



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's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in a company's business</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>	<p><input type="checkbox"/> To support investment decision-making in a company's business</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>	
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in a company's business</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider</p>	<p><input type="checkbox"/> To support investment decision-making in a company's business</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider</p>	

RI TRANSPARENCY REPORT

2019

Quadriga Capital

About this report

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

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

Understanding the Principles Index

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

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

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

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

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

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		✓	-							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Public							✓
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	✓	Public	✓						
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	✓	Public							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

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

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

Quadriga Capital

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

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

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

- Hedge funds
- Fund of hedge funds

OO 01.2

Additional information. [Optional]

For more than 20 years the team of Quadriga Capital Eigenkapitalberatung GmbH has been advising private equity funds and their institutional investors who are specialized in the acquisition and development of mid-market companies in German-speaking and neighbouring countries.

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Jersey

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

10

OO 02.4 Additional information. [Optional]

Quadriga Capital receives key support from its German Advisor with 28 FTE.

The division of work in a Private Equity company is that investor relation and funding of the investments is organised by the General Partner. In the various target countries where the fund intends to invest the GP will employ a qualified advisory company. These professionals analyse the market, identify the targets, prepare the acquisition of a company and the German advisor recommends it to the Investment Committee of the fund and to the GP. Once a company has been acquired by the fund the German Advisor will be responsible to safeguard the interest of the fund by monitoring and advising the portfolio company, including Supervisory Board representation.

OO 03	Mandatory	Public	Descriptive	General
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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
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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			820	424	661
Currency	EUR				
Assets in USD			936	016	861

Not applicable as we are in the fund-raising process

OO 04.4

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

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

OO 06

Mandatory

Public

Descriptive

General

OO 06.1

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

as percentage breakdown

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

Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

OO 06.2 Publish asset class mix as per attached image [Optional].

OO 06.3 Indicate whether your organisation has any off-balance sheet assets [Optional].

Yes

No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.

No, we do not use fiduciary managers.

OO 09 **Mandatory** **Public** **Peering** **General**

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%	100%

Asset class implementation gateway indicators

OO 11 **Mandatory** **Public** **Gateway** **General**

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
--	----------------

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

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

	Core modules
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- Organisational Overview
- Strategy and Governance

	RI implementation directly or via service providers
--	---

	Direct - Other asset classes with dedicated modules
--	---

- Private Equity

	RI implementation via external managers
--	---

	Closing module
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- Closing module

OO 12.2	Additional information. [Optional]
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There are no additional modules to report on as 100% of the AUM are private equity.

Peering questions

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

OO PE 02	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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OO PE
02.1

Indicate the level of ownership you typically hold in your private equity investments.

- a majority stake (>50%)
- 50% stake
- a significant minority stake (between 10-50%)
- a minority stake (<10%)
- a mix of ownership stakes

OO PE
02.2

Additional information. [Optional]

Quadriga Capital funds seek majority control either by itself or in a syndicate with like-minded co-investors.

Quadriga Capital

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3

Indicate if the investment policy covers any of the following

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

SG 01.4

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

Corporate Responsibility-QC is committed to follow current state of the art ESG principles and encourages its portfolio businesses to be aware of and to manage ESG risks in a sustainable manner.

Business Practice-QC adheres to the highest standards of business conduct, acting as a responsible investor, operator, counterparty and employer. QC adheres to the laws, regulations and practices of all countries in which it operates.

Investment Practice-QC is committed to creating high quality businesses in order to generate value for its investors. QC always aligns its interests with those of its investors. QC operates with high standards of transparency. QC has undertaken not to invest in certain businesses which are engaged in activities that might be considered unethical. QC has a rigorous investment review process considering all relevant risks including ESG as well as financial and commercial factors.

Portfolio Management-QC adopts high-quality governance and reporting structures in all of its businesses. QC ensures that its businesses have suitable resources, policies and processes in place. QC works with its businesses in managing business risks, including ESG risks.

Fiduciary Duties-More than 50 international institutional investors have been entrusting their money to the QC funds for decades.

