy generation through the installation of solar panels on several warehouses.



Phrasee

Second largest global AI powered SaaS platform centred on “brand language optimisation” to simplify short form text generation

HQ	Investment Size (millions)
Global	€19.8
Acquired	Sector
March 2022	TMT

Key Achievement

Enhanced women in leadership positions to 48% and published an AI Ethics policy, ensuring data will not target or exploit vulnerable populations.



Real Good Dental

Largest dental practice group in Scotland, serving over 350,000 patients across 82 practices

HQ	Investment Size (millions)
UK	€31.1
Acquired	Sector
June 2021	Healthcare

Key Achievement

Retendered all energy contracts to companies that are committed to green causes and made a concentrated effort to reduce paper usage across the estate of dental practices.



SSI Diagnostica

SSI Diagnostica Group is a leading global developer and manufacturer of rapid diagnostic testing products for respiratory and tropical diseases

HQ	Investment Size (millions)
Denmark	€20.1
Acquired	Sector
October 2022	Healthcare

Key Achievement

Strengthened governance through the appointment of further executives, increasing female representation in senior positions to 60%.



Steer Automotive Group

Market-leading network of B2B specialist vehicle repair centres for the UK motor insurance industry

HQ	Investment Size (millions)
UK	€29.2
Acquired	Sector
March 2021	Business Services

Key Achievement

Secured a 5-year fixed 100% sustainable electricity contract. Switched to an innovative and market-leading paint solution which dries quicker and at lower temperatures, reducing energy use per vehicle repair.



Surexport

Leading and fully integrated Spanish producer of fresh berries

HQ	Investment Size (millions)
Spain	€35.3
Acquired	Sector
April 2021	FoodTech

Key Achievement

Installation of measurement sensors and an image contrast-based software that improves irrigation has led to a 4% reduction in water consumption between 2021 and 2022.



The following is a representative selection of achievements across our realised portfolio companies during our ownership.

Agrupapulpi

Leading Spanish producer and exporter of vegetables and fruit with substantial production facilities in southeast Spain

HQ	Investment Size (millions)
Spain	€20.0
Acquired	Sector
December 2019	FoodTech

Key Achievement

Between 2021 and 2022 the company reduced hazardous waste in tonnes by 16% and increased the proportion of its workforce with a disability from 1% to 3%.



EANOS Investments

Portfolio of 15 Portuguese commercial offices with 7 core assets based in Lisbon

HQ	Investment Size (millions)
Portugal	€20.8
Acquired	Sector
March 2017	Real Estate

Key Achievement

Implemented a full renovation Castilho 50, including installing LED lights and refurbishing the heating, ventilation and air conditioning system which improved the energy rating from C to A.

EANOS
Investments

TCX

European leader in special purpose boots, shoes and safety/performance footwear for motorcycle riders sold under its own brand and through its white label offering to partner brands

HQ	Investment Size (millions)
Italy	€6.0
Acquired	Sector
May 2017	Manufacturing

Key Achievement

Optimised sourcing and manufacturing processes to reduce transportation of goods and scrap rates.



Pension Insurance Corporation

Acquires and manages defined benefit pension funds on behalf of blue-chip corporate clients

HQ	Investment Size (millions)
UK	€17.8
Acquired	Sector
February 2017	Insurance

Key Achievement

In 2019, the company invested £7.8 billion in social housing, renewable energy and UK based universities, all positive contributors to society.



PENSION INSURANCE
CORPORATION

Pet Network International

Leading regional Southeast European pet food and accessories retailer, offering a broad product portfolio of global and own label brands

HQ

Pan-European

Acquired

March 2018

Investment Size (millions)

€13.0

Sector

Consumer

Key Achievement

Female CEO, CFO and Non-Executive Director demonstrate diversity of the senior management team.



Case Studies



elseco is a UK-based specialist insurance underwriter focused on the space, aviation, and energy sectors. elseco provides the only operational, full cycle insurance trading platform via its ATOM technology platform, ranging from policy entry, risk management, CRM, and portfolio management, to e-commerce, pricing analysis, accounting, compliance, HR, and reporting. Founded in 2006, the company is a global market leader in space insurance with an estimated 12% market share.

