

CapMan Plc

About this report

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

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

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

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

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

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

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

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		🔒	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Public							✓
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	✓	Public							✓
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	✓	Public							✓
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	✓	Public							✓
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	✓	Public							✓
OO PR 02	Breakdown of property assets by management	✓	Private							✓
OO PR 03	Largest property types	✓	Public							✓
OO INF 01	Breakdown of infrastructure investments	✓	Public							✓
OO INF 02	Breakdown of infrastructure assets by management	✓	Public							✓
OO INF 03	Largest infrastructure sectors	✓	Public							✓
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	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
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	✓	Public				✓	✓	✓	
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	✓	Public	✓						
SG 14 CC		-	n/a							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
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	✓	Public	✓						
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	✓	Public		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Public	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Public						✓	
PE End	Module confirmation page	✓	-							

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 02	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 03	Formal commitments to RI	✓	Public				✓			
PR 04	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 05	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 06	ESG issues impact in selection process	✓	Public	✓						
PR 07	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 08	ESG issues in post-investment activities	✓	Public		✓					
PR 09	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 10	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 11	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 12	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 13	Proportion of green leases or MOUs referencing ESG issues	✓	Public		✓					
PR 14	Proportion of assets engaged with on community issues	✓	Public		✓					
PR 15	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 16	Examples of ESG issues that affected your property investments	✓	Public	✓		✓				
PR End	Module confirmation page	✓	-							

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Description of approach to RI	✓	Public	✓					✓	
INF 02	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 03	Fund placement documents and RI	✓	Public	✓			✓		✓	
INF 04	Formal commitments to RI	✓	Public				✓			
INF 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 06	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 07	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 08	Types of ESG information considered in investment selection	✓	Public	✓		✓				
INF 09	ESG issues impact in selection process	✓	Public	✓						
INF 10	ESG issues in selection, appointment and monitoring of third-party operators	🔒	n/a				✓			
INF 11	ESG issues in post-investment activities	✓	Public		✓					
INF 12	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 13	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 14	Type and frequency of reports received from investees	✓	Public		✓	✓				
INF 15	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 16	Proportion of stakeholders that were engaged with on ESG issues	✓	Public		✓					
INF 17	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
INF 18	Examples of ESG issues that affected your infrastructure investments	✓	Public	✓		✓				
INF 19	Approach to disclosing ESG incidents	✓	Public						✓	
INF End	Module confirmation page	✓	-							

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

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Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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OO 01.1 Select the services and funds you offer

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

Please specify

Wealth management advisory & reporting services

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

- ☐ Hedge funds
- ☐ Fund of hedge funds

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Finland

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

147

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.

31/12/2019

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		2	728	083	473
Currency	EUR				
Assets in USD		3	007	169	951

☐ Not applicable as we are in the fund-raising process

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

	trillions	billions	millions	thousands	hundreds
Total AUM			516	496	127
Currency	EUR				
Assets in USD			569	334	351

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

OO 06	Mandatory	Public	Descriptive	General
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OO 06.1	Select how you would like to disclose your asset class mix.
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- ☐ as percentage breakdown
- ☒ as broad ranges

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

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 07	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO 07.1

Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	SSA	
		0
	Corporate (financial)	
		0
	Corporate (non-financial)	
		100
	Securitised	
		0
	Total	
		100%

OO 09

Mandatory

Public

Peering

General

OO 09.1

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

Developed Markets	
	95
Emerging Markets	
	5
Frontier Markets	
	0
Other Markets	
	0
Total 100%	
	100%

OO 09.2

Additional information. [Optional]

At the end of the reporting period, CapMan has discontinued its Russia business that fully constituted Emerging Markets allocation.

Asset class implementation gateway indicators

OO 10

Mandatory

Public

Gateway

General

OO 10.1

Select the active ownership activities your organisation implemented in the reporting year.

Fixed income Corporate (non-financial) – engagement

- ☒ We engage with companies on ESG factors via our staff, collaborations or service providers.
- ☐ We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

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).