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]

A binding investment Procedure has been elaborated as a toolbox comprising all stages of an investment process from identifying, screening, analysing, acquiring, monitoring and improving and devesting. This ensures a coherent and sustainable investment policy.

Moreover, Quadriga Capital has created and implemented the fully integrated **QC ESG Online Pilot** giving the tools on how to permanently improve ESG standards and measure them through more than 400 adequate KPIs.

The permanent feedback process is ensured by sharing the results of the *QC ESG Online Pilot* on a portfolio level as a whole. Moreover, each and every portfolio company receives its individual ESG feedback report enabling them to see their ESG performance measured on a scale of 100%.

Each portfolio company receives a detailed analysis about the strengths and weaknesses including the recommendations for special action to improve their ESG performance. This feedback report for each company comprises more than 60 pages.

No

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

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

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

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

SG 02.1

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

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Attachment

[File 1:QC Annual ESG Report 2017-18 Website.pdf](#)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Attachment

[File 1:QC Annual ESG Report 2017-18 Website.pdf](#)

Formalised guidelines on social factors

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Attachment

[File 1:QC Annual ESG Report 2017-18 Website.pdf](#)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Attachment

[File 1:QC Annual ESG Report 2017-18 Website.pdf](#)

Fiduciary (or equivalent) duties

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Asset class-specific RI guidelines

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment (will be made public)

Attachment

[File 1:QC Annual ESG Report 2017-18 Website.pdf](#)

Sector specific RI guidelines

Screening / exclusions policy

We do not publicly disclose our investment policy documents

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

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

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

File Attachment

{hyperlink:QC Annual ESG Report 2017-18_Website.pdf [2015KB]}

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

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

Time horizon of your investment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

File Attachment

{hyperlink:QC Annual ESG Report 2017-18_Website.pdf [2015KB]}

ESG incorporation approaches

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

File Attachment

{hyperlink:QC Annual ESG Report 2017-18_Website.pdf [2015KB]}

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

File Attachment

{hyperlink:QC Annual ESG Report 2017-18_Website.pdf [2015KB]}

Reporting

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

Climate change

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

Understanding and incorporating client / beneficiary sustainability preferences

URL/Attachment

URL

URL

{hyperlink:https://www.quadriga-capital.de/en/culture-values/environmental-social-governance/}

Attachment

We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

The attachment given in section SG 02.1 does also apply to section SG 02.2

Quadriga Capital is proud to publicly share the short version of the latest *Quadriga ESG Annual Report 2017-18* as attachment to the questions asked in **sections SG 02.1 and SG 02.2**. It highlights the ESG policy and the

performance of the total Quadriga Capital funds' portfolio and shows its continuous improvement over the last 10 years.

It is also published on the website of Quadriga Capital.

For data protection reasons, the detailed report on the results of the individual portfolio companies is shared with the investors of the Quadriga Capital funds only.

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.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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This is covered on two levels:

1. Arising conflicts of interest of directors:
Any conflict of interest of directors is regularly reviewed under our compliance proceedings.

2. Arising conflicts of interest in course of investment advice:
Any investment advice and decision is thoroughly reviewed to ensure that no violation on conflicts of interest occur in the process.

No

SG 03.3	Additional information. [Optional]
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Please refer to page 27 of the attached short version of the **Quadriga Capital ANNUAL ESG REPORT 2017/18**.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

Defined measures to improve ESG performance on the portfolio company level are reviewed on a quarterly basis.

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

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

Roles

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

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
 - 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
CFO

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)

Other description (1)

Chairman Quadriga Capital Eigenkapitalberatung GmbH

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

Other description (2)

Center of Competence (COC) ESG

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment

SG 07.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Five members of Quadriga Capital and its dedicated German advisor are strongly involved with the implementation and supervision of the ESG efforts within the Quadriga Capital funds and its portfolio companies.

It is important to keep a steady dialogue between the Quadriga Capital ESG team and the ESG responsables in each portfolio company of the Quadriga Capital funds.

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

Number

0

SG 07.4 Additional information. [Optional]

Five members of Quadriga Capital and its dedicated German advisor are strongly involved with the implementation and supervision of the ESG efforts within the Quadriga Capital funds and its portfolio.

