



PUBLIC TRANSPARENCY REPORT

2023

Five Arrows

Generated 15-12-2023

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Our sustainability journey began in 2012 when we became a signatory of the UN PRI.

Our commitments have grown steadily over time: we have been a signatory of the France Invest ESG Charter since 2014; we created our Sustainability Board in 2015; and we began training our investment professionals through the UN PRI Academy in 2016. In 2021, we created a dedicated Sustainability

team, currently comprising 3 full-time professionals. In 2022, we defined our new Sustainability Strategy, which reflects our determination and desire to address sustainability in a comprehensive, operational and ambitious manner.

The Five Arrows investment philosophy is deeply-rooted in the notion of long-term thinking, including in respect of sustainability matters, resulting in a Sustainability Strategy that is:

- Ambitious because of the range of topics we look to tackle, the objectives we set ourselves, and the speed at which we move to meet these goals.

- Inclusive because everyone has a role to play - from back-office to front-office, and from junior to senior.

The governance and training programmes we have established evidence this.

- Innovative because we will inevitably reinvent the way we work internally and with our partners. Collective intelligence and creativity are key to seizing opportunities and differentiating ourselves from our peers.

Our Strategy is built on three intertwined pillars, namely commitments that we make within Our Teams, Our Investments and Our Ecosystem.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Climate Change is a priority for us. In 2022, Five Arrows defined an ambitious Climate Strategy covering our main sources of GHG emissions, including those of our portfolio companies. The main strategic axes to implement this strategy are:

1. Committing to set near-term company-wide emission reduction targets in line with the Science Based Targets initiative (SBTi). Science-based targets show companies and financial institutions how much and how quickly they must decarbonise to prevent the worst impacts of climate change.

Near-term science-based targets are 5-10 year GHG mitigation targets in line with 1.5°C pathways;

2. Considering climate performance and/or risks in 100% of our investment decisions;
3. Supporting transparency and monitoring through systematic reporting of GHG emissions within our portfolio; and
4. Actively promoting cultural change internally and externally through training and engagement.

We are committed to further detailing our Climate Strategy with the goals and means for our operational and portfolio emissions once the targets have been validated by the SBTi.

In 2022, our Sustainability reporting was reinforced thanks to individual follow-up reports sent to each portfolio company, following the completion of the questionnaire.

This “Factsheet”, covering the key indicators of each ESG questionnaire per strategy, is given to every investment to help them benchmark themselves with other relevant investments within our portfolio and compare them to external industry-wide benchmarks.

In 2022, we also adhered to the ESG Data Convergence Initiative (EDCI) to access benchmarks for ESG metrics specifically in private equity.

In 2022, our Direct Lending team collaborated with other leaders in the market, along with France Invest to start to standardise Sustainability-linked loans, instruments issued with contractual commitments to achieve sustainability performance objectives.

We believe further market harmonisation practices should be developed and are playing an active role in doing this.

As a result of this working group, France Invest has shared a “Best practice Guide for Private Debt Sustainability-Linked Financing” aimed at promoting good practices among all stakeholders involved in the implementation of sustainability-linked financing and strengthening the integrity of these tools to avoid “green-washing” or “impact-washing”.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Five Arrows has committed to set near-term company-wide emission reductions in line with climate science with the SBTi.

In 2022, we recruited a Sustainability manager to further deepen our ESG integration.

We are progressively deploying Article 8 and Article 9 products (as defined under the SFDR). If we exclude all the funds raised before March 2021, when SFDR took effect, the AuM of our funds classified as Article 8 or 9 represents 57% of the total.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Mireille Klitting

Position

Partner

Organisation's Name

Five Arrows

● A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

○ B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- ☐ (A) Yes
- ☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 14,250,856,930.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 10,079,734,020.00

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	0%	0%
(B) Fixed income	>10-50%	0%
(C) Private equity	>10-50%	>0-10%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	0%
(J) Off-balance sheet	0%	0%

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

(1) Segregated mandate(s)		(2) Pooled fund(s) or pooled investment(s)
(E) Private equity	0%	>75%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	0%
(B) Passive – corporate	0%
(C) Active – SSA	0%
(D) Active – corporate	>10-50%
(E) Securitised	>50-75%
(F) Private debt	>10-50%

ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PUBLIC	Asset breakdown: Internally managed private equity	GENERAL

Provide a further breakdown of your internally managed private equity AUM.

(A) Venture capital 0%

(B) Growth capital >0-10%

(C) (Leveraged) buy-out >75%

(D) Distressed, turnaround or
special situations 0%

(E) Secondaries >10-50%

(F) Other 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

>50-75%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(C) Fixed income – corporate	(1) 0%
(D) Fixed income – securitised	(1) 0%
(E) Fixed income – private debt	(1) 0%
(F) Private equity	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(3) Fixed income - active	(5) Private equity
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Yes, through external managers

☐☒

(D) We do not conduct stewardship

☐☐

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(F) Fixed income - corporate

☒☐

(G) Fixed income - securitised

☒☐

(H) Fixed income - private debt

☒☐

(I) Private equity

☒☐

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?

