



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
<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 a material or other issue <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue 		
<p>Type of engagement</p> <p>Collaborative engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue 		
<p>Type of engagement</p> <p>Service provider engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need for a material or other issue 		

RI TRANSPARENCY REPORT

2020

Alder Funds

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 2020 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		🔒	n/a							
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		✓	Private							✓
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	✓	Private	✓						✓
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓			✓
PE 04	Formal commitments to RI	✓	Private				✓			
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	✓	Private		✓	✓				
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	✓	Public							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

Alder Funds

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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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
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OO 02.1 Select the location of your organisation's headquarters.

Sweden

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

12

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.

31/12/2020

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	142	784	000
Currency	SEK				
Assets in USD			119	410	499

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

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

OO 06	Mandatory	Public	Descriptive	General
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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**

OO 09.1 Indicate the breakdown of your organisation's AUM by market.

Developed Markets

100

Emerging Markets

0

Frontier Markets

0

Other Markets

0

	Total 100%
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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).
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	Private equity
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- 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.
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	Core modules
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- Organisational Overview
- Strategy and Governance

	RI implementation directly or via service providers
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	Direct - Other asset classes with dedicated modules
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- Private Equity

	Closing module
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- 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 checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input type="radio"/> >50% <input checked="" 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 type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" 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%	

Alder Funds

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 checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Other, specify (1) ESG due diligence <input checked="" type="checkbox"/> Other, specify(2) Ownership phase requirements	<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.

Alder is a Private Equity Firm with the primary aim of delivering value to our investors. Our funds have a Sustainability focus - we only invest in companies that make a positive contribution to environment-related issues. ESG factors are therefore core components, integrated into our investment process. Alder's investors are at the forefront of responsible investing and, aside from financial returns, demand excellent ESG performance from companies under our ownership.

Alder believes that sustainable technologies and industries will provide excellent investment opportunities by addressing some of the transformational changes resulting from climate change, resource scarcity, population growth and other global environmental issues. Furthermore, Alder believes that good ESG implementation creates value to all stakeholders, including investors. This is why ESG is incorporated into our investment strategy and principles, as laid out in our ESG policy.

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]

One of our investment criteria is that the target company shall be able to deliver an environmental benefit, e.g. through climate change mitigation, water treatment or efficient management of resources.

No

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

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment (will be made public)
- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment (will be made public)
- Formalised guidelines on social factors

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment (will be made public)
- Asset class-specific RI guidelines
- Screening / exclusions policy

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment (will be made public)
- Other, specify (1)

Other, specify (1) description

ESG due diligence

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/2019/01/CODE-OF-CONDUCT-190115.pdf>

- Attachment (will be made public)
- Other, specify (2)
- 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

<http://alder.se/en/sustainability/>

- Attachment
- Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

- URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment
- ESG incorporation approaches

URL/Attachment

URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment
- Active ownership approaches

URL/Attachment

URL

URL

<http://alder.se/app/uploads/sites/3/2018/09/Responsible-investment-3.0.pdf>

- Attachment
- Reporting

URL/Attachment

URL

URL

<http://alder.se/en/sustainability/>

- Attachment
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

The sustainability report for 2018 is published on the Sustainability page of our website, www.alder.se. The report for 2019 is not yet published at the time of our submission to this survey, but will be published in the same place, early April 2020.

SG 03

Mandatory

Public

Core Assessed

General

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.

Every business decision should be based on the best interests of Alder, not personal interests.

We avoid situations in which an employee's or business partner's personal interest affects the ability to make decisions that are in Alder's best interest. Agreements with or assignments allocated to relatives should be avoided or approved by the partner group.

In order to manage potential conflicts of interest in the Alder funds, an Investor Committee is established, representing the interests of the investors.

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]

Portfolio companies submit quarterly ESG updates to Alder. ESG highlights are included in quarterly reports to investors.

On an annual basis, portfolio companies report and follow up on a sustainability scorecard, which is also the basis for Alder's annual sustainability report.

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
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

SG 07.2	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
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- Oversight - Boards to review ESG at least annually and to follow RI policy requirements for portfolio companies
- Investment decision makers - ESG to be integrated into decision process as described in the ESG policy, important risks and opportunities related to ESG to be included into investment documentation and decision.
- Implementation - Reporting, follow up on KPI:s, identifying portfolio companies need of additional support or training to meet expectations, mitigate risks and capture opportunities.

