



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> To engage internal staff</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in a company relevant to ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via service providers</p>		

# RI TRANSPARENCY REPORT

## 2019

Pathway Capital Management, LP

## 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	✓	Private							✓
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	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
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	-	n/a							✓
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	-	n/a							✓
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	✓	Private	✓						
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	✓	Public							✓
SG 18	Innovative features of approach to RI	-	n/a							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	ESG incorporation strategies	🔒	n/a	✓						
SAM 02	Selection processes (LE and FI)	✓	Public	✓						
SAM 03	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	🔒	n/a		✓					
SAM 04	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 05	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 06	Monitoring on active ownership (listed equity/fixed income)	🔒	n/a	✓						
SAM 07	Percentage of (proxy) votes	🔒	n/a		✓					
SAM 08	Percentage of externally managed assets managed by PRI signatories	✓	Private	✓						
SAM 09	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM End	Module confirmation page	✓	-							

# Pathway Capital Management, LP

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## 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 checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" 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.

United States

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

155

**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		37	900	000	000
Currency	USD				
Assets in USD		37	900	000	000

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.

	trillions	billions	millions	thousands	hundreds
Total AUM		17	400	000	000
Currency	USD				
Assets in USD		17	400	000	000

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

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

**OO 06.1**

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

- as percentage breakdown  
 as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	0	0
Private equity	0	>50%
Property	0	0
Infrastructure	0	<10%
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

**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.

<b>OO 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Peering</b>	<b>General</b>
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**OO 09.1** Indicate the breakdown of your organisation's AUM by market.

97.6	Developed Markets
2.4	Emerging Markets
0	Frontier Markets
0	Other Markets
100%	Total 100%

### Asset class implementation gateway indicators

<b>OO 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
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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
	<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
	RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Private Equity
- Infrastructure

Closing module

- Closing module

# Pathway Capital Management, LP

## 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.

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 type="checkbox"/> Sector specific RI guidelines <input 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.

Pathway is committed to giving proper consideration to ESG issues when implementing changes to internal policies, practices, and processes, while maintaining its fiduciary duty to its clients/investors, and to generally following the principles below:

1. Incorporating ESG issues into its investment analysis and decision-making processes.
2. Requesting that general partners (GPs) incorporate ESG issues into their policies and procedures.
3. Requesting that GPs provide appropriate disclosures regarding ESG issues in the partnerships and portfolio companies in which the Company's clients invest.
4. Promoting acceptance and implementation of the Principles within the private equity industry.
5. Working with stakeholders to enhance the Company's effectiveness in implementing the Principles.
6. Reporting on the Company's activities and progress toward implementing the Principles.

Pathway believes that the consideration of ESG issues is critical in evaluating the potential attractiveness of a GP. GPs with well-constructed ESG policies are more likely to have a sustainable investment strategy that increases the potential for the GP to have a long-term existence.

In evaluating a GP's ESG policies, Pathway considers the GP's operational capabilities, transparency, and sustainability; the governance practices of a fund or portfolio company; and the industry focus and geographic operation; as well as other social or environmental impacts of a fund's investments.

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

<http://www.pathwaycapital.com/pri/>

Attachment (will be made public)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment (will be made public)

Formalised guidelines on social factors

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment (will be made public)

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://www.pathwaycapital.com/pri/>

Attachment

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



URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment

Reporting

URL/Attachment

URL

URL

<http://www.pathwaycapital.com/pri/>

Attachment

Climate change

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.

Since its inception, Pathway has managed its business to avoid potential conflicts of interest between the firm and its clients and investors. Pathway has developed a compliance program that implements stringent policies and procedures designed to mitigate and/or eliminate the potential for conflicts.

- 7. Pathway's Conflict of Interest Policy requires the written disclosure of any actual or potential conflicts of interest an employee may have with any private equity investment groups, placement agents, or other related third parties. Any relationship, whether direct or indirect, must be disclosed.
- 8. Pathway's Code of Ethics restricts employees from purchasing stocks or bonds of publicly traded companies or investing in privately traded companies (i.e., making private equity investments). Investments in mutual funds or similar investment vehicles are primarily the only investment opportunities permitted.

It is Pathway's policy to keep its clients and investors fully informed of any information, including potential conflicts of interest, that could impact their portfolios.

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

## 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  
**Chief Compliance Officer (CCO)**
  - 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
- 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.

Pathway educates its investment professional with regard to their specific obligations in implementing ESG practices.

