CLIMATE TRANSPARENCY REPORT 2020

Coller Capital

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PRI Principles for Responsible Investment

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2020 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2020 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2020/-A28578B8-B518-4B53-9D8B-794068EAABC4/79894dbc337a40828d895f9402aa63de/html/2/?lang=en&a=1). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2020 climate reporting as "private". Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the PRI website and on the Data Portal.

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

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TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	✓	Public				
SG 07.7 CC	✓	Public				
SG 07.8 CC	✓	Public				
SG 13.1	✓	Public				
SG 13.2	✓	Public				
SG 13.4 CC	✓	Public				
SG 13.5 CC	✓	Public				
SG 13.6 CC	✓	Public				
SG 13.7 CC	✓	Public				
SG 13.8 CC	✓	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.6 CC	-	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	-	Public				
SG 15.1	✓	Public				
SG 15.2	-	Public				
SG 15.3	-	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation

Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

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ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS	
Name	Coller Capital
Signatory Category	Fund of funds, manager of managers, sub-advised products - Majority
Signatory Type	Investment Manager
Size	US$ 10 - 29.99 billion AUM
Main Asset Class	>50% Private Equity Externally Managed
Signed PRI Initiative	2014
Region	Europe
Country	United Kingdom
Disclosure of Voluntary Indicators	93% from 38 Voluntary indicators

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Coller Capital

Reported Information

Public version

Strategy and Governance

PRI disclaimer

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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.

SG 01 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General

SG 01.6 CC	Indicate whether your organisation has identified transition and physical climate-related risks and opportunities and factored this into the investment strategies and products, within the organisation's investment time horizon.

◉ Yes

	Describe the identified transition and physical climate-related risks and opportunities and how they have been factored into the investment strategies/products.

As a secondaries manager, Coller Capital does not normally manage portfolio companies and its ability to meaningfully monitor and measure climate impacts (footprint, intensity and scenario analysis) is different from those of many other investment managers. Broadly speaking, the Firm seeks to engage through its role as a business itself, as an investor in funds managed by third parties and, ultimately, as an indirect investor in underlying portfolio companies.

The firm has considered its engagement with the climate crisis carefully and this will necessarily be an on-going effort. We began with the areas where we felt we could have the most immediate impact, and we welcome discussion with limited partners and other stakeholders as we continue to evolve our approach in this area.

Since 2016 we have undertaken a high-level assessment of underlying portfolio company exposures from a climate risk perspective. From both a physical and transition risk perspective and in consideration of those types of secondary investment where have most influence (e.g. direct secondaries) we identified the following sectors as including overall the greatest risks: energy, transport, cement, glass and food. This analysis has led to enhanced due-diligence on pertinent opportunities as and when they arise, and responses received have led to:

- Discussion at one of our Strategic Investment Committee meetings about portfolio construction and exposure to the energy sector.
- An initial formal position (Coller response) to the G20s TCFD recommendations (to be updated periodically).
- Further promotion of climate risk analysis and the TCFD recommendations with underlying GPs.
- A holistic climate risk initiative focusing on the Firm (carbon measurement, reporting and offsetting - completed in Q4 2019) and the Funds (independent physical and transition risk scenario analysis - underway).

This work and the results to date are influencing our investment strategies and products in the following way:

- More informed investment decision making and enhanced due-diligence questioning for relevant investment opportunities.
- Further proposed engagement with underlying GPs on the climate crisis drawing upon our experience of undertaking scenario analysis.
- This will include providing results to selected GPs and undertaking deeper dive engagement with selected GPs (pending completion of the scenario analysis end March 2020).
- Thought leadership on achieving net carbon zero in the context of private equity secondaries.

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○ No

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?

◉ Yes

	Describe the associated timescales linked to these risks and opportunities.

We believe that we were the first secondaries firm to achieve climate neutrality and first to work on fund level scenario analysis.

We took into account the recommendations of the TCFD when revisiting our ESG Policy during 2018.

Given our approach as a secondaries firm our funds' portfolios tend to reflect the wider PE market. As underlying GPs begin to measure, mitigate and better respond to climate change, we are beginning to see these developments reflected in our funds' investments.

Climate risk forms a core component of our approach to the climate crisis (firm and funds).

Our ESG engagement to date would seem to indicate that short term climate risk and related opportunities are something many underlying GPs are starting to look at, but moderate and longer term climate related risks and opportunities remain a work in progress. For instance, we have not seen many examples of forward looking scenario analysis within private equity of the type recommended by the TCFD.