Keyhaven invested into the company in December 2018 and have been working with the senior management team to implement several industry leading responsibility-related initiatives.

Space Sustainability

The topic of space sustainability has become increasingly important as more satellites have been launched, leading to higher amounts of space debris. elseco have taken a leading role in promoting responsible behaviour in space through pioneering the launch of the World Space Sustainability Association (WSSA) in October 2021 as a founding member. The organisation aims to encourage responsible financial investment into space, promote the sustainable development of space innovation and provide a forum within the space community to discuss the key issues impacting the sector. As a first action, WSSA created the Onspace platform to provide space enthusiasts and experienced space professionals a

forum to connect and exchange ideas regarding responsible space exploration. In addition, elseco's proprietary technology platform helps to provide data to the market on space sustainability.

Employee Welfare

elseco recognises that its employees are its key asset. In addition to continuously monitoring the training needs of its staff so they are adequately equipped for their roles, management have paid close attention to their mental and physical health and wellbeing. The company has an ongoing 'elseFIT' program that promotes a healthy and active lifestyle through simple and low carbon footprint exercises in addition to promoting a balanced and varied diet. Office-wide team bonding activities are frequently organised to improve social cohesion and inclusiveness. The business also has an inclusive approach to recruitment, demonstrated by elseco's diverse employee base consisting of 18 different nationalities and approximately 29% female representation.

Environmental Responsibility

As part of its commitment to preserving the environment for future generations, elseco has supported the Ferme de Ludies permaculture initiative in the South of France since 2016. The farm, which has reached 37 tonnes of organic fruit and vegetable production, has recently become self-sustaining with regards to water usage

and plans to generate all of its electricity requirement internally by the end of the year. Beyond supporting the initiative, elseco has invited its clients to the farm to further promote its responsibility values.

Within the energy division, elseco provides insurance for renewable energy projects and is investing in expanding its offering here. elseco is developing innovative insurance products to enable financing in sustainable industries and is exploring opportunities to use insurance to promote the use of renewable energy and sustainable business practices in the space and aviation industries.

29%

female representation

18

different nationalities in the workforce





Founded in Berlin in 2004, reBuy is a leading European business in the re-commerce sector, which entails the acquisition, refurbishment, and subsequent sale of used consumer products.

Keyhaven invested in reBuy in February 2018, and the management team has been focusing on strengthening the company's existing sustainability initiatives and complementing these with further measures to support the business in achieving its long-term targets.

Sustainability-Focused Business Model

According to research conducted by the European Parliament, e-waste is one of the fastest growing waste streams in the EU with less than 40% of products recycled, placing an ever-increasing spotlight on sustainability champions such as reBuy. The business is a sustainability enabler, providing an effortless way for consumers to dispose of unwanted items and facilitating their purchase by environmentally conscious consumers. By virtue of its operations, the business prevented 213 tonnes of electronic waste in 2022, gave 422,000 electronic products a new life and in doing so, added 1.3 million years to the useful life of consumer products during the year. The company's media division, which includes the sale of books, extended the useful life of 9.8 million media products in 2022, saving 35,000 trees in the process. reBuy has also been

carbon neutral since 2021, offsetting approximately 2.5 million of CO₂ emissions each year.

Environmentally Conscious

Alongside the positive impact of its business model, reBuy has focused on enhancing the sustainability of its operations, with particular attention paid to emissions generated from logistics. During 2022, the business consolidated shipments to customers through combining multiple orders which led to 25,000 fewer shipments in 2022 than in 2021 and reduced the weight per box by 30% to 50% over the same period. The business introduced its 'Switch-Off' initiative at its Falkensee (Germany) location to reduce energy usage which led to the facility operating without using artificial lighting for two months in the summer. reBuy has also implemented green mobility initiatives at its Falkensee and Rudow (Poland) offices and introduced a circular allowance, providing incentives for carpooling and second-hand purchases.

Looking forward, reBuy has set ambitious targets of reducing CO₂ emissions by 35% for each unit sold by 2030 and will look to double the number of trees saved each year to 70,000. The business has recently installed solar panels at its Poznan site (Poland), supporting reBuy's aim of transitioning towards renewable energy sources.