Fundamental to Pathway's due diligence process is a thorough review of the general partner's organization, structures, and internal processes. Pathway's investment professionals perform comprehensive onsite interviews with the key senior professionals of the manager under analysis. These interviews provide the opportunity for an in-depth discussion on the general partner's incorporation of ESG issues into its investment decision-making process and other investment-related issues. The deal team, which is assigned by Pathway's chief investment officer for each investment opportunity, presents to the Investment Committee any material ESG concerns, including but not limited to, the general partner's ESG policies, the general partner's investment history reflecting any known ESG issues that would have clearly been in violation of this policy, and the likelihood of a recurrence.

The CCO conducts a formal risk-analysis of the firm's responsible investing procedures each year. This analysis assesses the firm's exposure to risks from an ESG perspective and the impact it could potentially have to the firm if the responsible investing policy is not functioning properly.

The CCO, along with the firm's general counsel, reviews and updates Pathway's Responsible Investing Policy.

<b>SG 07.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
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	Number
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0

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

### Promoting responsible investment

<b>SG 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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<b>SG 09.1</b>	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
  
- 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
- Other collaborative organisation/initiative, specify
- 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.
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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.
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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
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Pathway provides support to its clients by providing information related to Pathway's responsible investing process and a thorough review of Pathway's Transparency Report, when requested.

	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

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

	Description
--	-------------

Pathway's public website has a dedicated section to responsible investing, including a link to Pathway Responsible Investing Policy. Such transparency reaffirms that Pathway is a supporter of the PRI and encourages better transparency and disclosure of responsible-investing practices from others across the industry.

### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Spoke publicly at events and conferences to promote responsible investment
  - Wrote and published in-house research papers on responsible investment
  - Encouraged the adoption of the PRI

### Description

In evaluating a general partner's ESG policies, Pathway considers the general partner's operational capabilities, transparency, and sustainability; the governance practices of a fund or portfolio company; and the industry focus and geographic operation; as well as other social or environmental impacts of a fund's investments. To assess and potentially influence a general partner to improve its ESG practices, Pathway also seeks to understand (a) a general partner's stance regarding the United Nations Principles of Responsible Investment (UNPRI); (b) the extent to which ESG issues are incorporated into the general partner's investment, analysis, and decision-making processes; and (c) the extent to which the general partner engages with the companies with which it invests. If the general partner hasn't done so already, Pathway encourages the general partner to adopt PRI policies.

### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- 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
- 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.

### 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

### Asset class implementation not reported in other modules

**SG 17** **Mandatory** **Public** **Descriptive** **General**

**SG 17.1** Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Infrastructure	In evaluating a general partner's ESG policies, Pathway considers the general partner's operational capabilities, transparency, and sustainability; the governance practices of a fund or portfolio company; and the industry focus and geographic operation; as well as other social or environmental impacts of a fund's investments. To assess and potentially influence a general partner to improve its ESG practices, Pathway also seeks to understand (a) a general partner's stance regarding the United Nations Principles of Responsible Investment (UNPRI); (b) the extent to which ESG issues are incorporated into the general partner's investment, analysis, and decision-making processes; and (c) the extent to which the general partner engages with the companies with which it invests. If material ESG issues arise, it is presented to Pathway's Investment Committee to determine further action.

### 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.

### Selection, Appointment and Monitoring

#### 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="260 309 922 365"><b>Disclosure to public and URL</b></p> <p data-bbox="260 383 922 622"> <input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes  <input type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf  <input type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership  <input checked="" type="checkbox"/> Other         </p> <p data-bbox="260 667 922 723"><b>Specify</b></p> <p data-bbox="260 741 922 824">Pathway's Responsible Investing Policy, including its principles on responsible investing and reporting to its clients on Pathway's responsible investing activities.</p>	<p data-bbox="962 309 1449 365"><b>Disclosure to clients/beneficiaries</b></p> <p data-bbox="962 383 1457 701"> <input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes  <input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf  <input type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership  <input checked="" type="checkbox"/> Other         </p> <p data-bbox="962 745 1449 801"><b>Specify</b></p> <p data-bbox="962 819 1457 902">Any material ESG issues that have occurred in the quarter will be reported to Pathway's clients.</p>
<p data-bbox="260 947 922 1003"><b>Frequency</b></p> <p data-bbox="260 1021 922 1227"> <input checked="" type="checkbox"/> Quarterly or more frequently  <input type="checkbox"/> Biannually  <input type="checkbox"/> Annually  <input type="checkbox"/> Less frequently than annually  <input type="checkbox"/> Ad-hoc/when requested         </p>	<p data-bbox="962 947 1449 1003"><b>Frequency</b></p> <p data-bbox="962 1021 1457 1227"> <input checked="" type="checkbox"/> Quarterly or more frequently  <input type="checkbox"/> Biannually  <input type="checkbox"/> Annually  <input type="checkbox"/> Less frequently than annually  <input type="checkbox"/> Ad-hoc/when requested         </p>
<p data-bbox="260 1272 922 1328"><b>URL</b></p> <p data-bbox="260 1346 922 1373"><a href="http://www.pathwaycapital.com/pri/">http://www.pathwaycapital.com/pri/</a></p>	