Our 2019 annual GP ESG Survey found, for example, that while 56% of GPs respondents reported action among their portfolio on carbon footprint only 14% of GPs and 12% of their portfolio had taken steps to better understand forward-looking scenario analysis.

Most of what we see from underlying GPs is shorter term risk management and opportunity engagement (e.g. operational energy efficiency or supply chain related efficiency savings). On occasion we see longer term initiatives related to products or services.

On a deal by deal basis we might ask about short term carbon risk issues (e.g. carbon measurement and reduction initiatives). Depending on the type of secondary and the activities of underlying portfolio companies, we might also ask about longer term initiatives, such as, exposure to flood risk, access to water, product changes or sourcing practices in a warmer world etc.

We undertake a high level annual assessment of our exposure to underlying portfolio companies that (in our view) present a more significant climate risk owing to the sector / type of industry. Our work to date indicates that we have a low overall exposure across all funds (c<10%), leading to more comprehensive scenario analysis on the funds (physical and transition risk) in 2019 (to end March 2020).

As a firm in our own right we had our own global carbon footprint (scope 1, 2 and 3) independently measured (3,333 tonnes CO_2e) and worked to reduce and offset this to become a climate neutral firm in 2019. We plan to include elements of this exercise into our work with external climate risk experts to enhance our existing annual assessment of climate risk at the level of our funds.

We envisage greater risk of physical impact and transition risk particularly on infrastructure and real estate investments over the lifetime of our latest fund and future funds. Early indications from our scenario analysis work seem to confirm that rationale, and the final results we envisage as being helpful to future portfolio construction aswell as being a useful engagement tool with underlying GPs.

○ No

SG 01.8 CC	Indicate whether the organisation publicly supports the TCFD?

◉ Yes

○ No

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SG 01.9 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.

◉ Yes

	Describe

We have an organisation-wide strategy to identify and manage material climate-related risks and opportunities. We considered our engagement with the climate crisis carefully and this will be an on-going effort. To the best of our knowledge this has not been undertaken before in private equity secondaries.

We began with the areas where we felt we could have the most immediate impact. We felt it important (given our role as both investor and manager) to demonstrate visible leadership on the topic and to therefore adopt a holistic approach focussing on the firm and the funds.

At the firm level this initial phase involved estimating our global carbon footprint and opportunities to reduce it, commissioning an independent and more comprehensive measurement exercise, and led to becoming a climate neutral firm in 2019.

At the fund level this initial phase involved integrating climate risk into our investment management processes (consideration of climate risk and raising specific questions on relevant investment opportunities). We also undertook annual in-house assessments of exposures to higher carbon assets at the underlying portfolio company level, and developed and issued an engagement note on climate risk to over 100 underlying GPs.

We also took steps to further understand how best to evaluate our exposure to climate risk (physical and transition risk) during 2019 and 2020 (to be completed mid-2020).

This involved reaching out to specialists in our network to think through a reasonable and pragmatic approach that might work in a secondaries context. We commissioned external experts (climate scientists for physical risk and environmental economists for transition risk scenario analysis) and their evaluation of the Coller funds is underway.

We established a cross function team at Coller to plan for and oversee the work, comprising representatives from the Investment Team (and ESG Function), our Investor Relations Team and in-house finance specialists from Mid-Office.

For physical risk we will be undertaking mapping for two scenarios: 2°C and 4°C (increase in global average temperature by 2100 relative to pre-industrial), drawing upon the outputs of climate models driven by the **IPCC RCP scenarios**. There is an approximate match between RCPs and global average temperature changes as follows:

- **RCP 2.6** is closest to 2°C
- **RCP 8.5** is closest to 4°C.

Recently, there has been some literature pointing out that RCP 8.5 is somewhat extreme in terms of its assumptions about future GHG emissions, but it is still widely viewed as a useful 'worst case'.

For transition risk we will consider the **IEA scenarios**, and a much **broader list of IPCC** scenarios. The **IRENA**, **Greenpeace**, **ISD and Bloomberg scenarios** do not provide all the information needed but are being "used" by way of comparison, notably **IRENA, Greenpeace and Bloomberg**.