(1) Yes, we incorporate ESG factors when selecting external investment managers

(2) No, we do not incorporate ESG factors when selecting external investment managers

(E) Private equity



EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

(1) Yes, we incorporate ESG factors when appointing external investment managers

(2) No, we do not incorporate ESG factors when appointing external investment managers

(E) Private equity



EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

(1) Yes, we incorporate ESG factors when monitoring external investment managers

(2) No, we do not incorporate ESG factors when monitoring external investment managers

(E) Private equity



ESG STRATEGIES

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(2) Fixed income - corporate

(3) Fixed income - securitised

(A) Screening alone

0%

>75%

(B) Thematic alone

0%

0%

(C) Integration alone

0%

0%

(D) Screening and integration

>75%

0%

(E) Thematic and integration	0%	0%
(F) Screening and thematic	0%	0%
(G) All three approaches combined	0%	0%
(H) None	0%	0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

	(2) Fixed income - corporate	(3) Fixed income - securitised
(A) Positive/best-in-class screening only	0%	0%
(B) Negative screening only	0%	0%
(C) A combination of screening approaches	>75%	>75%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

☒ (A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>10-50%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	●	○	○
Confidence Building Measures	●	○	○
(F) Fixed income – corporate	●	○	○
(G) Fixed income – securitised	●	○	○

(H) Fixed income – private debt	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

OTHER ASSET BREAKDOWNS

PRIVATE EQUITY: SECTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 22	CORE	OO 21	N/A	PUBLIC	Private equity: Sectors	GENERAL

In which sector(s) are your internally managed private equity assets invested?

- ☐ (A) Energy
- ☐ (B) Materials
- ☐ (C) Industrials
- ☐ (D) Consumer discretionary
- ☐ (E) Consumer staples
- ☒ (F) Healthcare
- ☐ (G) Financials
- ☒ (H) Information technology
- ☒ (I) Communication services
- ☐ (J) Utilities
- ☐ (K) Real estate

PRIVATE EQUITY: OWNERSHIP LEVEL

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 23	CORE	OO 21	N/A	PUBLIC	Private equity: Ownership level	GENERAL

What is the percentage breakdown of your internally managed private equity investments by the level of ownership?

☒ (A) A majority stake (more than 50%)

Select from the list:

- ☐ (1) >0 to 10%
- ☒ (2) >10 to 50%
- ☐ (3) >50 to 75%
- ☐ (4) >75%

☒ (B) A significant minority stake (between 10–50%)

Select from the list:

- ☐ (1) >0 to 10%
- ☒ (2) >10 to 50%
- ☐ (3) >50 to 75%
- ☐ (4) >75%

☐ (C) A limited minority stake (less than 10%)

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
 - ☐ (B) Guidelines on environmental factors
 - ☐ (C) Guidelines on social factors
 - ☐ (D) Guidelines on governance factors
 - ☐ (E) Guidelines on sustainability outcomes
 - ☒ (F) Guidelines tailored to the specific asset class(es) we hold
 - ☒ (G) Guidelines on exclusions
 - ☐ (H) Guidelines on managing conflicts of interest related to responsible investment
 - ☒ (I) Stewardship: Guidelines on engagement with investees
 - ☒ (J) Stewardship: Guidelines on overall political engagement
 - ☒ (K) Stewardship: Guidelines on engagement with other key stakeholders
 - ☒ (M) Other responsible investment elements not listed here
- Specify:

Sustainability risk management through the investment lifecycle and material sustainability risks

- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☐ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
 - ☐ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
 - ☒ (C) Specific guidelines on other systematic sustainability issues
- Specify:

Sustainability risk management

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_sustainability_risks_policy.pdf

☒ **(H) Specific guidelines on other systematic sustainability issues**

Add link:

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_sustainability_risks_policy.pdf

☒ **(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_sustainability_risks_policy.pdf

☒ **(J) Guidelines on exclusions**

Add link:

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_sustainability_risks_policy.pdf

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_sustainability_risks_policy.pdf

- ☐ (M) Stewardship: Guidelines on overall political engagement
- ☐ (N) Stewardship: Guidelines on engagement with other key stakeholders
- ☐ (P) Other responsible investment aspects not listed here
- ☐ (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- ☒ (A) Overall stewardship objectives
- ☐ (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- ☐ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- ☒ (D) How different stewardship tools and activities are used across the organisation
- ☐ (E) Approach to escalation in stewardship
- ☒ (F) Approach to collaboration in stewardship
- ☐ (G) Conflicts of interest related to stewardship
- ☐ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (I) Other
- ☐ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment

(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(C) Specific guidelines on other systematic sustainability issues

(1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ (B) Fixed income

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☒ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%
- ☐ (11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

The Credit Management team's ability to drive change is limited due to its position as a minority debt investor, as it invests in a diverse portfolio of assets. Due to the nature of the syndicated loan asset class, the team focuses its efforts on assessing the borrower's ESG compliance and tracks its evolution through a proprietary ESG scoring methodology. However, it does have other advantages such as its ability to exit or reduce positions, given the liquid nature of the asset class.