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
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Number

1

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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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.
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Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- 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
- HKVCA: ESG Committee
- 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 Financial Action in the 21st Century
- 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
SVCA

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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

ESG PE network - Sustainability Forum Sweden

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]

- Hosted event
- Openly sharing tools and best practices
- Presenting at network meetings
- Supporting new members from other firms

Other collaborative organisation/initiative, specify

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

SG 10.2 Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

Description

Peer to peer RI support with similar PE firms

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work

Description

Our partner Dag Broman, previously professor and Head of the department of Applied Environmental Science at the Stockholm University, has an ongoing dialogue with the University and scientists around the world.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

Description

Professor Dag Broman, partner and co-founder of the fund, was Head of one of the larger Nordic research institutes within applied environmental sciences. He occasionally holds lectures about environmental challenge and technology at investor summits.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published in-house research papers on responsible investment
 - Encouraged the adoption of the PRI
 - Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
 - Wrote and published articles on responsible investment in the media
 - A member of PRI advisory committees/ working groups, specify
 - On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
 - Other, specify

specify description

Contributed to collaboration with environmental scientists in the MISTRA network.

Description

Collaboration writeshop with scientists, providing investor perspectives on how to leverage scientific research on environmental topics as a helpful guide to investors and to channel funds to further research.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

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

ESG issues in asset allocation				
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SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- Yes, in order to assess future ESG factors

	Describe
--	----------

We consider future scenarios to assess long term strategy in the light of ESG related drivers such as climate change, resource scarcity and demographic changes, which will impact both markets, sectors, risks and opportunities and therefore need to be integrated in our long term view and investment strategy.

- Yes, in order to assess future climate-related risks and opportunities

	Describe
--	----------

We conduct TCFD inspired climate scenario analysis with the Alder team and with portfolio company management, to support long term strategy development, mitigate risks and capture opportunities.

- No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
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	We do the following
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- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

Communication				
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SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
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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.

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="256 304 863 367">Disclosure to public and URL</p> <p data-bbox="256 378 858 434"><input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities</p> <p data-bbox="256 450 858 506"><input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities</p> <p data-bbox="256 521 858 577"><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance</p> <p data-bbox="256 593 858 627"><input type="checkbox"/> Other</p>	<p data-bbox="890 304 1447 367">Disclosure to clients/beneficiaries</p> <p data-bbox="890 378 1364 434"><input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities</p> <p data-bbox="890 450 1390 506"><input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities</p> <p data-bbox="890 521 1394 577"><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance</p> <p data-bbox="890 593 1394 627"><input checked="" type="checkbox"/> Other</p> <p data-bbox="890 663 1447 725">Specify</p> <p data-bbox="890 736 1447 792">Specific portfolio company ESG focus and progress on a quarterly basis</p>
<p data-bbox="256 835 863 898">Frequency</p> <p data-bbox="256 909 858 943"><input type="checkbox"/> Quarterly or more frequently</p> <p data-bbox="256 954 858 987"><input type="checkbox"/> Biannually</p> <p data-bbox="256 999 858 1032"><input checked="" type="checkbox"/> Annually</p> <p data-bbox="256 1043 858 1077"><input type="checkbox"/> Less frequently than annually</p> <p data-bbox="256 1088 858 1122"><input type="checkbox"/> Ad-hoc/when requested</p>	<p data-bbox="890 835 1447 898">Frequency</p> <p data-bbox="890 909 1447 943"><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p data-bbox="890 954 1447 987"><input type="checkbox"/> Biannually</p> <p data-bbox="890 999 1447 1032"><input type="checkbox"/> Annually</p> <p data-bbox="890 1043 1447 1077"><input type="checkbox"/> Less frequently than annually</p> <p data-bbox="890 1088 1447 1122"><input type="checkbox"/> Ad-hoc/when requested</p>
<p data-bbox="256 1155 863 1218">URL</p> <p data-bbox="256 1229 863 1263">http://alder.se/en/sustainability/</p>	

SG 19.2 | Additional information [Optional]

Our Sustainability report (published early April) is made public on our website.

Investors also get

- Quarterly updates on ESG progress in portfolio companies
- ESG updates at Investor meetings.

Alder Funds

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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Overview

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.

- 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.