We will next engage (deep dive) with selected underlying GPs using the results of the analysis in 2020 to identify target firms and to develop bespoke questions on the topic. We also envisage our leadership encouraging others to take similar steps and we also envisage this work informing our portfolio construction moving forward.

○ No

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SG 1.10 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.

☑ Public PRI Climate Transparency Report

☐ Annual financial filings

☐ Regular client reporting

☐ Member communications

☑ Other

	specify

We provide information on ESG/climate risk at Coller Capital within annual ESG reports and going forward will include certain data within annual financial reports.

☐ We currently do not publish TCFD disclosures

Governance and human resources

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General

SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

	Board members or trustees

☑ Oversight/accountability for climate-related issues

☐ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee

☑ Oversight/accountability for climate-related issues

☐ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

	Other Chief-level staff or heads of departments

☑ Oversight/accountability for climate-related issues

☑ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

	Investment analysts

☐ Oversight/accountability for climate-related issues

☑ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

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	Dedicated responsible investment staff

☑ Oversight/accountability for climate-related issues

☑ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

	Investor relations

☐ Oversight/accountability for climate-related issues

☑ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

	External managers or service providers

☐ Oversight/accountability for climate-related issues

☑ Assessment and management of climate-related issues

☐ No responsibility for climate-related issues

SG 07.6 CC	For board-level roles that have climate-related issue oversight/accountability or implementation responsibilities, indicate how these responsibilities are executed.

- When material climate-related issues arise for a particular investment these are discussed at Investment Committee.
- Strategic Investment Committee also discussed exposure via underlying GPs to sectors associated with climate risk and the implications for the wider fund and for portfolio construction moving forward.
- Our exposure via underlying GPs to more carbon-intensive industry sectors or industry sectors that are known to pose a specific climate issue is generally kept under review and is formally evaluated (desk based) at least annually.
- We became certified as a climate neutral company during 2019, globally at the firm level. A total 3,333 tonnes of greenhouse gas emissions have been offset by investing in a climate protection project which supports regeneration of Brazil 's Cerrado savannah and is equivalent to planting 55,000 trees.
- The Board signed off on our UK ESOS statement and compliance pack in accordance with Part 2 ESOS (Energy Savings Opportunities Scheme under UK law).
- We instigated our fund-level climate risk scenario analysis project (physical and transition risk) in 2019 (completing by end March 2020) evaluating climate risk across all active funds at the underlying GP portfolio company level.

SG 07.7 CC	For management-level roles that assess and manage climate-related issues, provide further information on the structure and processes involved.

The dedicated Head of ESG & Sustainability and colleagues from across the firm involved in our climate work each play a role either at firm level (through carbon measurement, monitoring and reporting) or in the investment management process.

Climate risk is one of a wide range of ESG factors analysed/assessed on a case by case basis for all investment opportunities prior to being discussed at Investment Committee. Where there is a need to raise bespoke questions then a conversation between our ESG function and the underlying manager/a portfolio company representative might also take place. Engagement on the topic of climate risk takes place through specific questions on climate risk in our annual GP ESG Survey and through issuing a note to major underlying GPs (>100) on the topic of climate risk.

The detailed oversight and management of climate risk resides with the firms ESG Committee which meets on a quarterly basis, and on an on-going basis by the ESG function (e.g. to discuss policy, progress, achievements and set targets).

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SG 07.8 CC	Indicate how your organisation engages external investment managers and/or service providers on the TCFD recommendations and their implementation.

☑ Request that external managers and/or service providers incorporate TCFD into mainstream financial filings (annual financial reports, other regulatory reporting or similar)

☐ Request incorporation of TCFD into regular client reporting

☐ Request that external managers complete PRI climate indicator reporting

☑ Request responses to TCFD Fund Manager questions in the PRI Asset Owner Guide

☑ Other

Specify

Seek to influence underlying GPs and their companies through the normal application of ESG within the investment management process, annual ESG survey and climate notes.

☐ We do not engage with external managers and/or service providers on the TCFD recommendations and their implementation

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1

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

Our current (on-going) work focuses on all current funds (as at November 2019) and will be updated in future as we make further investments. Our approach is risk adjusted (those underlying portfolio company exposures we have most data on and influence with) focusing on broad ranges of ESG factors.

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

Describe

Our current (on-going) work focuses on all current funds (as at November 2019) and will be updated in future as we make further investments. Our approach is risk adjusted (those underlying portfolio company exposures we have most data on and influence with) focusing on physical and transition climate impacts.