☒ (C) Private equity

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%
- ☒ (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- ☒ (A) Board members, trustees, or equivalent
☒ (B) Senior executive-level staff, or equivalent

Specify:

Sustainability Board members, Merchant Banking Management Committee members, Head of Strategies (Managing Partners and Managing Directors)

- ☒ (C) Investment committee, or equivalent

Specify:

For certain funds, ESG matters are required to be systematically discussed during Investment Committee meetings.

- ☒ (D) Head of department, or equivalent

Specify department:

Head of Sustainability ; Head of Risk ; Head of Compliance

- ☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(K) Stewardship: Guidelines on overall political engagement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

☒ (A) Yes

Describe how you do this:

The role of the Sustainability team is to ensure that these principles are translated into a roadmap validated by the Sustainability Board, comprising senior leaders from each of the Five Arrows investment verticals which is answerable to the Five Arrows Management committee.

Concerning political engagement conducted by a third party on our behalf, we include ESG clauses in our side letter.

- (B) No
- (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

☒ **(A) Internal role(s)**

Specify:

All the investment professionals with support from our sustainability, risk, compliance, legal and finance teams.

☒ **(B) External investment managers, service providers, or other external partners or suppliers**

Specify:

External managers (General Partners invested in by our fund of funds team)

When relevant and available, industry-wide benchmarks are used to assist in the evaluation of the ESG performance of our portfolio companies.

For certain funds, ESG due-diligence is conducted with external providers if required, for example when a red flag is raised at the pre-investment stage, or during the first years of the investment

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Explain why: (Voluntary)

From 2023 onwards sustainability criteria will be included as part of the annual performance reviews and 10% of the annual bonus will be linked to sustainability criteria.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

- ☐ (A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)
- ☒ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**

Explain why: (Voluntary)

From 2023 onwards sustainability criteria will be included as part of the annual performance reviews and 10% of the annual bonus will be linked to sustainability criteria.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Specific competence in other systematic sustainability issues



(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies



EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☐ (E) Climate-related commitments
- ☐ (F) Progress towards climate-related commitments
- ☐ (G) Human rights-related commitments
- ☐ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☒ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☐ (A) Yes, including all governance-related recommended disclosures
- ☐ (B) Yes, including all strategy-related recommended disclosures
- ☒ (C) Yes, including all risk management-related recommended disclosures
- ☐ (D) Yes, including all applicable metrics and targets-related recommended disclosures
- ☐ (E) None of the above

Add link(s):

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/fr_mb_fam_sas_article_29_lec.pdf

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

☒ **(A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2021/en_mb_pai-statement_sfdr.pdf
https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/en_mb_remuneration_policy_2023.pdf

☐ (B) Disclosures against the European Union's Taxonomy

☐ (C) Disclosures against the CFA's ESG Disclosures Standard

☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

Article 29 report (French Law)

Link to example of public disclosures

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/fr_mb_fam_sas_article_29_lec.pdf

☒ **(E) Disclosures against other international standards, frameworks or regulations**

Specify:

At the Group level, Rothschild & Co discloses climate related impact via CDP, which includes sections dedicated to Five Arrows.

Link to example of public disclosures

https://www.rothschildandco.com/siteassets/publications/rothschildandco/group/2022/en_randco_sustainability_report_2022.pdf

☐ (F) Disclosures against other international standards, frameworks or regulations

☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

☒ (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://www.rothschildandco.com/en/merchant-banking/responsibility/our-commitments/>

☐ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

☐ (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services

☒ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries

☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact

☒ (D) Exclusions based on our organisation's climate change commitments

☐ (E) Other elements

☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

☐ (1) for all of our AUM subject to strategic asset allocation

☐ (2) for a majority of our AUM subject to strategic asset allocation

☒ (3) for a minority of our AUM subject to strategic asset allocation

☒ (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

☐ (1) for all of our AUM subject to strategic asset allocation

☐ (2) for a majority of our AUM subject to strategic asset allocation

☒ (3) for a minority of our AUM subject to strategic asset allocation

☒ (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☒ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☐ (3) for a minority of our AUM subject to strategic asset allocation

☒ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

Select from dropdown list:

- ☐ (1) for all of our AUM subject to strategic asset allocation
- ☐ (2) for a majority of our AUM subject to strategic asset allocation
- ☒ (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

- ☐ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- ☐ (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

(2) Fixed income**(3) Private equity**

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- ☐ (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- ☒ **(B) We collaborate on a case-by-case basis**
- ☐ (C) Other
- ☐ (D) We do not join collaborative stewardship efforts