They are advising the management of the portfolio companies on ESG improvement matters taken from the *QC ESG Online Pilot* results. In each portfolio company management capacity has been allocated to the various ESG matters.

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

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

Promoting responsible investment

SG 09 **Mandatory** **Public** **Core Assessed** **PRI 4,5**

SG 09.1 Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

Quadriga Capital has become a UN PRI member in 2012. The Chairman of Quadriga Capital Eigenkapitalberatung GmbH was Chairman 2015/16 of Invest Europe and is actively promoting the ESG implementation throughout the investment industry resulting in the publication of the Invest Europe GP ESG Due Diligence Questionnaire.

Quadriga Capital is a member of INVEST EUROPE.

Quadriga Capital is also a member of SENAT DER WIRTSCHAFT / GERMANY and has co-authored the book "Von der sozialen zur ökosozialen Marktwirtschaft". Springer-Verlag, 2018

- 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

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

- Basic
- Moderate
- Advanced

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

Max Römer, Chairman of Quadriga Capital Eigenkapitalberatung GmbH and Chairman 2015/16 of Invest Europe and - as of January 2018 - Deputy Speaker of The German Private Equity and Venture Capital Association - BVK actively encouraged publicly participation in the initiative, e.g. on the occasion of the following events during the reporting period:

- Deutsche MittelstandsNachrichten, 04/2018, 26 January 2018, https://gallery.mailchimp.com/0f14bfc95592b80d74b1c2332/files/09142c4e-c453-4e47-9790-6ca18b9857a4/Deutsche_Mittelstands_Nachrichten_Nr_04_18.pdf
- Max W. Römer's author contribution [pages 51 to 72] in: "Von der sozialen zur ökosozialen Marktwirtschaft". Springer-Verlag, 2018
- May 2018 - SRH Hochschule, Berlin - Guest lecture
- June 2018 - BVK - 19. Deutscher Eigenkapitaltag - Public interview on RI - Responsible Investment
- August 2018 - BVK - Roadshow with members of parliament
- October 2018 - BVK - Cyber security/digitisation of Mittelstand companies
- October 2018 - EBS European Business School, Oestrich-Winkel, half-day seminar
- November 2018 - Deutsche MittelstandsNachrichten 45/2018, 9 November 2018 - "Eine Branche mit überproportionalem Wachstum - Mittelständisch geprägt/ Höchste Sorgfalt und Transparenz"
- December 2018 - PRI Climate Forum - DWS Frankfurt

- 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
RobecoSAM PE ESG survey

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]

Since its inception in 2007, the Quadriga Capital funds have been rated in the top 10% of all rated funds in which ROBECO was invested internationally, i. e. 61 PE-funds in 2012. Quadriga Capital participated in the new responsible investment online survey "ROBECO SAM / PRI Pilot". Max Römer, chairman of Quadriga Capital and chairman 2015/16 of Invest Europe actively encouraged publicly participation in the initiative.

Moreover, he is frequently invited to share Quadriga Capital's deep experience in measuring and improving the ESG performance of the portfolio companies of the Quadriga Capital Funds.

- 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.

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

Education and training is a continuous part of the efforts to improve ESG performance. This is organised as follows: Annually - QC ESG Online Pilot / Quarterly discussion on achievements and/or requirements / Ad hoc - Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

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

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

Frequency of contribution

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

Provided input and/or collaborated with academia on RI related work

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

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

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

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

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

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

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

Description

The German Private Equity and Venture Capital Association – BVK, Berlin
Invest Europe, Brussels

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Wrote and published articles on responsible investment in the media

Description

Please refer to SG 10.3 [= Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment]

Frequency of contribution

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

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]

Max Römer, Chairman of Quadriga Capital Eigenkapitalberatung GmbH and chairman 2015/16 of Invest Europe and - as of January 2018 - deputy speaker of The German Private Equity and Venture Capital Association - BVK actively encouraged publicly participation in the initiative, e.g. on the occasion of the following events during the reporting period:

- Deutsche MittelstandsNachrichten, 04/2018, 26 January 2018, https://gallery.mailchimp.com/0f14bfc95592b80d74b1c2332/files/09142c4e-c453-4e47-9790-6ca18b9857a4/Deutsche_Mittelstands_Nachrichten_Nr_04_18.pdf
- Max W. Römer's author contribution [pages 51 to 72] in: "Von der sozialen zur ökosozialen Marktwirtschaft". Springer-Verlag, 2018
- May 2018 - SRH Hochschule, Berlin - Guest lecture
- June 2018 - BVK - 19. Deutscher Eigenkapitaltag - Public interview on Responsible Investment
- August 2018 - BVK - Roadshow with Members of Parliament
- October 2018 - BVK - Cyber Security/Digitisation of Mittelstand companies
- October 2018 - EBS European Business School, Oestrich-Winkel, half-day seminar
- November 2018 - Deutsche MittelstandsNachrichten 45/2018, 9 November 2018 - "Eine Branche mit überproportionalem Wachstum - Mittelständisch geprägt/ Höchste Sorgfalt und Transparenz"
- December 2018 - PRI Climate Forum - DWS Frankfurt
- Continuous increase of philanthropic contribution (see page 35 of the attached QC ESG Annual Report 2017-18)

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

SG 12.4

Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

- Custodial services
- Investment policy development
- Strategic asset allocation
- Investment research
- Other, specify (1)

Describe how responsible investment is incorporated

Within the due diligence process in preparation of acquiring a company consultants are employed in various areas like: plausibility of financial planning, production process, product market analysis and ESG. The environmental aspects of a due diligence are carried out within the process of analysing the production and procurement process. The social and governance aspects are analysed in course of the

legal due diligence. Labour lawyers will elaborate on the social performance of the company. Corporate lawyers will concentrate on the appropriateness of the corporate governance, i.e. articles of association, by-laws for board and management, reporting and transparency guidelines. The due diligence results should deliver improvement potential for all company areas including ESG matters.

- Other, specify (2)
- Other, specify (3)
- None of the above
- No, we do not use investment consultants.

SG 12.7	Additional information [Optional].
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The Quadriga Capital funds have traditionally a substantial exposure to the healthcare industry. This requires a very high attention when it comes to bacteria free environments in hospitals, elderly homes, dental practices. So far the application of the highest hygiene standards in fighting contaminations for patience through bacteria or viruses have been successful.

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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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

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

The Quadriga Capital funds buy majority shares of mainly medium-sized companies. With that ESG responsibility is mandatory for the principle owner. The environmental improvements are carried out within the process of analysing all environmentally relevant aspects of each portfolio company.

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

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

Future climate related risks will occur increasingly in the interruption of energy and water supply which may become critical for the production process. Creating risk precaution in form of independent power generators, water reservoirs and emergency plans should be firmly built into the company's investment strategy.

- No, not to assess future ESG/climate-related issues

SG 13.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
----------------	---

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]

Allocation of assets between geographic markets refers to the allocation of investments headquartered throughout the D.A.CH. region and comprising their worldwide reach into all continents.

ESG aspects are considered especially when fostering the international growth of a portfolio company by setting up production sites worldwide. The countries differ in environmental legislation, labour law appropriateness and governance standards. Investment decisions for production sites abroad will make sure that the ESG risk potential is kept as low as possible.

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

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

69.6

SG 15.3 Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

Energy efficiency / Clean technology

Asset class invested

Private equity

% of AUM

5

Brief description and measures of investment

HEDRICH

Background

- Provider of insulation equipment for the electric, electronic, automotive, wind power and composite industries.
- Production sites in Katzenfurt, Germany and Xiamen, China.
- Global sales offices with subsidiaries in China, India and Russia and partners in 30 other markets.

ESG

- Ongoing improvement of overall work environment through introduction of lean manufacturing.
 - Detailed training conducted to ensure knowledge and application of (QC-) ESG-toolbox.
-
- Renewable energy
 - Green buildings
 - Sustainable forestry
 - Sustainable agriculture
 - Microfinance
 - SME financing
 - Social enterprise / community investing

Asset class invested

- Private equity

% of AUM

9.1

Brief description and measures of investment

In 2002, the **HOSPITAL GROUP** was established by an experienced, entrepreneurial management team and the Quadriga Capital funds. The company is positioned as a fast-growing platform for the privatisation of hospitals in the German-speaking world.