☐ 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

☐ 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

SG 13.3	Additional information. [OPTIONAL]

Our mandate as a PE secondaries investor does not lend itself well to detailed forward looking climate-financial risk scenario analysis (our funds' portfolios reflect the wider PE market and so we rely on underlying GPs work in this area), but we encourage underlying GPs to engage such analysis where relevant to investments. For example, we have raised the approach in specific circumstances when visiting underlying GPs or their portfolio companies, and we also issued a note to >100 underlying GPs on climate change which referred to scenario analysis and the recommendations of the TCFD.

At a fund level we review exposures to underlying portfolio companies on an annual basis and this includes a review of and focus on those we believe represent a higher carbon intensity risk. This helps us adopt a view on how much exposure we have and what the future risk could be, at a high level. This annual assessment is a work in progress and has been supplemented by instigating a climate risk scenario analysis on all active funds (physical and transition risk). Started in 2019 we aim to complete the full analysis by end March 2020.

At firm level we became climate neutral in 2019.

SG 13 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General

SG 13.4 CC	Describe how your organisation is using scenario analysis to manage climate-related risks and opportunities, including how the analysis has been interpreted, its results, and any future plans.

☑ Initial assessment

	Describe

We have a good idea of our relative exposure to higher carbon risk investments through high-level work undertaken on the funds since 2016. The more detailed scenario analysis work underway is already providing additional colour which will be of use to tailor our existing approach/questions on climate risk when evaluating investment opportunities, and will also serve to help inform future portfolio construction and help enhance our engagement activities with underlying GPs and their portfolio companies.

☑ Incorporation into investment analysis

	Describe

We have incorporated the findings of this work and the early findings of our more detailed analysis into our investment analysis as follows:

- Asking more detailed climate related due diligence questions that typically focus on those opportunities that are more likely to present material climate risk/opportunities and for those investments that we will have more influence over.
- Undertaking more nuanced searches (using certain databases, RepRisk and SASB) in respect of climate related risks when undertaking due diligence.

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☑ Inform active ownership

	Describe

As a secondaries manager, Coller Capital does not normally manage portfolio companies and its ability to meaningfully monitor and measure climate impacts (footprint, intensity and scenario analysis) is different from those of many other investment managers. Broadly speaking, the firm seeks to engage through its role as a business itself, as an investor in funds managed by third parties and, ultimately, as an indirect investor in underlying portfolio companies.

- Evaluating the wider market from a climate risk perspective through our Barometer survey and report, and our annual GP ESG Survey and report (specific questions related to climate change).
- Issuing a note to underlying GPs (over 100) on the issue of climate risk.

☐ Other

SG 13.5 CC	Indicate who uses this analysis.

☑ Board members, trustees, C-level roles, Investment Committee

☐ Portfolio managers

☑ Dedicated responsible investment staff

☑ External managers

☐ Investment consultants/actuaries

☐ Other

SG 13.6 CC	Indicate whether your organisation has evaluated the potential impact of climate-related risks, beyond the investment time horizon, on its investment strategy.

◉ Yes

	Describe

We are using the work completed to date and the early results from the current more detailed analysis work to think about a much longer-term strategy/approach in respect of climate change. We have already discussed at Strategic Investment Committee what impact we might see in respect of portfolio construction and the energy sector, and we are planning a piece of work to better understand what climate risk might be for secondaries in the longer term and for future funds (cap, exclusion, offset options etc). Much of this thinking is informed by the need for the wider economy to achieve net carbon zero by 2030 to 2050.

○ No

SG 13.7 CC	Indicate whether a range of climate scenarios is used.

☑ Analysis based on a 2°C or lower scenario

☐ Analysis based on an abrupt transition, consistent with the Inevitable Policy Response

☑ Analysis based on a 4°C or higher scenario

☐ No, a range is not used

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SG 13.8 CC	Indicate the climate scenarios your organisation uses.