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- ☒ (A) **Joining or broadening an existing collaborative engagement or creating a new one**
- ☐ (B) Publicly engaging the entity, e.g. signing an open letter
- ☒ (C) **Not investing**
- ☐ (D) Reducing exposure to the investee entity
- ☒ (E) **Divesting**
- ☐ (F) Litigation
- ☐ (G) Other
- ☐ (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☐ (A) Yes, we engaged with policy makers directly
- ☒ (B) **Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI**
- ☒ (C) **Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI**
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☒ (A) We participated in 'sign-on' letters
- ☐ (B) We responded to policy consultations
- ☐ (C) We provided technical input via government- or regulator-backed working groups
- ☐ (D) We engaged policy makers on our own initiative
- ☒ (E) Other methods

Describe:

In 2022, our Direct Lending team collaborated with other leaders in the financial markets, along with France Invest, to start to standardise Sustainability-linked loans, instruments issued with contractual commitments to achieve sustainability performance objectives. We believe further market harmonisation practices should be developed and are playing an active role to help make this happen. As a result of this working group, France Invest has shared a "Best practice Guide for Private Debt Sustainability-Linked Financing" aimed at promoting good practices among all stakeholders involved in the implementation of sustainability-linked financing and strengthening the integrity of these tools to avoid "green-washing" or "impact-washing".

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- ☒ (A) We publicly disclosed all our policy positions

Add link(s):

https://www.rothschildandco.com/siteassets/publications/rothschildandco/merchant_banking/2023/fr_mb_fam_sas_article_29_lec.pdf

- ☐ (B) We publicly disclosed details of our engagements with policy makers
 - ☐ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

☒ (A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

A study of climate-related risks and opportunities on our activities, determined that the main risks are: 1) negative impact to financial performance, 2) liquidity discount on some assets, 3) rising regulation for sustainable finance, and 4) climate risks endangering asset value and income levels.

Regarding our investment portfolios, we recently conducted a sector-based analysis with the help of external consultants, based on the SASB Standards methodology. Using scores provided by the SASB Industry Working Group, we were able to identify the most material risks that could occur in our portfolio. Regarding GHG emissions, one of the key sustainability issues encompassed in SASB's materiality approach, only 3% of our exposure was categorised as "high risk" (mostly corresponding to investments in manufacturing and transportation services).

☐ (B) Yes, beyond our standard planning horizon

☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

☒ (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

In 2022, Five Arrows defined an ambitious Climate Strategy covering our main sources of GHG emissions, including those of our portfolio companies.

The main strategic axes to implement this strategy are:

- 1- Committing to set near-term company-wide emission reduction targets in line with the Science Based Targets initiative (SBTi). Science-based targets show companies and financial institutions how much and how quickly they must decarbonise to prevent the worst impacts of climate change. Near-term science-based targets are 5-10 year GHG mitigation targets in line with 1.5°C pathways;
- 2- Considering climate performance and/or risks in 100% of our investment decisions;
- 3- Supporting transparency and monitoring through systematic reporting of GHG emissions within our portfolio; and
- 4- Actively promoting cultural change internally and externally through training and engagement.

In 2021, we launched Five Arrows Sustainable Investments (FASI), a pan-European growth and buyout fund addressing three core verticals with the aim of capturing transition-related opportunities: Clean Energy; Food and Agriculture; and Sustainable Cities (building and construction, clean transportation, circular economy, waste and water management).

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- ☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- ☐ (B) Yes, using the One Earth Climate Model scenario
- ☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- ☐ (D) Yes, using other scenarios
- ☒ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- ☒ (A) Yes, we have a process to identify and assess climate-related risks
 - (1) Describe your process

Integrating sustainability within our investment process is a part of our risk management framework. During our holding period, we use Sustainability questionnaires to ask our portfolio company management teams and fund managers questions focused on climate risks. Example questions include:

- Has the company assessed its physical vulnerability to climate change (including extreme climate events, global warming, sea level rise, etc.)?
- Has the company assessed its vulnerability to transition risks associated with climate change (regulatory changes, new market trends, technological issues, implications in terms of company reputation)?
- If the company is exposed to one or more significant climate risks (physical or transition risks), specify and indicate what mitigation initiatives have been implemented.

We also use external databases and reputational risk analytics and metrics tools, working hand-in-hand with our Risk Management team to further reinforce this approach.

(2) Describe how this process is integrated into your overall risk management

Five Arrows' approach to sustainability risk management varies from strategy to strategy.

In general, our approach is based on a variety of factors, including but not limited to:

- the time horizon for our investments which varies depending on the relevant investment strategy (e.g. our private equity fund investments tend to be long-term investments, while our credit management investments tend to be more short/medium term);
- the types of assets; and
- the sectors / geographies.

