



LEA 02	Discipline: Monetary	Principle: PRI 1, 2, 3
<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Type of engagement</p> <p>Individual/ internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff
<p>Type of engagement</p> <p>Collaborative engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff
<p>Type of engagement</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff

RI TRANSPARENCY REPORT

2019

Portobello Capital

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		✓	-							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Private							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Public	✓						✓
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓			✓
PE 04	Formal commitments to RI	✓	Public				✓			
PE 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 06	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	✓						
PE 09	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 10	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 12	Type and frequency of reports received from portfolio companies	✓	Public		✓	✓				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Private							✓
PE End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year's PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year's PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Portobello Capital

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Spain

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

26

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2018

OO 04.2 Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		1	421	184	809
Currency	EUR				
Assets in USD		1	621	419	987

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

Not applicable as we do not have any assets under execution and/or advisory approach

OO 04.5 Additional information. [Optional]

Including undrawn commitments from current Funds +investments held under a year at cost +investments held under a year at fair value (excluding Co-investment Programmes)

OO 06 **Mandatory** **Public** **Descriptive** **General**

OO 06.1

Select how you would like to disclose your asset class mix.

 as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	100	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

 as broad ranges**OO 06.2**

Publish asset class mix as per attached image [Optional].

OO 06.3

Indicate whether your organisation has any off-balance sheet assets [Optional].

 Yes No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 09	Mandatory	Public	Peering	General
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OO 09.1 Indicate the breakdown of your organisation's AUM by market.

96.5	Developed Markets
3.5	Emerging Markets
0	Frontier Markets
0	Other Markets
100%	Total 100%

Asset class implementation gateway indicators

OO 11	Mandatory	Public	Gateway	General
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OO 11.1 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Private equity

We address ESG incorporation.
 We do not do ESG incorporation.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Private Equity

RI implementation via external managers

Closing module

- Closing module

Peering questions

OO PE 01	Mandatory	Public	Descriptive	General
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OO PE 01.1	Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.			
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Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify (1)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

Portobello Capital

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Portobello's mission is to "build industry leaders". Portobello is looking for companies that fit its investment criteria and where there is an asymmetry it can take advantage of. Consistently, Portobello targets successful growing family owned businesses with best-in-class management teams and potential to take them to the next level through consolidation and internationalization.

Its investment strategy consists of investing in mid-market companies headquartered in Spain with EVs of €50-500 million. Portobello seeks to make control/majority investments in companies, with which it can work over its holding period, to build industry leaders. its strategy is based, among others, on systemic sourcing of market inefficiencies, focus on industry consolidation and international expansion

All the above, allows Portobello to generate a real **impact in the economy** through the consolidation and internationalization of local Spanish businesses, **increasing** the number of **employees** in its 2 previous funds by more than 15,000 since the acquisition of the companies. Portobello also focuses on **professionalizing** the teams and **processes** in its companies, making their businesses more diversified and **sustainable** long-term by aligning with current ESG requirements.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

On the one hand, there is the Investment Restriction List which is part of our Funds' Management Regulations, listing all sectors where the Fund cannot invest, including those companies that do not comply with the UN Global Compact Principles.

On the other hand, Portobello Capital has a CSR policy which reflects the company's commitment to integrate social, employment and environmental concerns and respect for human rights voluntarily in our management, strategy, policy and procedure including a list of the items to be reviewed or where improvements in this respect can be made.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02**Mandatory****Public****Core Assessed****PRI 6**

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:http://www.portobellocapital.es/inversion-responsable-ingles/}

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Sector specific RI guidelines

URL/Attachment

- URL

URL

{hyperlink:http://www.portobellocapital.es/inversion-responsable-ingles/}

- Attachment (will be made public)
- Screening / exclusions policy
- We do not publicly disclose our investment policy documents

SG 02.2 Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

{hyperlink:http://www.portobellocapital.es/inversion-responsable-ingles/}

- Attachment
- ESG incorporation approaches

URL/Attachment

- URL

URL

{hyperlink:http://www.portobellocapital.es/inversion-responsable-ingles/}

- Attachment
- We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

SG 03.2

Describe your policy on managing potential conflicts of interest in the investment process.