Provider	Scenario used	
IEA	☑ Beyond 2 Degrees Scenario (B2DS)	
IEA	☑ Energy Technology Perspectives (ETP) 2 Degrees scenario	
IEA	☑ Sustainable Development Scenario (SDS)	
IEA	☑ New Policy Scenario (NPS)	
IEA	☑ Current Policy Scenario (CPS)	
IRENA	☑ RE Map	
Greenpeace	☑ Advanced Energy [R]evolution	
Institute for Sustainable Development	☐ Deep Decarbonisation Pathway Project (DDPP)	
Bloomberg	☑ BNEF reference scenario	
IPCC	☐ Representative Concentration Pathway (RCP) 8.5	
IPCC	☐ RPC 6	
IPCC	☐ RPC 4.5	
IPCC	☑ RPC 2.6	
Other	☑ Other (1)	Other (1) please specify: RCP 8.5
Other	☑ Other (2)	Other (2) please specify: IPPC transition scenarios not listed
Other	☐ Other (3)	

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SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1

SG 14.1	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

☑ Changing demographics

☑ Climate change

☑ Resource scarcity

☑ Technological developments

☑ Other, specify(1)

	other description (1)

ESG issues associated with food and agriculture.

☐ Other, specify(2)

☐ None of the above

SG 14.2	Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

☑ Established a climate change sensitive or climate change integrated asset allocation strategy

☐ Targeted low carbon or climate resilient investments

☐ Phase out your investments in your fossil fuel holdings

☑ Reduced portfolio exposure to emissions intensive or fossil fuel holdings

☑ Used emissions data or analysis to inform investment decision making

☑ Sought climate change integration by companies

☐ Sought climate supportive policy from governments

☑ Other, specify

	other description

High level analysis of our exposure to underlying GPs more carbon intensive portfolio companies (started 2016).

☐ None of the above

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SG 14.3	Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

☑ Scenario analysis

☐ Disclosures on emissions risks to clients/trustees/management/beneficiaries

☐ Climate-related targets

☑ Encouraging internal and/or external portfolio managers to monitor emissions risks

☐ Emissions-risk monitoring and reporting are formalised into contracts when appointing managers

☐ Weighted average carbon intensity

☐ Carbon footprint (scope 1 and 2)

☐ Portfolio carbon footprint

☐ Total carbon emissions

☐ Carbon intensity

☑ Exposure to carbon-related assets

☐ Other emissions metrics

☐ Other, specify

☐ None of the above

SG 14.5	Additional information [Optional]

We became certified as a climate neutral company as a firm in our own right during 2019.

We have estimated our carbon footprint historically and so decided to use external advisers to measure this more accurately (Scope 1, 2 and 3). This work also ultimately led to the firm becoming climate neutral in 2019. This work has informed our current thinking and assessment of carbon risk within the investment management process and across the funds, including our existing annual assessment of our exposure to underlying GP portfolio companies that we feel are more carbon intensive.

SG 14 CC	Voluntary	Public		General

SG 14.6 CC	Provide further details on the key metric(s) used to assess climate-related risks and opportunities.

Metric Type	Coverage	Purpose	Metric Unit	Metric Methodology
Exposure to carbon-related assets	☐ All assets ☐ Majority of assets ☐ Minority of assets			

SG 14.8 CC	Indicate whether climate-related risks are integrated into overall risk management and explain the risk management processes used for identifying, assessing and managing climate-related risks.

◉ Processes for climate-related risks are integrated into overall risk management

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	Please describe

To the extent we have access to the necessary information to take a view (as a secondaries investor) we consider climate risk as part of a broad suite of ESG factors that we ask about and that we research as part of our due diligence. For those investment opportunities that we feel present a material climate risk we would ask more detailed questions about climate risk/opportunity, including forward looking scenario analysis questions where applicable. We also make use of third party databases to help form a view. For those investment opportunities that would allow us greater access to management we might organise meetings with applicable underlying GP portfolio companies and where appropriate we would follow up post investment.

Our ESG Function is integrated into the Investment Team and forms part of the "Risk Function" for the Investment Team thereby ensuring ESG forms part of our overall risk management process. The Risk Function has long served as a check and balance on the deal teams that present investment opportunities to Investment Committee (IC), not only from a returns/financial risk perspective but also from a broader risk, reputation and ESG perspective.

From a climate risk perspective (as with ESG more broadly) investment opportunities are evaluated at an early stage and prior to them coming to IC. We make reference to databases, specialists within our network and bespoke questions when evaluating an opportunity. Moreover, the detailed scenario analysis work underway (physical and transition risk) is already informing our thinking and the future approach towards climate risk when undertaking deal origination, due-diligence and post investment engagement and monitoring.

○ Processes for climate-related risks are not integrated into overall risk management

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1

SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

○ Yes

◉ No

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