ESG

- Opening of new building for centralised laboratory services creating jobs for the local community.
- Conducted first group-wide employee survey and suggestion scheme.

The **DENTAL GROUP** was formed in 2015 with the aim of creating a leading group of dental clinics in the German market. The dental services sector has historically been highly fragmented and is characterised by steady growth.

ESG

More than 50,000 individual dental patients were treated in 2018 in approximately 100,000 treatments across all 16 clinics.

- Affordable housing
- Education

	Asset class invested
--	----------------------

- Private equity

	% of AUM
--	----------

5

	Brief description and measures of investment
--	--

Aspire Education Holding - Education services company providing training and qualification courses for job seekers and higher education courses for corporate employees in Austria as well as school exchange and work & travel services to young individuals in Germany.

ESG

- Improving the printing process to save energy and reduce local dust emissions.
- Continuous development and focus on agile learning for the organisation by implementing training courses at reduced rates for all employees to meet their personal development objectives.
- Introduction of medical and psychological services across all sites in Austria.
- Introduction of a code of conduct at ETC and Stepin.

- Global health
- Water

	Asset class invested
--	----------------------

- Private equity

	% of AUM
--	----------

8.6

	Brief description and measures of investment
--	--

KINETICS is a global provider of high-purity process and mechanical systems. Microelectronics, biopharmaceutical, solar, healthcare and general industrial markets. Provider of single-source responsibility for:

- design and construction management
- manufacturing of specialised high-purity and slurry equipment
- installation
- services of special technological plants

17 regional offices in USA, Europe, Middle East and Asia.

ESG

- Discussion of ESG survey results 2017/18 and improvement potential is ongoing
- Conducted employee safety training (e.g. CPR training and certification session)
- Updated antivirus and spam filter software to improve employee protection from harmful emails

Other area, specify

Laboratory, Services & Software

Asset class invested

Private equity

% of AUM

6.5

Brief description and measures of investment

GBA-Gesellschaft für Bioanalytik is one of Germany's leading laboratory testing service provider, focusing on environmental analysis, foodstuffs, consumer goods and pharmaceutical analysis. The company already has a track record of acquiring and integrating other firms, and more acquisitions are planned. The mid-sized group now operates in 13 locations across Germany and Austria and has almost 475 highly qualified employees.

ESG

- Ongoing improvement of heat insulation and energy management.
- Community involvement via charitable donations from GBA.

No

Innovation

SG 18	Voluntary	Public	Descriptive	General
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SG 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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Yes

SG 18.2	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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The *Quadriga ESG Online Pilot* has been designed as a living ESG tool going forward allowing for a continued integration of ESG standards and requirements brought forward by

- industry specific rules and regulations
- investors' ESG questionnaires
- MIP Tracking (**M**asures / **I**nitiatives / **P**rograms)
- detailed ESG evaluation per portfolio company
- feedback to portfolio companies
- ESG reporting to organizations such as PRI, ROBECO, etc.

Carbon footprint indicators has been implemented in the *Quadriga ESG Online Pilot* as of 2018.

Feedback meetings/calls/emails with all portfolio companies that participated in the PRI reporting period have taken place.

The **Quadriga ESG Online Pilot** measures more than 400 KPIs. It provides investors and managements with a powerful tool to analyse ESG performance, identify areas for improvement. It is a powerful tool to increase ESG performance from year to year.

No

Communication

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.

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

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

Private equity

Do you disclose?

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p data-bbox="256 304 906 367">Disclosure to public and URL</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <input type="checkbox"/> Information on our portfolio companies' ESG performance <input checked="" type="checkbox"/> Other <p data-bbox="256 633 906 696">Specify</p> <p data-bbox="256 712 906 797">A short version of the QC Annual ESG Report on the QCPE funds' portfolio is published on the website. Law limits publishing company data (GDPR)</p>	<p data-bbox="932 304 1447 367">Disclosure to clients/beneficiaries</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other
<p data-bbox="256 837 906 900">Frequency</p> <ul style="list-style-type: none"> <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 data-bbox="932 837 1447 900">Frequency</p> <ul style="list-style-type: none"> <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 data-bbox="256 1158 906 1220">URL</p> <p data-bbox="256 1236 906 1261">{hyperlink:http://www.quadriga-capital.de}</p>	

SG 19.2 Additional information [Optional]

The detailed portfolio company related *QC ESG Online Pilot* is an instrument reserved for the Limited Partners, the General Partner, the portfolio companies, their board members, management & staff only.