Community Focused

reBuy has implemented initiatives to develop a strong connection with its local community. In Berlin, reBuy continues to support the Karuna charity by providing mobile phones to homeless individuals and equips Karuna's bookstore where homeless people sell used books for a donation. Further to this, the business participated in the 'Christmas in a Box' initiative where 20 employees helped to pack 1,700 boxes filled with Christmas surprises for children in need.

213 tonnes

of electronic waste prevented in 2022

422,000

electronic products given a new life in 2022





Headquartered in Germany, EVAGO is a leading live events infrastructure and services provider with a presence in over 20 countries including the Netherlands, the UK, the US, and Australia.

Keyhaven invested in the company in September 2019 and have been working on a broad range of responsibility initiatives, with a particular focus on environmental sustainability, employee welfare and governance.

Sustainable Services

EVAGO is strongly committed to ensuring that its service is delivered in a responsible and sustainable manner. Environmental considerations start with logistics where the business has continued efforts to upgrade its fleet of vehicles. Electric vehicle (“EV”) adoption has been a key conduit to achieving this aim and EVs now account for 22% of the total fleet. EVAGO’s environmental measures extend to on-site event execution. At the end of an event, EVAGO sorts the waste and collects plastic foils which were used in the transport of the infrastructure. The business resells the plastic to a recycling company who then assist with extending its useful life. EVAGO has also introduced an innovative water system, which collects rainwater to clean live event infrastructure. In addition, the system recycles the water to use in future sanitisation activities.

Societal Impact

EVAGO has built a strong workforce which has grown to over 140 employees by December 2022, a more than 30% increase on the previous year. The business recognises that fostering an inclusive work environment is key to retaining and attracting new talent. EVAGO has introduced several measures to develop its culture, including granting the workforce with days off to volunteer, and providing health check-ups for employees. EVAGO also recognises the benefits of a diverse workforce and has seen the number of women in the workforce increase by 80% year-on-year to 36, with the number of females in the management team now standing at 25%.

Enhanced Governance

Since investment, EVAGO has improved governance structures through establishing an advisory board, comprised of four members, and expanding its legal, compliance and accounting departments. It is a pioneer in proactive health and safety and environmental compliance which contributed towards EVAGO being awarded contracts to supply infrastructure to high-profile events such as the 2022 Commonwealth Games, held in Birmingham, and the German G7 summit. Alongside this, the board monitors and evaluates the impact of existing and new supplier

relationships to ensure they align with the high responsible standards that EVAGO sets.

22%

of the total fleet are electric vehicles

80%

increase in the female workforce between 2021 and 2022





Agrupapulpi is a leading Spanish producer and exporter of fruit and vegetables offering a fully integrated operation, from seedling to cultivation, harvesting, processing and delivery. Agrupapulpi's key products are lettuce, watermelon, and broccoli, as well as citrus, melon, and celery, with the company being well renowned for its quality and reliability.

Keyhaven invested in the company in December 2019 and successfully exited in April 2023. During our investment period we worked with the business on a wide range of initiatives, with a focus on sustainable agricultural practices, and staff welfare.

Sustainable Crops

Agrupapulpi has been well recognised for its agricultural practices and environmental initiatives, passing the GLOBAL G.A.P. (Good Agricultural Practices) audit and the additional Tesco Nurture module, certifying that the company follows a set of standards promoting good agricultural practices (including food safety and labour) and that the fruit and vegetables are grown in an environmentally responsible manner.

The company regularly carries out a sustainability review with external advisors to highlight achievements and areas for improvement. Some of the initiatives implemented during our investment include: investing in improved refrigeration equipment which reduced monthly energy consumption by 25%, installing a solar photovoltaic plant at the production site for internal energy consumption,

and using recyclable containers.

Between 2019 and 2022, Agrupapulpi's energy consumption in kWh and water consumption in tonnes increased by 56% and 36% respectively, whilst hazardous waste in tonnes reduced by 29%. For context, this is significantly lower than the company's revenue growth of over 200% between 2019 and 2022, demonstrating management's success in improving the energy efficiency of the company's operations.