Fixed income - corporate (non-financial)

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

Private equity

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

Property

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

Infrastructure

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

OO 12

Mandatory

Public

Gateway

General

OO 12.1

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

Core modules

- ☒ Organisational Overview
- ☒ Strategy and Governance

RI implementation directly or via service providers**Direct - Fixed Income**

- ☐ Fixed income - Corporate (non-financial)

Direct - Other asset classes with dedicated modules

- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure

Closing module

- ☒ Closing module

Peering questions**OO FI 01****Mandatory to Report Voluntary to Disclose****Public****Gateway****General****OO FI 01.1**

Provide a breakdown of your internally managed fixed income securities by active and passive strategies

Corporate (non-financial)		Passive
	0	
		Active - quantitative (quant)
	0	
		Active - fundamental and active - other
	100	
		Total
	100%	

OO FI 01.2 Additional information. [Optional]

Fixed income securities invested by CapMan managed funds include only mezzanine or unitranche loans to non-listed companies and these instruments are not used for active trading.

OO FI 03	Mandatory	Public	Descriptive	General
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Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below

☒ OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

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.

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 type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (1)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

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.
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- ☐ 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]
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In Growth capital strategies, our ownership stake in portfolio companies is in most cases between 10-49% whereas in Buyout strategies we exercise majority vote through direct majority stake or through arrangements with syndicate partners.

OO PR 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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OO PR 01.1	Indicate the level of ownership you typically hold in your property investments.
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- ☒ a majority stake (50% and above)
- ☐ a significant minority stake (10 and above, and under 50%)
- ☐ a limited minority stake (<10%)
- ☐ a mix of ownership stakes
- ☐ N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity in property on their behalf

OO PR 01.2	Provide a breakdown of your organisations allocation to Real Estate Investment Trusts (REITs) or similar
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- ☐ >50%
- ☐ 10 – 50%
- ☐ <10%
- ☒ 0%

OO PR 03	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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OO PR 03.1	Indicate up to three of your largest property types by AUM.
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Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input checked="" type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input checked="" type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

OO INF 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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OO INF 01.1	Indicate the level of ownership you typically hold in your infrastructure investments.
-------------	--

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

OO INF 02	Mandatory to Report Voluntary to Disclose	Public	Gateway/Peering	General
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OO INF 02.1	Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.
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Infrastructure assets managed by	Breakdown of your infrastructure assets (by number)
Managed directly by your organisation/companies owned by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party operators appointed by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by other investors/their third-party operators	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Total	100%

OO INF 03	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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OO INF 03.1	Indicate up to three of your largest infrastructure sectors by AUM.
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Sector	Main infrastructure sectors (by AUM)
Largest infrastructure sector	<input checked="" type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Second largest infrastructure sector	<input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Third largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input checked="" type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify

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Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

☒ Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input 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.

CapMan plays an important role in the society by managing the capital invested in its funds and developing the companies, properties and assets in its funds' portfolios. Our business model allows us to invest in a variety of sectors and regions. Through either our funds' investments or direct investments in Nordic and Russian companies and real estate, we help portfolio companies and properties to succeed through promoting innovation and facilitating new solutions to challenges e.g. relating to various societal developments. Through our success we provide superior returns to our fund investors and shareholders helping them to meet expectations of their own constituencies. At the same time our successful businesses strengthen the economy of the regions. In our role as an active and significant owner we are committed to promoting responsible business practices in our portfolio companies and to conducting sustainable asset management of our real estate investments. CapMan is a role model for its portfolio companies and consequently responsibility plays a key role also in CapMan's own business activities. Our commitment to responsibility is reflected in our values: active ownership, dedication and high ethics.

☐ No

SG 01 CC**Mandatory to Report Voluntary to Disclose****Public****Descriptive****General****SG 01.6 CC**

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

☒ Yes

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

Climate-related risks are considered as a part of normal investment and risk analysis. For some investment cases these are less significant, but for others they can be central to the investment thesis. For example, the Infra fund has invested in a ferry operator that is not vulnerable to potential rise of sea level (in fact may even benefit from it) and where the value creation agenda is largely driven by the conversion of ferries to greener engines and towards zero emissions.

