

ESG Overview 2020



EXECUTIVE SUMMARY

PSG is a leading growth equity investor focused on partnering with exceptional management teams in software. PSG is headquartered in Boston with offices in London and Kansas City.

ESG IMPACT THROUGH SELECT PORTFOLIO COMPANIES¹



Social media platform of 100+ million members seeking working class employment opportunities



Provider of cloud-based human resources software and services for human capital management market (sold to KKR Global Impact Fund, August 2019)



SaaS platform for enterprise corporate social responsibility and employee engagement technology (sold to Blackbaud, January 2018)

INVESTMENT STRATEGY

PSG seeks to invest in high-growth, market-leading software and technology-enabled service companies, with particular focus in business applications, mobile payments, A.I. and security & network technology. PSG targets businesses with mission critical applications in large addressable markets, a sticky customer base and proven management teams. PSG typically invests in businesses with the following characteristics at the time of investment:

- **Investment Size:** \$10m – 100m
- **Revenue:** \$5 – 75mm+
- **EBITDA:** Breakeven - \$10mm
- **Investment Type:** Growth, Platform, Recap
- **Ownership:** Majority or Minority

CYBERSECURITY

PSG has implemented several cybersecurity initiatives that seek to minimize risks to portfolio companies through (i) pre-deal tech diligence and (ii) ongoing assessments conducted by third parties. PSG launched a program to engage with third-party consultant firm, Crosslake, to provide a comprehensive assessment of each potential investment as part of the diligence process. Additionally, PSG updated its internal process to include an annual cybersecurity assessment of portfolio companies performed by a 3rd party advisor to compile a standard view on the cybersecurity positions in PSG's portfolio.

DIVERSITY & INCLUSION

PSG believes a diversity of experiences, perspectives and backgrounds is the foundation of our culture. In 2020, PSG launched its Women in Business Internship Program, hiring 8 women and 1 diverse candidate from 5 different schools. Launching in Summer 2021, PSG is partnering with Seize Every Opportunity ("SEO") to host 2-4 diversity candidates for summer internships. Inclusive of the initiatives outlined above, PSG has increased its female and minority hires from a combined 6 professionals in 2017 to 38 professionals in 2020.

HEALTH & WELLNESS

PSG's Health & Wellness initiative aims to support PSG's employees in becoming healthier, more productive, "stress-less" individuals. In 2020, PSG hired Erik Miller, Director of Health & Fitness, to implement effective health, wellness, and fitness strategies for the benefit of our employees. Through Erik and the PSG's Health & Wellness Committee's efforts, PSG aims to teach our employees how to live with more vitality by making healthy choices habitual. We believe that if our team is healthy, so is our company's productivity and returns.

PHILANTHROPY & COMMUNITY SUPPORT



SOCIAL JUSTICE

In June 2020, PSG rolled out a Social Justice initiative with the philosophy that in order to see real and lasting change for our BIPOC community, it is our responsibility to educate ourselves and identify ways to take effective action.

- Hosted bi-monthly internal roundtables led by racial equity experts focused on targeted readings, podcasts and documentaries relevant to social justice.
- Implemented both internal and portfolio company training series led by Living Cities and Grads of Life, respectively, focusing on themes of education, awareness, and change strategies.
- Offered a speaker series led by experts on racial equity which lays out the roadmap ahead for the PSG social ecosystem. PSG's latest speaker series hosted 459 total attendees with 32 portfolio companies in attendance.

PROJECT SAFEHOUSE & JJMS

PSG partnered with two of our CEOs, Matt Combs (YourCause) and Scott Johnson (AbacusNext) in their efforts in Africa:

- Teamed with Matt Combs, Patrick Arop and Patrick's village in Uganda to deliver safe homes and reliable resources. PSG and Matt established Project Safehouse as a nonprofit, and PSG continues to provide funds on a monthly basis.
- Partnered with Scott Johnson and "JJMS," a Christian nonprofit to serve Mobalela Village in QwaQwa, South Africa. JJMS provides a home to more than 60 children who would otherwise have no place to go. In teaming with Scott, PSG provides funds to cover monthly expenses and recently supported the foundation's effort to dig two water wells.

The information shown herein is as of December 2020, is provided for informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any interest in a PSG managed investment vehicle or any of its portfolio companies. For a full list of PSG portfolio companies, please visit psgequity.com/full-portfolio. By viewing the information shown herein, you agree to the terms and conditions of PSG's website which are available at psgequity.com/terms.