We evaluate risks and opportunities related to sustainability when considering possible investments. Our framework includes tools for the different stages of the investment process:

- Identifying possible target companies - screening of the company against Alder's exclusion list. Alder does not invest in any company whose business comprises sale of alcoholic beverages, commercial gaming, production of tobacco or tobacco products, pornography or production of military weapons.
- Initial assessment - Evaluation of whether environmental benefit in business model meets our investment criteria.
- Due Diligence: We perform a sustainability due diligence as a component of the overall due diligence process. Alder's bespoke model for this purpose covers environmental, social and governance topics to identify risks and opportunities, potential red flags and required actions.
- Investment decision - Conclusions from the sustainability assessment are included in the investment memorandum - sustainability risks and opportunities are highlighted, the company's current handling of these is evaluated and necessary and recommended action steps are identified. Sustainability aspects are taken into account in the investment decision in parallel with commercial, financial, and other relevant aspects.

- 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.

- Yes

PE 03.2

Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:

- 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
- No
- Not applicable as our organisation does not fundraise

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.

Sustainability fit is one of our investment criteria. In some cases we have had extra meetings to solely discuss the environmental fit. We also have the opportunity to engage external consultants in our assessments.

ESG policy on investment selection:

We evaluate risks and opportunities related to sustainability when considering possible investments. Our framework includes tools for the different stages of the investment process:

- Identifying possible target companies - screening of the company against Alder's exclusion list. Alder does not invest in any company whose business comprises sale of alcoholic beverages, commercial gaming, production of tobacco or tobacco products, pornography or production of military weapons.
- Initial assessment - Evaluation of whether environmental benefit in business model meets our investment criteria.
- Due Diligence: We perform a sustainability due diligence as a component of the overall due diligence process. Alder's bespoke model for this purpose covers environmental, social and governance topics to identify risks and opportunities, potential red flags and required actions, which will be incorporated into the value creation plan of the portfolio company should we make the investment.
- Investment decision - Conclusions from the sustainability assessment are included in the investment memorandum - sustainability risks and opportunities are highlighted, the company's current handling of these is evaluated and necessary and recommended action steps are identified. Sustainability aspects are taken into account in the investment decision in parallel with commercial, financial, and other relevant aspects,

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.

- 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.

We have an investment focus on Sustainability, so inherent in our investment model is that we strive to invest in companies that offer a solution to global environmental challenges in creating a better, sustainable industry. Therefore, ESG considerations will be part of the company's value creation and customer offer and as such vital in the evaluation of the potential investment. Our investment assessments always include a chapter on ESG and unique solutions that an investment offers to the industry.

We perform a broad based ESG due diligence, in which we review the target company's business model, industry and geographic exposure and stakeholder concerns. Environmental, social and governance risks and opportunities are identified and included into Investment Committee documentation and decision process.

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 (own and impact for customers)

Example 2 (optional)

Efficient use of resources (own and impact for customers)

Example 3 (optional)

GHG emissions (own and impact for customers)

Social

List up to three example targets of social issues

Example 1

Management system implementation for supply chain control of human rights adherence and working conditions

Example 2 (optional)

Management systems implementation for employee satisfaction and retention

Example 3 (optional)

Health and safety, sick leave

Governance

List up to three example targets of governance issues

Example 1

Integrity of the board - We strive to implement board integrity by hiring external board members, especially the chairman.

Example 2 (optional)

Codes of conduct and anti-bribery policies in all portfolio companies

Example 3 (optional)

Whistle blowing channel in all portfolio companies

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]

Implementation of an ESG policy/Code of Conduct is mandatory for all portfolio companies.

Alder Funds

Reported Information

Public version

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
 - We publish a detailed and transparent public sustainability report, available on our website www.alder.se/sustainability
- 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 06

Mandatory

Public

Descriptive

General

CM1 06.1

Provide details of the third party assurance of RI related processes, and/or details of the internal audit conducted by internal auditors of RI related processes (that have been reported to the PRI this year)

What RI processes have been assured

- Data related to RI activities
- RI policies

Specify

RI policy implementation

- RI related governance
- Investment selection process in non-listed assets
- ESG incorporation in selection process for private equity investments
- Other

When was the process assurance completed(dd/ mm/yy)

05/03/2020

Assurance standard used

- IIA's International Standards for the Professional Practice of Internal Auditing
- ISAE 3402
- ISO standard
- AAF 01/06
- SSE18
- AT 101 (excluding financial data)
- Other

Specify

Internal control protocol, sustainability progress self-assessment for portfolio companies

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

Sign-off or review of responses

Sign-off

Review of responses

The Board

Sign-off or review of responses

Sign-off

Review of responses

Investment Committee

Compliance Function

RI/ESG Team

Investment Teams

Legal Department

Other (specify)