Portobello Capital's **Internal Code of Conduct** determines the standards of conduct and performance to be followed by the employees in relation to conflicts of interest, confidential information, handling of reserved information and cases of stock market manipulation.

This Code establishes that every **employee** must report any possible conflict of interest, due to their personal activities outside of the Company, their relatives or their personal equity. This situation will be reported to the **Control Committee**, which will assess whether such conflict exists or not. Should there be a conflict of interest, the affected employee will be excluded from taking part or influence the decision making process regarding a likely investment by the Fund, the managing company or the portfolio companies.

Additionally, and with regards to any conflict of interest that may arise **at any Fund level**, as per the **LPAs**, the Management Company shall inform the **Supervisory Committee** as soon as reasonably possible about the existence of any potential conflict of interest that could arise in relation to the Management Company or the Key Executives and the Supervisory Committee shall issue a binding decision.

No

Objectives and strategies

SG 05

Mandatory

Public

Gateway/Core Assessed

General

SG 05.1

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

The Managing Board of the company reviews IR issues, at least, once a year at the same time that we prepare the Annual Report for the investors. However, the Portfolio Review Committee which meets on a monthly basis to review the performance of all portfolio companies managed by Portobello Capital will include the revision of ESG and IR in a biannual basis.

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
- Other Chief-level staff or head of department, specify
 - CFO**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Dedicated responsible investment staff
 - Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Other role, specify (1)

Other description (1)

- Legal Counsel**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)
- External managers or service providers

SG 07.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

1

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Mr. Ramón Cerdeiras, partner at Portobello Capital, took part in the presentation of the PRI & ERM Guide on "ESG monitoring, reporting and dialogue during the life of a fund" last March 2019. He shared Portobello Capital's experience in terms of ESG integration and reporting to our LPs.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

Fundación Integra: Spanish foundation devoted to the insertion into the labour market of people at high risk of social exclusion and people with disabilities.

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Portobello actively encourages all of its portfolio companies to cooperate with the Foundation in order to offer jobs to people at risk of social exclusion. So far many of our companies have committed to the foundation: Multiasistencia, Mediterranea, GrupoUno CTC, Blue Sea Hotels and EYSA.

- Other collaborative organisation/initiative, specify
ASCRI (Spanish Private Equity Association)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Although Mr. Juan Luis Ramirez (Partner) is no longer the Association's President, his involvement in the activities and agenda of the ASCRI is still very high.

- Other collaborative organisation/initiative, specify
Fundación Cris contra el Cancer

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Portobello Capital is now contributing to the Cris Foundation against Cancer, focused on financing research projects against cancer

- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes
- No

Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

SG 12.5

Indicate whether your organisation considers any of the following responsible investment factors in the monitoring of fiduciary managers

- Including responsible investment as a standard agenda item at performance review meetings
- Discussing whether the fiduciary manager has acted in accordance with your organisation's overall investment beliefs/ strategy/ policy on responsible investment and ESG factors
- Reviewing the fiduciary manager's PRI Transparency or Assessment reports
- Reviewing the fiduciary manager's responsible investment reporting (excluding PRI generated reports)
- Reviewing ESG characteristics/factors used by the fiduciary manager in portfolio construction
- Reviewing the fiduciary manager's incorporation approaches of ESG through-out asset classes
- Reviewing the impact of ESG factors on financial performance
- Encouraging your fiduciary managers to consider joining responsible investment initiatives/organisations or participate in educational or collaborative projects with other investors
- Including responsible investment criteria as a formal component of overall manager performance evaluation
- Reviewing the fiduciary manager's ESG incorporation in external managers' selection, appointment, monitoring
- Reviewing how ESG materiality is defined by the fiduciary manager
- Other general aspects of your monitoring; specify
- We do not consider responsible investment in the monitoring processes for fiduciary managers.

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

SG 13.1

Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

Communication**SG 19****Mandatory****Public****Core Assessed****PRI 2, 6****SG 19.1**

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.