☒ **(B) Yes, we have a process to manage climate-related risks**

(1) Describe your process

For certain investment strategies, such as private equity, we agree on a Sustainability roadmap or action plan and identify indicators that will be used to address the sustainability risks identified, including climate-related risks, and monitor the promotion of environmental and/or social characteristics within each portfolio company.

(2) Describe how this process is integrated into your overall risk management

For certain investment strategies, such as private equity, investment teams complete ESG due diligence based on interactions with the management teams of portfolio companies and, depending on the conclusion of this analysis, and especially when a red flag is raised, conduct extensive ESG due diligence with the help of an external expert covering all major sustainability-related topics. If extensive ESG due diligence was not completed during the pre-investment phase, an ESG review is completed during the first years of the investment to identify next steps leading to the construction of a sustainability roadmap for that portfolio company.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?

- ☐ (A) Exposure to physical risk
- ☐ (B) Exposure to transition risk
- ☒ (C) Internal carbon price
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - ☐ (1) Metric or variable used
 - ☒ (2) Metric or variable used and disclosed
 - ☐ (3) Metric or variable used and disclosed, including methodology
 - (2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

https://www.rothschildandco.com/siteassets/publications/rothschildandco/group/2022/en_randco_sustainability_report_2022.pdf

- ☐ (D) Total carbon emissions
- ☐ (E) Weighted average carbon intensity
- ☐ (F) Avoided emissions
- ☐ (G) Implied Temperature Rise (ITR)
- ☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- ☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
- ☐ (J) Other metrics or variables
- ☐ (K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- ☐ (A) Scope 1 emissions
- ☐ (B) Scope 2 emissions
- ☐ (C) Scope 3 emissions (including financed emissions)
- ☒ (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☐ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (B) The UNFCCC Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other relevant taxonomies
- ☐ (G) The International Bill of Human Rights
- ☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (I) The Convention on Biological Diversity
- ☐ (J) Other international framework(s)
- ☐ (K) Other regional framework(s)
- ☒ (L) Other sectoral/issue-specific framework(s)
Specify:

As part of our risk management approach, we analysed our portfolios through the lens of the Sustainability Accounting Standards Board (SASB), a common reference tool used to identify the main ESG issues within a given sector.

- ☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☐ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☐ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☒ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☐ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- ☐ (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons			
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(2) Corporate	(3) Securitised
(A) Yes, we have a formal process that includes scenario analyses		
(B) Yes, we have a formal process, but does it not include scenario analyses	(1) for all of our AUM	(1) for all of our AUM
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	○	○
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	○	○

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(2) Corporate	(3) Securitised	(4) Private debt
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	○	○	○
(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your organisation incorporate material ESG factors when selecting private debt investments during the due diligence phase?

☒ **(A) We use a qualitative ESG checklist**

Select from dropdown list:

- ☒ **(1) in all cases**
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☒ **(B) We assess quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity**

Select from dropdown list:

- ☐ (1) in all cases
- ☒ **(2) in a majority of cases**
- ☐ (3) in a minority of cases

☒ **(C) We check whether the target company has its own responsible investment policy, sustainability policy or ESG policy**

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☐ (D) We hire third-party consultants to do technical due diligence on specific material ESG factors where internal capabilities are not available

☒ (E) We require the review and sign-off of our ESG due diligence process by our investment committee, or the equivalent function

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☒ (F) We use industry-recognised responsible investment due diligence questionnaire (DDQ) templates

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in a majority of cases
- ☐ (3) in a minority of cases

☐ (G) We use another method of incorporating material ESG factors when selecting private debt investments during the due diligence process

☐ (H) We do not incorporate material ESG factors when selecting private debt investments during the due diligence phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

(2) Corporate

(3) Private debt

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(B) We make a qualitative assessment of how material ESG factors may evolve

(2) for a majority of our AUM

(2) for a majority of our AUM

(C) We do not incorporate significant changes in material ESG factors

☐

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

At what level do you incorporate material ESG factors into the risks and/or returns of your securitised products?

- (A) At both key counterparties' and at the underlying collateral pool's levels
- **(B) At key counterparties' level only**
Explain: (Voluntary)
- (C) At the underlying collateral pool's level only

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

(2) Corporate

(3) Securitised

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process

(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(1) for all of our AUM

(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways

(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(2) Corporate	(3) Securitised	(4) Private debt
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(1) for all of our AUM	(1) for all of our AUM	
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors			
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process	(1) for all of our AUM		(1) for all of our AUM
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	○	○	○

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process - Specify:

For new investments, a framework is used to allow the investment committee to understand the ESG risks for a specific investment For existing investments: annual ESG questionnaire is sent to portfolio companies comprising questions and qualitative comments allowing us to see the progress made and potential issues that need to be raised to the sponsor / owners.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(2) Corporate	(3) Securitised	(4) Private debt
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 21	N/A	PUBLIC	Performance monitoring	1

During the reporting year, how did your organisation incorporate material ESG factors when monitoring private debt investments?