As a sophisticated data collecting, analysing and controlling management information and steering system the pilot will not be made publicly available. This is a clear request of all parties involved using this instrument as a competitive advantage. Moreover, detailed publication is limited by GDPR.

Nevertheless, the Quadriga Capital funds' ESG philosophy, its analytical approach and its results for the whole portfolio are shared with the public on the Quadriga Capital website.

Quadriga Capital

Reported Information

Public version

Direct – Private Equity

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.

Overview

PE 01	Voluntary	Public	Descriptive	PRI 1-6
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PE 01.1	Provide a brief overview of your organisation's approach to responsible investment in private equity.
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The *Quadriga ESG Online Pilot*

3. includes all questions from the respective ESG questionnaires ever brought forward so far by the Limited Partners of the Quadriga Capital funds.
4. has been designed as a living ESG tool going forward allowing for a continued integration of ESG standards and requirements brought forward by
 - industry specific rules and regulations
 - investors' ESG questionnaires
 - MIP Tracking (**M**asures / **I**nitiatives / **P**rograms)
 - detailed ESG evaluation per portfolio company
 - feedback to portfolio companies
 - ESG reporting to organizations such as UN PRI, ROBECO, etc.

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

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

5. Limitations on investment activities in industries which are not considered ESG compliant.
 6. Thoroughly review on ESG issues in the due diligence process by the investment professionals.
 7. As soon as the investment has been completed an ESG responsible manager is being assigned within the portfolio company. His/her duty is to coordinate, monitor and report all ESG related matters to Quadriga Capital. He/she is also responsible for assigning further staff in each relevant department with ESG tasks, e.g.
 8. Environmental ESG manager supervising supply, production and stock keeping
 9. Social ESG manager - usually a professional from the HR department
 10. Governance ESG manager - usually a professional member from the internal/external legal department
- 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

PE 03.3 Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]

Quadriga is committed to ensuring that the consideration of environment, social and governance "ESG" issues is fully integrated into all of its private equity investment decisions. Quadriga believes ESG standards are imperative in: protecting a company, management and employees; creating more transparency; strengthening the trust of customers and stakeholders; and increasing the company culture and company value.

In 2007/08, Quadriga initiated its internal ESG programme & database which was designed as a tool to analyse, control and manage the increasing number of tasks covering ESG requirements. This has been developed and improved over time to suit the needs and expectations of Quadriga's Limited Partners, portfolio companies and other stakeholders and ESG is now a key value driver within the α-System.

Quadriga's ESG programme implements and incorporates ESG practices throughout the investment process, from initial screening right through to the eventual divestment of investments. Quadriga believes that operating with ESG practices should not be an ad-hoc consideration but should be integrated into business as usual and is key to delivering long-term, responsible & sustainable growth. As a reflection of its commitment to achieving this, Quadriga has been a signatory of the United Nations Principles for Responsible Investment since 2012 and is rated by ROBECO as a long-term leader in complying with their Responsible Entrepreneurship Program.

No

Not applicable as our organisation does not fundraise

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

Yes

If yes

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

No

PE 04.2	Additional information. [OPTIONAL]
---------	------------------------------------

It is interesting to see that the European Limited Partners especially those from the Netherlands are leading the RI initiatives. They are followed by the French Limited Partners which are already embedded in a legal environment asking French entrepreneurs to measure and improve their carbon footprint.

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.
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Yes

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

Thoroughly review of ESG risks in every private equity investment selection process.

- Report on environmental risks as a standard tool of due diligence.
- Review of social risks by legal due diligence report.
- Review of governance risks by legal due diligence report.