☐ No

SG 01.7 CC

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

☐ Yes

☒ No

Describe why your organisation has not yet assessed the likelihood and impact of climate risks

Climate-related risks are considered as a part of normal investment and risk analysis. For some investment cases these are less significant, but for others they can be central to the investment thesis. For example, the Infra fund has invested in a ferry operator that is not vulnerable to potential rise of sea level (in fact may even benefit from it) and where the value creation agenda is largely driven by the conversion of ferries to greener engines and towards zero emissions.

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

- ☐ Yes
☒ No

	Explain the rationale
--	-----------------------

Formal decision has not been made yet - CapMan to evaluate.

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

- ☐ Yes
☒ No

	Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.
--	---

For the time being CapMan is still in the process of evaluating and defining the measures and metrics on how to manage the risks and opportunities across different investment areas and portfolio companies, properties and assets. However, reducing emissions and combating climate change have been identified as one of CapMan's Sustainable Investment Objectives and we identify the importance of implementing a strategy throughout the organisation.

SG 1.10 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.		
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- ☐ Public PRI Climate Transparency Report
☐ Annual financial filings
☐ Regular client reporting
☐ Member communications
☐ Other
☒ We currently do not publish TCFD disclosures

SG 02	Mandatory	Public	Core Assessed	PRI 6
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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

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

- ☐ Attachment (will be made public)
- ☐ Formalised guidelines on environmental factors
- ☐ Formalised guidelines on social factors
- ☐ Formalised guidelines on corporate governance factors
- ☐ Asset class-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

<https://www.capman.com/company/sustainability/>

- ☐ Attachment

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

URL/Attachment

- ☒ URL

URL

<https://www.capman.com/company/sustainability/>

- ☐ Attachment

- ☒ Time horizon of your investment

URL/Attachment

- ☒ URL

	URL
--	-----

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☒ Governance structure of organisational ESG responsibilities

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☒ ESG incorporation approaches

	URL/Attachment
--	----------------

☒ URL

	URL
--	-----

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☒ Active ownership approaches

	URL/Attachment
--	----------------

☒ URL

	URL
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https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☒ Reporting

	URL/Attachment
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☒ URL

	URL
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https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☒ Climate change

	URL/Attachment
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☒ URL

	URL
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https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attachment

☐ We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
----------------	---

☒ Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
----------------	---

Procedures to be followed and measures to be adopted in order to prevent, manage and monitor such conflicts shall include a robust governance framework with clear responsibilities and reporting channels, segregation of functions and where absolutely necessary, controlling the flows of information within the organisation, appropriate remuneration systems, clear decision-making framework, contractual arrangements (in particular those with investors), as well as disclosure of conflicts of interest to investors and consultation with investors where they cannot be prevented.

☐ No

SG 04	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within investee entities.
----------------	---

☒ Yes

☐ No

SG 04.2	Describe your process on managing incidents
----------------	---

Portfolio level data on realized incidents are collected at least on an annual basis. However, CapMan always has representation in the portfolio company Board of Directors, who have direct responsibility for managing any significant incidents.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
-------	-----------	--------	-----------------------	---------

SG 05.1 Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

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

SG 06	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

SG 06.1 List the main responsible investment objectives that your organisation set for the reporting year.

Responsible investment processes

- ☒ Provide training on ESG incorporation

Key performance indicator

Share of companies participating

Progress achieved

CapMan Buyout, together with an external advisor, provided training and assistance to portfolio companies in relation to selected ESG matters.

- ☐ Provide training on ESG engagement
- ☒ Improved communication of ESG activities within the organisation

Key performance indicator

Updated policies or operating manuals for the main investment areas

Progress achieved

CapMan Real Estate, Buyout and Infra teams have all defined their processes, targets and tools in more detail during the year. CapMan Group-level targets and responsible investment policy were also updated.