☒ (A) We used a qualitative ESG checklist

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in the majority of cases
- ☐ (3) in the minority of cases

☒ (B) We assessed quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in the majority of cases
- ☐ (3) in the minority of cases

☐ (C) We hired third-party consultants to do technical assessment on specific material ESG factors where internal capabilities were not available

☒ (D) We used industry body guidelines

Select from dropdown list:

- ☒ (1) in all cases
- ☐ (2) in the majority of cases
- ☐ (3) in the minority of cases

☐ (E) We used another method to incorporate material ESG factors into the monitoring of private debt investments

☐ (F) We did not incorporate material ESG factors when monitoring private debt investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.

Credit Management strategy:

1. A sports rights media company is an example of an investment which we declined on ESG grounds for governance reasons. Under our ESG matrix, the company scored 15/15 for environment (A grade), but only 10/15 for social (C grade) and 3/15 for governance (F grade), the latter alone is a failing score. A subsidiary had been subject to an investigation and two employees of the subsidiary had pled guilty to bribery of officials in exchange for media and marketing rights. Whilst the investigation was concluded and no-one at the company was indicted or charged with a crime, our ESG assessment highlighted sustained governance risks at the issuer level. This company subsequently had performance issues.

2. A software company is an example of an investment which we declined on ESG grounds for social reasons. Under our ESG matrix, the company scored 14/15 for environment (A grade), but 3/15 for social (F grade) and 2/15 for governance (F grade), grades for both social and governance alone would equal a fail score. The software company sold surveillance software to certain governments which had weak human rights records and where the software may have aided in the commission of human rights abuses. The software company therefore had a failing issuer score. This company subsequently had performance issues

3. An Oil & Gas ("O&G") drilling business is an example of an investment which we declined on ESG grounds for environmental reasons. Under our ESG matrix, the company scored 6/15 for environment (D grade), 11/15 for social (B grade) and 9/15 for governance (C grade), the low grades for environment and governance together equal a fail score. The O&G" drilling business has large engineering, procurement and construction exposure. The O&G exposure therefore failed our environmental matrix.

In addition, please see our figures for the past 3 years (2020, 2021 and 2022).

Deals declined due to ESG factors:

Declined E	10	43%
Declined S	6	26%
Declined G	7	31%
Total	23	100%

Deals declined on ESG grounds as a % of total deals reviewed: 4%.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- ☒ (A) We share a list of ESG screens
- ☐ (B) We share any changes in ESG screens
- ☐ (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- ☐ (D) We do not share the above information for all our fixed income assets subject to ESG screens

PRIVATE EQUITY (PE)

POLICY

INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 1	CORE	OO 21	N/A	PUBLIC	Investment guidelines	1 to 6

What private equity-specific ESG guidelines are currently covered in your organisation's responsible investment policy(ies)?

- ☒ (A) Guidelines on our ESG approach tailored to the sector(s) and geography(ies) where we invest
- ☒ (B) Guidelines on our ESG approach tailored to the strategy(ies) and company stage(s) where we invest, e.g. venture capital, buy-out and distressed
- ☒ (C) Guidelines on pre-investment screening
- ☒ (D) Guidelines on minimum ESG due diligence requirements
- ☐ (E) Guidelines on our approach to ESG integration into short-term or 100-day plans (or equivalent)
- ☒ (F) Guidelines on our approach to ESG integration into long-term value-creation efforts
- ☒ (G) Guidelines on our approach to monitoring ESG risks, ESG opportunities and ESG incidents
- ☒ (H) Guidelines on our approach to ESG reporting
- ☐ (I) Our responsible investment policy(ies) does not cover private equity-specific ESG guidelines

FUNDRAISING

COMMITMENTS TO INVESTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 2	CORE	OO 21	N/A	PUBLIC	Commitments to investors	1, 4

For all of the funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs), side letters or other constitutive fund documents?

- ☒ (A) We incorporated responsible investment commitments in LPAs (or equivalent) as a standard default procedure
- ☐ (B) We added responsible investment commitments in LPAs (or equivalent) upon clients' request
- ☐ (C) We added responsible investment commitments in side letters upon clients' request
- ☐ (D) We did not make any formal responsible investment commitments for the relevant reporting year
- ☐ (E) Not applicable; we have not raised funds in the last five years

PRE-INVESTMENT

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3	CORE	OO 21	PE 3.1	PUBLIC	Materiality analysis	1

During the reporting year, how did you conduct ESG materiality analysis for your potential private equity investments?

☒ (A) We assessed ESG materiality at the portfolio company level, as each case is unique

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
 - ☐ (2) for the majority of our potential private equity investments
 - ☐ (3) for a minority of our potential private equity investments
- ☐ (B) We performed a mix of industry-level and portfolio company-level ESG materiality analyses
- ☐ (C) We assessed ESG materiality at the industry level only
- ☐ (D) We did not conduct ESG materiality analyses for our potential private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3.1	CORE	PE 3	N/A	PUBLIC	Materiality analysis	1

During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential private equity investments?