The results of the ESG due diligence reports serve as a tool to quantify potential risks which may lead to either refrain from the acquisition or to define/develop a post-investment action plan for the time after the take-over of the company.

No

PE 05.3	Additional information. [Optional]
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ENVIRONMENTAL

At acquisition an external environmental advisor screens the environmental compliance of each company. Potential deficiencies are listed in the report and are then improved during the holding period of QC.

SOCIAL

Legal advisors check the compliance to any HR (human resources) topics in course of the legal due diligence as well as other social topics.

GOVERNANCE

Incorporates the standardised agreements between shareholders, the companies, management and the advisory boards. In each articles of association of QC NewCos, ESG standards are clearly defined.

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

PE 06.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
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The results of the analysis of ESG factors during the investment process are reported on several occasions. It might be included in the SWOT, Preliminary Investment Recommendation or Final Investment Recommendation depending on its relevance in the individual investment decision stage.

PE 07	Voluntary	Public	Additional Assessed	PRI 1,2
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PE 07.1	During deal structuring, what is the process for integrating ESG-related considerations into the deal documentation and/or the post-investment action plan?.
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Yes

	If yes
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- Formally/through a post-investment action plan or value enhancement plan
- Verbally/through dialogue
- Other, specify

In writing/through data collection/analysis by means of QC ESG Online Pilot and sharing the written results and recommendations with the management.

PE 07.2	Describe the nature of these improvements and provide examples (if any) from the reporting year
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Annual analysis of completed questionnaire provided/received to/from investee companies with request of improvement.

We do not set expectations for portfolio companies on ESG-related considerations

Post-investment (monitoring)

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

Continuous reduction of waste output

Example 2 (optional)

Environmental compliance: Regular Monitoring of applicable environmental regulations and Status evaluations

Example 3 (optional)

Energy management: A certain Level of energy Management shall be achieved, e.g. monitoring, evaluation of energy consumption, planning of energy efficiency measures.

Social

List up to three example targets of social issues

Example 1

Co-operation with workers' council

Example 2 (optional)

Working time models for employees, e.g. flexible working Hours, working time accounts, temporary home Office, part-time

Example 3 (optional)

Employee appraisals which shall meet certain requirements, e.g. based on internal guidelines, objective agreements are established, documented and monitored.

Governance

List up to three example targets of governance issues

Example 1

Integration of by-laws in statutory documents

Example 2 (optional)

Standardised reporting system throughout portfolio companies

Example 3 (optional)

For corruption risk countries with company locations or significant activities, risks are being evaluated and specific internal guidelines developed and implemented - on-going

We do not set and/or monitor against targets

No

PE 09.4 Additional information. [Optional]

Implementation of a close follow-up tracking of ESG KPIs through the Quadriga Capital ESG Online Pilot.

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 11	Voluntary	Public	Additional Assessed	PRI 2
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PE 11.1	Indicate the types of actions taken by your portfolio companies to incorporate ESG issues into operations and what proportion of your portfolio companies have implemented these actions.
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Types of actions taken by portfolio companies

Allocate responsibility for ESG issues to board/senior management

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

(in terms of total number of portfolio companies)

Composition of board ensure ESG expertise

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

(in terms of total number of portfolio companies)

Consider ESG issues in risk management processes

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

(in terms of total number of portfolio companies)

Define performance targets for applicable ESG issues in operations

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

(in terms of total number of portfolio companies)

Identify and engage external parties or stakeholders that could add value or decrease risk through ESG issues

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

Developing/implementing an environmental/social management system (ESMS) or similar

Implemented by percentage of portfolio companies

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- We do not track this information

Other actions, specify

None of the above

PE 11.2	Describe how your organisation contributes to the portfolio companies' resourcing and management of ESG issues.
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Provide each portfolio company with the *Quadriga Capital ESG Online Pilot* which serves as a management information system as well as a monitoring and steering instrument. This ensures a consistent review of performance and related initiation of improvement projects.

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

Overarching portfolio company reports (or similar) where management disclosure, financial and ESG data are integrated

Typical reporting frequency

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

Standalone reports highlighting targets and/or KPIs covering ESG issues

Typical reporting frequency

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

PE 12.2	Describe what level of reporting you require from portfolio companies, and indicate what percentage of your assets are covered by ESG reporting.[OPTIONAL]
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100% of the assets are covered by ESG reporting. The *QC ESG Online Pilot* is obligatory for all portfolio companies.