If you are transferring data from an offline document, please check your response carefully.

Private equity

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p data-bbox="256 304 967 367">Disclosure to public and URL</p> <ul style="list-style-type: none"> <li data-bbox="256 378 967 409"><input type="checkbox"/> ESG information in relationship to our pre-investment activities <li data-bbox="256 421 967 483"><input type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <li data-bbox="256 495 967 526"><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <li data-bbox="256 537 967 568"><input type="checkbox"/> Other 	<p data-bbox="992 304 1447 367">Disclosure to clients/beneficiaries</p> <ul style="list-style-type: none"> <li data-bbox="992 378 1447 441"><input type="checkbox"/> ESG information in relationship to our pre-investment activities <li data-bbox="992 452 1447 537"><input type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <li data-bbox="992 548 1447 611"><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <li data-bbox="992 622 1447 654"><input type="checkbox"/> Other
<p data-bbox="256 694 967 757">Frequency</p> <ul style="list-style-type: none"> <li data-bbox="256 768 967 799"><input type="checkbox"/> Quarterly or more frequently <li data-bbox="256 810 967 842"><input type="checkbox"/> Biannually <li data-bbox="256 853 967 884"><input type="checkbox"/> Annually <li data-bbox="256 896 967 927"><input type="checkbox"/> Less frequently than annually <li data-bbox="256 938 967 969"><input checked="" type="checkbox"/> Ad-hoc/when requested 	<p data-bbox="992 694 1447 757">Frequency</p> <ul style="list-style-type: none"> <li data-bbox="992 768 1447 799"><input type="checkbox"/> Quarterly or more frequently <li data-bbox="992 810 1447 842"><input type="checkbox"/> Biannually <li data-bbox="992 853 1447 884"><input checked="" type="checkbox"/> Annually <li data-bbox="992 896 1447 927"><input type="checkbox"/> Less frequently than annually <li data-bbox="992 938 1447 969"><input type="checkbox"/> Ad-hoc/when requested
<p data-bbox="256 1012 967 1075">URL</p> <p data-bbox="256 1086 967 1149">{hyperlink:http://www.portobellocapital.es/responsible-investment/}</p>	

Portobello Capital

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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Overview

PE 01	Voluntary	Public	Descriptive	PRI 1-6
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PE 01.1	Provide a brief overview of your organisation's approach to responsible investment in private equity.
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Portobello Capital's **approach** towards Responsible Investment is shaped by organizations such as UNPRI or ASCRI (Spanish Private Equity Association) of which it is a signatory. Also, as a Managing Company, Portobello Capital follows the EVCA (now Invest Europe) recommendations and the rules established by the entities which regulate the company, that is, the CNMV (National Securities Market Commission) in Spain. It is also registered in front of SEC in the USA,

Portobello Capital is fully **committed** to ESG policies and has a rigorous compliance structure which oversees the procedures and control systems in place, ensuring alignment with responsible investment standards and policies.

The majority stakes typically held by Portobello Capital in its portfolio companies help implementing necessary changes on RI matters. In many cases, our targets are family owned businesses where we devote significant efforts to further professionalizing the management teams, making the managers commit to implementing certain standards and obtaining certain certifications as part of their duties and responsibilities.

Portobello Capital has a **process** in place to monitor and verify that responsible investment principles are followed by its portfolio companies. Recurrent meetings are scheduled to monitor progress and follow up on the measures agreed.

Portobello Capital's RI **policy** is publicly accessible on the corporate website. On it the company makes clear its approach to responsible investment and how this is implemented.

PE 02	Mandatory	Public	Core Assessed	PRI 2
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PE 02.1	Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.
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- Our investment activities are guided by a responsible investment policy

PE 02.2	Describe how your organisation outlines expectations on staff and portfolio companies' approach towards ESG issues in investment activities.
---------	--

In line with the commitment acquired by endorsing UNPRI, Portobello Capital has a CSR Policy which aims to voluntarily integrate these principles in its management, strategy and procedures. Responsible investment is understood in Portobello Capital as a value creation driver, mitigating potential risks and capitalising likely opportunities.