- ☐ (A) We used GRI standards to inform our private equity ESG materiality analysis
- ☐ (B) We used SASB standards to inform our private equity ESG materiality analysis
- ☐ (C) We used the UN Sustainable Development Goals (SDGs) to inform our private equity ESG materiality analysis
- ☐ (D) We used environmental and social factors detailed in the IFC Performance Standards (or other similar standards used by development-focused financial institutions) in our private equity ESG materiality analysis
- ☐ (E) We used climate disclosures, such as the TCFD recommendations or other climate risk and/or exposure analysis tools, to inform our private equity ESG materiality analysis
- ☒ (F) We used the UN Guiding Principles on Business and Human Rights (UNGPs) to inform our private equity ESG materiality analysis
- ☒ (G) We used geopolitical and macro-economic considerations in our private equity ESG materiality analysis
- ☒ (H) We engaged with the prospective portfolio company to inform our private equity ESG materiality analysis
- ☐ (I) Other

DUE DILIGENCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 4	CORE	OO 21	N/A	PUBLIC	Due diligence	1

During the reporting year, how did material ESG factors influence the selection of your private equity investments?

☒ (A) Material ESG factors were used to identify risks

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (B) Material ESG factors were discussed by the investment committee (or equivalent)

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☒ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (C) Material ESG factors were used to identify remedial actions for our 100-day plans (or equivalent)

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☒ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (D) Material ESG factors were used to identify opportunities for value creation

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (E) Material ESG factors informed our decision to abandon potential investments in the due diligence phase in cases where ESG risks were considered too high to mitigate

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☐ (F) Material ESG factors impacted investments in terms of the price offered and/or paid

☐ (G) Material ESG factors did not influence the selection of our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 5	CORE	OO 21	N/A	PUBLIC	Due diligence	1

Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential private equity investments?

☒ (A) We do a high-level or desktop review using an ESG checklist for initial red flags

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for a majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☐ (B) We send detailed ESG questionnaires to target companies

☒ (C) We hire third-party consultants to do technical due diligence on specific material ESG factors

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☐ (2) for a majority of our potential private equity investments
- ☒ (3) for a minority of our potential private equity investments

☒ (D) We conduct site visits

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☒ (2) for a majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (E) We conduct in-depth interviews with management and/or personnel

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☒ (2) for a majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (F) We conduct detailed external stakeholder analyses and/or engagement

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☒ (2) for a majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (G) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as other key due diligence, e.g. commercial, accounting and legal

Select from dropdown list

- ☐ (1) for all of our potential private equity investments
- ☐ (2) for a majority of our potential private equity investments
- ☒ (3) for a minority of our potential private equity investments

☒ (H) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence, e.g. commercial, accounting, and legal

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for a majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☐ (I) Other

☐ (J) We do not conduct due diligence on material ESG factors for potential private equity investments

POST-INVESTMENT

MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 6	CORE	OO 21	PE 6.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more KPIs on material ESG factors across your private equity investments?

☒ (A) Yes, we tracked KPIs on environmental factors

Percentage of portfolio companies this applies to:

- ☐ (1) >0 to 10%
- ☐ (2) >10 to 50%
- ☐ (3) >50 to 75%
- ☐ (4) >75 to 95%

☒ (5) >95%

☒ (B) Yes, we tracked KPIs on social factors

Percentage of portfolio companies this applies to:

- ☐ (1) >0 to 10%
- ☐ (2) >10 to 50%
- ☐ (3) >50 to 75%
- ☐ (4) >75 to 95%

☒ (5) >95%

☒ (C) Yes, we tracked KPIs on governance factors

Percentage of portfolio companies this applies to:

- ☐ (1) >0 to 10%
- ☐ (2) >10 to 50%
- ☐ (3) >50 to 75%
- ☐ (4) >75 to 95%

☒ (5) >95%

- ☐ (D) We did not track KPIs on material ESG factors across our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 7	CORE	OO 21	PE 7.1	PUBLIC	Monitoring	1, 2

What processes do you have in place to support meeting your targets on material ESG factors for your private equity investments?

☒ (A) We use operational-level benchmarks to assess and analyse the performance of portfolio companies against sector performance

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

- ☐ (B) We implement international best practice standards, such as the IFC Performance Standards, to guide ongoing assessments and analyses
- ☐ (C) We implement certified environmental and social management systems across our portfolio
- ☒ **(D) We make sufficient budget available to ensure that the systems and procedures needed are established**
 Select from dropdown list
 - ☐ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☒ **(3) for a minority of our private equity investments**
- ☐ (E) We hire external verification services to audit performance, systems, and procedures
- ☐ (F) We conduct ongoing engagement with all key stakeholders at the portfolio company level, e.g. local communities, NGOs, governments, and end-users
- ☒ **(G) We implement 100-day plans, ESG roadmaps and similar processes**
 Select from dropdown list
 - ☐ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☒ **(3) for a minority of our private equity investments**
- ☒ **(H) Other**
 Specify:
- We engage with our portfolio companies through individualised follow-up reports, called “Factsheets”, covering indicators included in the Sustainability questionnaire. It is sent to each company that completed the questionnaire to help them benchmark themselves with other relevant investments within our portfolio and to external industry-wide benchmarks.