# Pathway Capital Management, LP

## Reported Information

### Public version

### Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Selection

SAM 02	Mandatory	Public	Core Assessed	PRI 1
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**SAM 02.1** Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

										Private equity		
Your organisation's investment strategy and how ESG objectives relate to it										<input checked="" type="checkbox"/>		
ESG incorporation requirements										<input checked="" type="checkbox"/>		
ESG reporting requirements										<input checked="" type="checkbox"/>		
Other										<input type="checkbox"/>		
No RI information covered in the selection documentation										<input type="checkbox"/>		

**SAM 02.2** Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

### Strategy

										Private equity		
Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements										<input type="checkbox"/>		
Assess the quality of investment policy and its reference to ESG										<input checked="" type="checkbox"/>		
Assess the investment approach and how ESG objectives are implemented in the investment process										<input checked="" type="checkbox"/>		
Review the manager's firm-level vs. product-level approach to RI										<input type="checkbox"/>		
Assess the ESG definitions to be used										<input checked="" type="checkbox"/>		
Other										<input type="checkbox"/>		
None of the above										<input type="checkbox"/>		

ESG people/oversight

									Private equity		
Assess ESG expertise of investment teams									<input checked="" type="checkbox"/>		
Review the oversight and responsibilities of ESG implementation									<input checked="" type="checkbox"/>		
Review how is ESG implementation enforced /ensured									<input type="checkbox"/>		
Review the manager's RI-promotion efforts and engagement with the industry									<input checked="" type="checkbox"/>		
Other									<input type="checkbox"/>		
None of the above									<input type="checkbox"/>		

Process/portfolio construction/investment valuation

										Private equity		
Review the process for ensuring the quality of the ESG data used										<input type="checkbox"/>		
Review and agree the use of ESG data in the investment decision making process										<input checked="" type="checkbox"/>		
Review and agree the impact of ESG analysis on investment decisions										<input type="checkbox"/>		
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)										<input checked="" type="checkbox"/>		
Review and agree manager's ESG risk framework										<input type="checkbox"/>		
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives										<input type="checkbox"/>		
Review how ESG materiality is evaluated by the manager										<input checked="" type="checkbox"/>		
Review process for defining and communicating on ESG incidents										<input checked="" type="checkbox"/>		
Review and agree ESG reporting frequency and detail										<input checked="" type="checkbox"/>		
Other, specify										<input type="checkbox"/>		
None of the above										<input type="checkbox"/>		

### SAM 02.3

Indicate the selection process and its ESG/RI components

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

### SAM 02.4

When selecting external managers does your organisation set any of the following:

						Private equity		
ESG performance development targets						<input type="checkbox"/>		
ESG score						<input type="checkbox"/>		
ESG weight						<input type="checkbox"/>		
Real world economy targets						<input type="checkbox"/>		
Other RI considerations						<input checked="" type="checkbox"/>		
None of the above						<input type="checkbox"/>		

If you select any 'Other' option(s), specify

When selecting external managers, Pathway requests the general partner's policies and procedures regarding ESG. The firm also evaluates how ESG considerations have been incorporated into the general partner's investment strategy.

## Appointment

**SAM 04**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1**

**SAM 04.1**

Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)
- Other, specify (2)
- None of the above

**SAM 04.2**

Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class

- Private equity

## Benchmark

- Standard benchmark, specify

The fund manager's past investment results should be strong relative to those of its peers, be representative of the strategy proposed for the current investment opportunity and be largely attributable to the current members of the investment team. It is also important that the manager has been through the complete investment process (from initial investment through realization) in numerous transactions over an extended period of time.

- ESG benchmark, specify

## ESG Objectives

- ESG related strategy, specify
- ESG related investment restrictions, specify
- ESG integration, specify

Fundamental to Pathway's due diligence process is a thorough review of the general partner's organization, structures, and internal processes. Pathway's investment professionals perform comprehensive onsite interviews with the key senior professionals of the manager under analysis. These interviews provide the opportunity for an in-depth discussion on the general partner's incorporation of Environmental, Social, and Governance (ESG) issues into its investment decision-making process and other investment related issues.