Employee Welfare

Agrupapulpi recognises that their business is very labour-intensive and therefore understand that staff welfare is crucial to success. The company attained the GLOBAL G.A.P. Risk Assessment on Social Practice ("GRASP") certification, which assesses the workers' health, safety, and welfare conditions. The company has increased employee training around preventive techniques to avoid work-related injuries and improve overall working conditions. Agrupapulpi implemented a suite of governance policies including a code of conduct, health and safety procedures, anti-bribery and corruption policy, whistle-blowing procedures and cybersecurity policy which are provided to all employees.

An Equality Committee was established in 2016 to provide clear employment and HR policies built around equal opportunities. At exit, 43% of employees are female, and 3% of employees have a disability.

Societal Impact

As well as the aforementioned certifications, all operations are certified according to the highest standards in food safety (Brand Reputation through Compliance or "BRC") and ethical trade (Sedex Members Ethical Trade Audit or "SMETA"). During the Covid-19 pandemic, Agrupapulpi provided spare tractors and sprayers to local communities to support disinfection activities. Furthermore, the company participates in charitable events and donates products to Cáritas, a non-governmental organisation which looks after people on lower incomes.

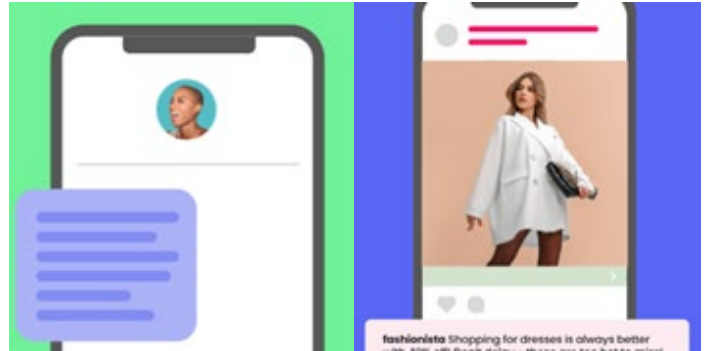
43%

proportion of the workforce which is female

29%

reduction in hazardous waste in tonnes during Keyhaven's investment period





Phrasee is a market disruptive, leading AI-powered content platform used to simplify short form text generation for marketing campaigns. Phrasee developed a deep-tech enterprise-grade platform that automatically generates, optimises, and analyses marketing language in real time and at scale, requiring no human intervention and leading to superior customer engagement and increased lifetime value for its customers.

Keyhaven invested in Phrasee in March 2022. Since acquisition, we have been working to implement a wide range of initiatives, particularly focusing on strengthening governance and improving employee wellbeing and diversity. In addition, management is working with an external advisor to reduce the company's carbon footprint.

Improved Governance

Since our investment in March 2022, the Board adopted and implemented several corporate governance policies including anti-harassment, anti-bribery, diversity, and inclusion. The company is one of the first AI companies in the world to have published its AI Ethics policy, ensuring data will not target or exploit vulnerable populations, while identifying and removing prejudice from data. Phrasee is GDPR compliant and is in the process of obtaining the ISO 27001 certification, an independent expert assessment

attesting that the organisation has invested in people, processes, and technology to protect its data.

Team Diversification

Phrasee strives to provide a good and inclusive working environment. In 2022, the company was ranked within the Top 50 Best Workplaces for Medium-Sized Organisations in the UK and within the Top 25 for UK Best Workplaces for Women. During the course of the year, management has been strengthened with the internal promotion of two female employees (of which one is part of the LGBTQ+ community) to VP positions. Management is now gender balanced with 48% of the team identifying as female.

Furthermore, the Board appointed a new independent chairperson, a professional with significant international C-suite experience in marketing and advertising technology, enterprise software and SaaS. During 2022, the Board instituted a wide equity linked exit bonus pool to align interests of the workforce and of the shareholders.

Carbon Footprint

Phrasee has been collaborating with Greenly, a sustainability platform dedicated to measuring, managing, and reducing carbon emissions. In 2022, for the first time since being established, Phrasee measured its greenhouse gas ("GHG") emissions and carbon footprint. According to Greenly, the recorded GHG emissions of 1.43tCO₂e per employee is

approximately 10% lower than the sector benchmark.

Furthermore, the majority of these emissions are not produced by Phrasee itself but are indirectly produced by the company's value chain. To further offset the impact of its activities on the environment, Phrasee covers close to 50% of its energy needs from renewable sources.