- Select from dropdown list
- ☒ **(1) for all of our private equity investments**
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority of our private equity investments
 - ☐ (I) We do not have processes in place to help meet our targets on material ESG factors for our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 9	CORE	OO 21	N/A	PUBLIC	Monitoring	1, 2

Post-investment, how do you manage material ESG risks and ESG opportunities to create value during the holding period of your investments?

- ☒ **(A) We develop company-specific ESG action plans based on pre-investment research, due diligence and materiality findings**
 Select from dropdown list
 - ☐ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☒ **(3) for a minority of our private equity investments**
- ☐ (B) We adjust our ESG action plans based on performance monitoring findings at least yearly
- ☒ **(C) We, or the external advisors that we hire, support our private equity investments with specific ESG value-creation opportunities**
 Select from dropdown list
 - ☐ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☒ **(3) for a minority of our private equity investments**
- ☒ **(D) We engage with the board to manage ESG risks and ESG opportunities post-investment**

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☐ (E) Other

○ (F) We do not manage material ESG risks and opportunities post-investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 12	CORE	OO 21	PE 12.1	PUBLIC	Monitoring	1, 2

How do you ensure that adequate ESG-related competence exists at the portfolio company level?

☒ (A) We assign the board responsibility for ESG matters

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☒ (B) We ensure that material ESG matters are discussed by the board at least yearly

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☐ (C) We provide training on ESG aspects and management best practices relevant to the portfolio company to C-suite executives only

☐ (D) We provide training on ESG aspects and management best practices relevant to the portfolio company to employees (excl. C-suite executives)

☒ (E) We support the portfolio company in developing and implementing its ESG strategy

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☒ (F) We support portfolio companies by finding external ESG expertise, e.g. consultants or auditors

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☒ (G) We share best practices across portfolio companies, e.g. educational sessions or the implementation of environmental and social management systems

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments

☐ (H) We include penalties or incentives to improve ESG performance in management remuneration schemes

☐ (I) Other

○ (J) We do not ensure that adequate ESG-related competence exists at the portfolio company level

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 13	CORE	OO 21	N/A	PUBLIC	Exit	4, 6

During the reporting year, what responsible investment information was shared with potential buyers of private equity investments?

☒ (A) Our firm's high-level commitment to responsible investment, e.g. that we are a PRI signatory

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☒ (B) A description of what industry and asset class standards our firm aligns with, e.g. TCFD

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☒ (C) Our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☒ (D) Our firm's ESG risk assessment methodology (topics covered in-house and/or with external support)

Select from dropdown list

- ☐ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☒ (3) for a minority of our private equity investments

☒ (E) The outcome of our latest ESG risk assessment on the asset or portfolio company

Select from dropdown list

- ☐ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☒ (3) for a minority of our private equity investments

☒ (F) Key ESG performance data on the asset or portfolio company being sold

Select from dropdown list

- ☐ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☒ (3) for a minority of our private equity investments

☐ (G) Other

- ☐ (H) No responsible investment information was shared with potential buyers of private equity investments during the reporting year
- ☐ (I) Not applicable; we had no sales process (or control over the sales process) during the reporting year

DISCLOSURE OF ESG PORTFOLIO INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 14	CORE	OO 21	N/A	PUBLIC	Disclosure of ESG portfolio information	6

During the reporting year, how did you report your targets on material ESG factors and related data to your investors?

- ☐ (A) We used a publicly disclosed sustainability report
- ☒ (B) We reported in aggregate through formal reporting to investors
- ☐ (C) We reported at the portfolio company level through formal reporting to investors
- ☒ (D) We reported through a limited partners advisory committee (or equivalent)
- ☒ (E) We reported back at digital or physical events or meetings with investors
- ☐ (F) We had a process in place to ensure that reporting on serious ESG incidents occurred
- ☒ (G) Other

Specify:

We reported back at digital or physical event and meetings (during our annual Investor Days for instance) with investors or beneficiaries.

- (H) We did not report our targets on material ESG factors and related data to our investors during the reporting year

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☒ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report

- ☐ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- ☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ **(G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
 - ☐ (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☒ **(A) Board, trustees, or equivalent**
 - Sections of PRI report reviewed
 - ☒ **(1) the entire report**
 - ☐ (2) selected sections of the report
- ☒ **(B) Senior executive-level staff, investment committee, head of department, or equivalent**
 - Sections of PRI report reviewed
 - ☒ **(1) the entire report**
 - ☐ (2) selected sections of the report
 - ☐ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year