- Engagement, specify
- Voting, specify
- Promoting responsible investment
- ESG specific improvements
- Other, specify

## Incentives and controls

- We do not set incentives and controls

## Reporting requirements

- Ad-hoc/when requested
- Annually
- Bi-annually
- Quarterly
- Monthly

### SAM 04.3

Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
- Place investment manager on a "watch list"
- Track and investigate reason for non-compliance
- Re-negotiate fees
- Failing all actions, terminate contract with the manager
- Other, specify

Pathway works to address material ESG issues that were revealed during its due diligence and also works to set appropriate ESG measures with the general partner.



No actions are taken if any of the ESG requirements are not met

## Monitoring

SAM 05	Mandatory	Public	Core Assessed	PRI 1
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### SAM 05.1

When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates

						Private equity		
ESG objectives linked to investment strategy (with examples)						<input type="checkbox"/>		
Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund						<input type="checkbox"/>		
Compliance with investment restrictions and any controversial investment decisions						<input checked="" type="checkbox"/>		
ESG portfolio characteristics						<input type="checkbox"/>		
How ESG materiality has been evaluated by the manager in the monitored period						<input checked="" type="checkbox"/>		
Information on any ESG incidents						<input checked="" type="checkbox"/>		
Metrics on the real economy influence of the investments						<input type="checkbox"/>		
PRI Transparency Reports						<input checked="" type="checkbox"/>		
PRI Assessment Reports						<input checked="" type="checkbox"/>		
RI-promotion and engagement with the industry to enhance RI implementation						<input type="checkbox"/>		
Changes to the oversight and responsibilities of ESG implementation						<input type="checkbox"/>		
Other general RI considerations in investment management agreements; specify						<input checked="" type="checkbox"/>		
None of the above						<input type="checkbox"/>		

If you select any 'Other' option(s), specify

The Company seeks to monitor and influence the behavior of general partners on a range of matters, including ESG factors. Pathway interacts with general partners throughout the year to better understand the general partner's consideration of ESG issues. If requested, Pathway will provide to the general partner materials related to ESG issues, with the goal of expanding the general partner's knowledge of ESG practices within the private market industry.

**SAM 05.2**

When monitoring external managers, does your organisation set any of the following to measure compliance/progress

						Private equity		
ESG score						<input checked="" type="checkbox"/>		
ESG weight						<input type="checkbox"/>		
ESG performance minimum threshold						<input checked="" type="checkbox"/>		
Real world economy targets						<input type="checkbox"/>		
Other RI considerations						<input checked="" type="checkbox"/>		
None of the above						<input type="checkbox"/>		

If you select any 'Other' option(s), specify

Pathway takes an active role in monitoring its investment partnerships through its participation on advisory boards, through attending meetings, and by participating in conference calls and meetings with its general partners throughout the year. These interactions with general partners throughout the year help Pathway understand, support, and challenge the general partner on specific portfolio company issues, as well as on the structures and processes they use in managing their business, including how their decisions affect the societies and environments they work in.

**Outputs and outcomes**

**SAM 09**

**Mandatory**

**Public**

**Additional Assessed**

**PRI 1,6**

**SAM 09.1**

Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

Add Example 1

Topic or issue	Social
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Private equity
Scope and process	<p>Pathway seeks to understand the general partner's operational capabilities, transparency, and sustainability; the governance practices of a fund or portfolio company; and the industry focus and geographic operation, as well as other social or environmental impacts of a fund's investments. If a material ESG issue arises, it is presented to the Investment Committee to determine further action.</p> <p>In this particular case, an existing general partner approached Pathway to invest alongside the general partner in an online payment platform. A majority of its revenue is generated from online gambling/betting. Given its material exposure to the online gambling/betting market, the co-investment team passed this information along to compliance to research if this could be a material issue. With the information collected from the general partner, the UNPRI, and other resources, Pathway ultimately proceeded with the opportunity.</p>
Outcomes	<p>Pathway works to address all the issues or concerns revealed during its due diligence and also works to set appropriate governance measures, such as fee and remuneration structures, investor protections, and diversification guidelines.</p> <p>Pathway proceeded with the co-investment opportunity discussed above due to the reserach conducted surrounding the type of co-investment being presented.</p>

- Add Example 2
- Add Example 3
- Add Example 4
- Add Example 5
- We are not able to provide examples