We ensure the staff, especially the investment team, and the management teams of our portfolio companies are aware of our commitment and approach.

In addition, our investment policies already include an exclusion list for companies which are engaged on armament, military weapons, trading or manufacturing of tobacco, gambling, distilled alcoholic beverages or human cloning. The Funds will NOT invest either in companies which deliberately and repeatedly violate laws, human rights and/or labour principles as defined by the UN Global Compact.

- Our investment activities are not guided by a responsible investment policy
- We do not have a responsible investment policy

Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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PE 03.1	Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.
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Yes

PE 03.2	Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:
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- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes
- Approach to ESG reporting

PE 03.3	Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]
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Portobello Capital's PPM refers to:

Pre- investment processes:

It confirms that financial, legal, employment, tax, commercial, strategic, technical, environmental and management due diligences will be conducted as part of the investment decision process (depending on nature of the business).

Post-investment processes:

Monitoring processes post-acquisition put in place by the Managing Company which include compliance and good governance. It is also explained in the PPM how Portobello Capital assesses the portfolio companies' management and what needs adding to the incumbent management and sets international standard business and governance principles.

Environmental, Social and Corporate Governance:

It confirms that Portobello Capital is fully committed to ESG policies and has a rigorous compliance structure which oversees the procedures and control systems in place, ensuring alignment with responsible investment standards and policies. It additionally explains (in detail) that Portobello enforces social policies, environmental policies, anti-money laundering, internal code of conduct, personal information protection and ESG reporting.

In addition to these references included in the PPM, Portobello Capital has provided several of its investors, upon request, with extensive questionnaires explaining the Company's approach to ESG issues before and after investment processes as well as with previously issued CSR reports and has signed side letters with several investors who had included ESG provisions.

No

Not applicable as our organisation does not fundraise

PE 04	Voluntary	Public	Additional Assessed	PRI 4
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PE 04.1	Indicate whether your organisation made formal commitments to responsible investment in the, Limited Partnership Agreement (LPA) of your most recent fund(s), or through side letters when requested by investors.
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Yes

If yes

- In LPA, incorporated in the original draft as standard procedure
- In LPA, as requested by investors
- In side letter(s)
- Other

No

PE 04.2 Additional information. [OPTIONAL]

Although our responsible investment commitments are not included in the LPAs, they are included in the PPM, LPs' DD papers during fundraising process and in many Side Letters. Of course, we are willing to make a formal commitment when requested by our investors.

Some of the items included in the side letters are: investment restrictions, ESG reporting deadlines, commitment to provide additional information on our ESG practices if requested by the investor, etc.

Also, we publicly commit to applying a responsible investment approach on our investments as it is shown in our website and we provide our investors with an annual specific report which allows them to make sure that we comply with our commitment to bring responsible investment into our portfolio companies.

Pre-investment (selection)

PE 05	Mandatory	Public	Gateway	PRI 1
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PE 05.1 During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

Yes

PE 05.2 Describe your organisation's approach to incorporating ESG issues in private equity investment selection.

Portobello Capital works to incorporate ESG principles at **all levels/stages** during the investment and management process of the portfolio companies where we invest in:

1. Pre- Due Diligence Stage:

Before going into the Due Diligence process, the Investment Team makes sure that the company being analysed does not operate in sectors which are deemed to be unethical or are excluded according to our own investment criteria, in which case such investment would be therefore banned.

2. Due Diligence Stage:

ESG related research is an essential requirement in our initial screening process. Portobello has included in its internal investment process the need of social and environmental due diligences to be made. As the rest of the analyses made throughout the investment decision process, the potential ESG issues of a company will considerably affect the decision of the Investment Team on whether to or not carry out an investment.

Environmental, social, corporate and legal compliance due diligences are performed on most of our investments by external advisors. The outcome of such studies in some cases recommended certain actions in order to comply with local regulations, environmental directives or conservation parameters. These recommendations are a priority issue during the first 100 days after the acquisition of the company.