46%

share of renewable energy consumption

48%

percentage of female employees



Responsibility at Keyhaven

Core Values

At Keyhaven, we believe that our long-standing responsibility principles are fundamental to our reputation as a partner of choice in the European lower middle market. In addition to being an integral part of our investment process and portfolio company operations, responsibility factors permeate our identity as a business.

Diversity

We are a firm believer that the benefits of diversity go far deeper than a mere public relations exercise or as an expression of social justice. It is clear to us that as the global landscape shifts and evolves, companies that adapt by nurturing an active diversity policy will be better positioned to succeed and prosper. We are proud that across our firm, 50% of our team are women.

The broader Keyhaven team is comprised of individuals with diverse professional backgrounds, nationalities, and language capabilities: we originate from 17 countries and possess fluency in 20 distinct languages. This rich heritage serves as a foundational pillar of our firm, influencing our culture, strategy, and execution capabilities. We are a complementary mix of people united by a common drive for success, a questioning nature, and a welcoming, innovative, and collaborative ethos.

Responsibility

Keyhaven established its first internal principles for managing responsible investing in 2006 and formally became a signatory to the UN PRI in August 2013. We recognise that corporate responsibility and social aspects are valid and important components of private equity investment decisions and that socially responsible investing considers both investors' financial needs and an investment's impact on society.

Given the importance of responsible investing and considering our UN PRI obligations and responsibilities, Keyhaven formed an internal Responsibility Committee in 2021 to give a formal forum to discuss such matters. Participation is drawn from our Investment, Investor Relations, Compliance and Finance functions.

Community

2021 also saw us become an ILPA Diversity in Action signatory. The report identifies best practices for integrating diversity, equity and inclusion into investment activities and organisational priorities. It is just the first in a series that will, over time, demonstrate the progress that the broader private equity industry is making on diversity and inclusion.

Keyhaven continues to participate in the 10,000 Black Interns programme, which aims to transform the prospects of young black people in the United Kingdom by offering paid work experience across a wide range of industries. Through our participation, we aim to be at the forefront of improving workplace representation in our industry. We are pleased to have welcomed at least one intern each year since the programme was initiated in 2020. Keyhaven will further engage with community and charitable events in 2023, such as the Macmillan Cancer Support.

Environmental

In 2017, Keyhaven partnered with First Mile, who are committed to a zero-to-landfill approach, recycling and reusing as much of Keyhaven's waste as possible. Our commitment to the environment extends beyond recycling. The firm has moved away from on-site data storage to a more energy-efficient cloud-based service, provided by Microsoft.

50%

of our team are women across the firm

17

different nationalities

20

languages spoken

 Principles for Responsible Investment

Diversity in Action



#10000
BLACK
INTERNS

 first mile

Looking Forward

This report marks our third annual responsibility publication. The process has again allowed us to celebrate key achievements and progress within our portfolio companies during our ownership, such as EVAGO increasing their electric vehicle fleet to 22%, or reBuy preventing 213 tonnes of electronic waste in 2022. However, we will not stop here. Looking forward, we will continue to support our portfolio companies through the pursuit of new responsibility-related initiatives and ideas.

Digital transformation will be at the forefront of Keyhaven's focus over the upcoming year. Our goal is to integrate technology into our operations to monitor and enhance all areas of our business, placing emphasis on elevating our efficiency. We have already migrated our servers and virtual access to the Microsoft Cloud, which mitigates the carbon footprint associated with data storage and computation. This aligns with Keyhaven's aspiration of advancing towards a future characterised by greater sustainability in energy practices.

Within our investment process, our transition to a new deal flow tracking software marks a strategic leap forward. With several advanced features and the integration of our contacts and relationships, the new software will enhance the Investment Team's operational efficiency, streamlining our deal management processes and allowing for more comprehensive insights. We aim to be fully utilising the software in early-2024.

Our Investment Team will continue to work with our portfolio companies to establish responsible action plans, with clearly defined goals, milestones, and steps to achieve them. We will also continue to utilise and expand our questionnaire, which enables us to systematically track progress against our baselines. We look forward to updating you in future reports.