- ☒ Improved engagement to encourage change with regards to management of ESG issues

Key performance indicator

Updated policies or operating manuals for the main investment areas

	Progress achieved
--	-------------------

CapMan Real Estate, Buyout and Infra teams have all defined their processes, targets and tools in more detail during the year. CapMan Group-level targets and responsible investment policy were also updated.

- ☒ Improved ESG incorporation into investment decision making processes

	Key performance indicator
--	---------------------------

Updated analysis tools for investment professionals

	Progress achieved
--	-------------------

Especially CapMan Buyout has developed more refined tools to incorporate ESG matters more profoundly to investment decision making

- ☒ Other, specify (1)

Stakeholder engagement

	Progress achieved
--	-------------------

Sustainability at CapMan was the main theme at CapMan LP Days 2019, an annual event where all fund investors are invited.

- ☐ Other, specify (2)
☐ Other, specify (3)
☐ None of the above

	Financial performance of investments
--	--------------------------------------

- ☒ Increase portfolio performance by consideration of ESG factors

	Key performance indicator
--	---------------------------

Risk management

	Progress achieved
--	-------------------

Few minor incidents at the investment level but nothing drastic. Analysis of systematic positive financial performance driven by ESG management so far limited - with the exception of cost savings from reduced energy consumption in the real estate investments and a few industrial portfolio companies.

- ☐ Other, specify (1)
☐ Other, specify (2)
☐ Other, specify (3)
☐ None of the above

ESG characteristics of investments

- ☐ Over or underweight companies based on ESG characteristics
- ☒ Improve ESG ratings of portfolio

Key performance indicator

Existence of relevant policies, identification of significant environmental aspects, energy consumption, GHG emissions, Health and Safety incidents, Lost Time Injury Frequency Rate, risk of corruption

Progress achieved

Progress for each portfolio company is monitored on an annual basis and any follow-up actions are decided accordingly if needed. High-level results are also reported to fund investors.

- ☐ Setting carbon reduction targets for portfolio
- ☐ Other, specify (1)
- ☐ Other, specify (2)
- ☐ Other, specify (3)
- ☐ None of the above

Other activities

- ☒ Joining and/or participation in RI initiatives

Progress achieved

Collaboration with the Centre for Sustainable Business at Örebro University with regard to master essays on sustainability topics

- ☒ Encouraging others to join a RI initiative

Progress achieved

CapMan is supporting Level20, a non-profit organisation with the purpose to increase awareness of diversity and inclusion topics within the private equity industry, by e.g. hosting events and participating in the mentorship programme. Pia Käll, Managing Partner of CapMan Buyout is part of Level20 Nordic Committee.

- ☐ Documentation of best practice case studies
- ☒ Using case studies to demonstrate engagement and ESG incorporation to clients
- ☒ Other, specify (1)

other description (1)

Communication on ESG matters

	Progress achieved
--	-------------------

Sustainability was the main theme at CapMan's LP Day 2019, an annual event where all the fund investors are invited

- ☐ Other, specify (2)
- ☐ Other, specify (3)
- ☐ None of the above

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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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
Investment team heads

- ☒ 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)
--	-----------------------

ESG working group

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

The case responsables, supported by the investment analysts, follow up on their individual cases. On fund level the case teams are supported by the ESG working group, an internal body of 7 people consisting of representatives of investment and service teams, as well as the Heads of the respective investment teams and ultimately by Group management.

SG 07.3

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

	Number
--	--------

0

SG 07 CC	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
------------	---

	Board members or trustees
--	---------------------------

- ☐ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☒ No responsibility for climate-related issues

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

- ☒ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Other Chief-level staff or heads of departments
--	---

- ☒ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Portfolio managers
--	--------------------

- ☒ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Investment analysts
--	---------------------

- ☐ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

	Investor relations
--	--------------------

- ☐ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☒ No responsibility for climate-related issues

	External managers or service providers
--	--

- ☐ Oversight/accountability for climate-related issues
- ☐ Assessment and management of climate-related issues
- ☒ No responsibility for climate-related issues

	Other role, specify (1)
--	-------------------------

ESG working group

- ☒ Oversight/accountability for climate-related issues
- ☒ Assessment and management of climate-related issues
- ☐ No responsibility for climate-related issues