3. Investment Period:

Implementation responsibilities correspond to the Partners and Investment Directors that are directly involved in the management and control of each of the corresponding Portfolio companies. ESG items will be discussed also in the Board meetings of the portfolio companies, seeking the alignment of interests and providing support

to the management teams in implementing the measures. Additionally, annual questionnaires filled in by the companies will allow us to identify whether the improvement in environmental performance is taking place.

Twice a year, the Portfolio Review Committee of the Managing Company reviews the ESG issues in all companies of the Funds' portfolio.

Additionally, the Board of each company controls annually the evolution and implementation of measures in each portfolio company.

4. Divestment Stage:

We believe that a good management of ESG aspects will have an impact on the return obtained and at the same time we work trying to ensure that the standards already acquired during the investment period are maintained after being sold. We try to make sure that the buyer of our companies signs a "Best Efforts" letter with regards to these practices.

These are some **examples** on how Portobello Capital approaches some of the ESG issues:

Environmental:

An environmental Due Diligence becomes critical if the analysed company carries out any type of industrial activity that involves waste:

In several cases, the outcome of such studies recommended certain actions in order to comply with local regulations, environmental directives or conservation parameters. These recommendations are a priority issue during the first 100 days after the acquisition of the company.

As an example, Portobello analysed an add-on to our ice cream producer company. Findings in the environmental due diligence were relevant and led to a better understanding of the company and the way it was managed by the owners. The decision was to withdraw from the acquisition process.

Social:

We monitor and verify the supply chain of our portfolio companies (when relevant). These companies request from their suppliers warranties or certificates stating that their businesses support and respect the protection of internationally proclaimed human rights.

No

PE 06	Mandatory	Public	Core Assessed	PRI 1,3
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PE 06.1	Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.
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- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

PE 06.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
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Information will be included in the discussions held by the Investment Committee and later on, included in the minutes of the meeting.

Post-investment (monitoring)

PE 09

Mandatory

Public

Gateway/Core Assessed

PRI 2

PE 09.1

Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.

Yes

PE 09.2

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 09.3

Indicate ESG issues for which your organisation typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

Environmental

List up to three example targets of environmental issues

Example 1

Energy efficiency plans - energy management

Example 2 (optional)

Waste management and recycle materials

Example 3 (optional)

Incorporation on certifications, such as ISO 14001

Social

List up to three example targets of social issues

Example 1

Number of hours of training per employee per year and % of employees who receive staff reviews every year

Example 2 (optional)

Investment (in eur) devoted to the local area where the companies are located (donations, cooperation with NGOs, sponsorship of sport or cultural activities, etc).

Example 3 (optional)

Ethical supply chain

Governance

List up to three example targets of governance issues

Example 1

Existence of a Compliance Manual and a review of Corporate Defence/Legal Risks

Example 2 (optional)

Existence of independent members in the Companies' Boards

Example 3 (optional)

Compliance with laws in force

We do not set and/or monitor against targets

No

PE 10	Mandatory	Public	Core Assessed	PRI 2
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PE 10.1 Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

PE 10.2 Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

PE 10.3	Additional information. [Optional]
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Although many companies haven't got an specific CSR/ESG policy, most of them include environmental and social issues in other policies such as quality policies, guide of good practices, internal code of conduct, etc...

PE 12	Voluntary	Public	Descriptive	PRI 2,3
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PE 12.1	Indicate the type and frequency of reports you request and/or receive from portfolio companies covering ESG issues.
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Type of reporting

- Overarching portfolio company reports (or similar) where management disclosure, financial and ESG data are integrated
- Standalone reports highlighting targets and/or KPIs covering ESG issues

Typical reporting frequency

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify
- Other, specify

Many companies have now the obligation to include in the Audited Financial Statements a no-financial indicators report. These are also requested with the Statements

Typical reporting frequency

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify
- No reporting on ESG issues requested and/or provided by portfolio companies

Portobello Capital

Reported Information

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Confidence building measures

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Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1 We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1 We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1 Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)

CM1 07.2

Additional information [OPTIONAL]

The members of the team responsible for ESG belong to the Legal Department and the Board of Directors of the Managing Company.