Outputs and outcomes

PE 14	Voluntary	Public	Additional Assessed	PRI 1,2
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PE 14.1	Indicate whether your organisation measures how your approach to responsible investment in Private Equity investments has affected financial and/or ESG performance.
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We measure whether our approach to ESG issues impacts the financial performance of investments

Describe the impact on:	Impact
Financial performance of investments	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

We measure whether our approach to ESG issues impacts the ESG performance of investments

Describe the impact on:	Impact
ESG performance of investments	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

None of the above

PE 14.2	Describe how you are able to determine these outcomes.
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Through the annual *QC ESG Online Pilot* with more than 400 KPIs, QC helps to identify ESG issues in portfolio companies. This leads to improvement measures on the portfolio company level to solve these issues leading to a positive impact on the value of the company and its ESG footprint.

Communication

PE 16	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 6
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PE 16.1	Describe your organisation's approach to disclosing ESG incidents in private equity investments to your investor clients (LPs).
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Integration in quarterly and annual reporting incl. regular quarterly update calls with LPs.

Quadriga Capital

Reported Information

Public version

Confidence building measures

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.

Confidence building measures

CM 01	Mandatory	Public	Additional Assessed	General
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CM 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

CM 01.2 Additional information [OPTIONAL]

In general, we consider the third party assurance as an appropriate instrument to confirm the data and information given in the PRI report are reliable. Nevertheless, this procedure seems to bring an additional time and financial burden to PRI signatories. It can be realised that many GPs in the PE industry are outsourcing ESG to third party advisors completely. This bears the risk that the PE Portfolio Managers being responsible for developing the individual portfolio companies are kept outside the ESG questionnaire. Moreover, it can be realised that ESG is being developed as additional area of consultancy by the big four Chartered accountants: PWC, Deloitte, KPMG, E&Y. Allowing one of these or similar consultancy companies to give a third party assurance on the Quadriga Capital ESG Online Pilot may lead to the fact that the whole system of measuring more than 400 KPIs in an online dialogue with each portfolio company will be deliberately copied. That has to be avoided as the development of the QC ESG Online Pilot is the result of the ESG work during the past 10 years. Nevertheless, we want to be constructive and think that a neutral third party like an UN PRI inspector should be allowed to check the reliability of the answers given in the UN PRI questionnaire. The next logical step forward would be that UN PRI would establish an "ESG – ISO certification". We are happy to share our further thoughts in this matter with you.

CM 02	Mandatory	Public	Descriptive	General
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CM 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.

CM 02.3 Additional information [OPTIONAL]

We did not assure retrospectively last year's PRI transparency report, however, the verification of responses takes place on three levels:

- 1) The responses given by the ESG management of the portfolio companies are verified through the dialogue

between them and the ESG project managers of Quadriga Capital.

2) During the data collection process ESG managers of the portfolio companies may call their ESG Team of Quadriga Capital or its consultant Hydrodata directly in order to make sure that any question have been correctly understood. This feedback dialogue opportunity is kept open throughout the whole year.

3) All questions occurring throughout the business year including ESG questions received from institutional investors of the Quadriga Capital funds, the ESG managers of portfolio companies, the external experts or Quadriga's own ESG responsables are integrated into the QC ESG Online Pilot. This makes sure, that the QC ESG Online Pilot is being continuously updated and will include ESG matters as they occur.

CM 03	Mandatory	Public	Descriptive	General
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CM 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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- 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
 In all portfolio companies of the Quadriga Capital funds the various industry standards like ISO certification, environmental certification, etc. are part of the annual audits.
- None of the above

CM 04	Mandatory	Public	Descriptive	General
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CM 04.1	Do you plan to conduct third party assurance of this year's PRI Transparency report?
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- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM 04.3	Additional information [OPTIONAL]
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Please refer to our comment given for topic CM 01

CM 07	Mandatory	Public	Descriptive	General
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CM 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
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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)