SG 08	Voluntary	Public	Additional Assessed	General
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SG 08.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
---------	---

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

SG 08.1a	RI in objectives, appraisal and/or reward
----------	---

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ None of the above

SG 08.1b	RI in personal development and/or training plan
----------	---

- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

	Other C-level staff or head of department
--	---

Investment team heads

SG 08.1a	RI in objectives, appraisal and/or reward
----------	---

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ None of the above

SG 08.1b RI in personal development and/or training plan

- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Portfolio managers

SG 08.1a RI in objectives, appraisal and/or reward

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ None of the above

SG 08.1b RI in personal development and/or training plan

- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Investment analysts

SG 08.1a RI in objectives, appraisal and/or reward

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ None of the above

SG 08.1b RI in personal development and/or training plan

- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Other role (1) [from SG 07]

ESG working group

SG 08.1a RI in objectives, appraisal and/or reward

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ None of the above

SG 08.1b	RI in personal development and/or training plan
-----------------	---

- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
----------------	---

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]
--	---

CapMan representatives have continued their work to promote PRI and the six principles through local industry associations, i.e. Finnish Venture Capital Association (FVCA) and Swedish Private equity and Venture Capital Association (SVCA). CapMan participated in FVCA's Responsible Investment working group during the reporting year.

- ☐ Asian Corporate Governance Association
- ☐ Australian Council of Superannuation Investors
- ☐ AVCA: Sustainability Committee
- ☐ France Invest – La Commission ESG
- ☐ BVCA – Responsible Investment Advisory Board
- ☐ CDP Climate Change
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Climate Action 100+
- ☐ Code for Responsible Investment in SA (CRISA)
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ ESG Research Australia
- ☐ Invest Europe Responsible Investment Roundtable
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Impact Investing Network (GIIN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Green Bond Principles
- ☐ HKVCA: ESG Committee
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ International Integrated Reporting Council (IIRC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ Principles for Financial Action in the 21st Century
- ☐ Principles for Sustainable Insurance
- ☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- ☐ Responsible Finance Principles in Inclusive Finance
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify

Level20

	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]
--	--

Pia Kåll, Managing Partner in CapMan Buyout, is a member of Level20 Nordic Committee and active spokesperson for the initiative. Level20 is a non-profit organisation with purpose to increase awareness of diversity and inclusion topics within the private equity industry.

- ☐ 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.)
- ☐ Provided financial support for academic or industry research on responsible investment
- ☒ Provided input and/or collaborated with academia on RI related work

	Description
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CapMan has collaborated with Örebro University in regard to master essays on sustainability topics

Frequency of contribution

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

Description

Through collaboration with Level20 initiative and infrastructure events, CapMan employees are regularly speaking in public on ESG matters, especially on diversity and inclusion and sustainable infrastructure topics.

Frequency of contribution

- ☒ Quarterly or more frequently
 - ☐ Biannually
 - ☐ Annually
 - ☐ Less frequently than annually
 - ☐ Ad hoc
 - ☐ Other
- ☐ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI

Description

In CapMan 2019 LP Day, event hosted by CapMan in which all the fund investors are invited to join, ESG was the main theme across all funds with CapMan highlighting the benefits from responsible investment and PRI.

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

SG 11

Voluntary

Public

Additional Assessed

PRI 4,5,6

SG 11.1

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

- ☒ Yes

If yes

- ☐ Yes, individually
- ☒ Yes, in collaboration with others

SG 11.2

Select the methods you have used.

- ☐ Endorsed written submissions to governments, regulators or public policy-makers developed by others
- ☐ Drafted your own written submissions to governments, regulators or public-policy markers
- ☐ Participated in face-to-face meetings with government members or officials to discuss policy
- ☒ Other, specify

specify description

CapMan has not directly been involved in such dialogue during 2019. Active through the Finnish Venture Capital Association

SG 11.3

Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- ☐ Yes, publicly available
- ☐ No
- ☐ No

SG 11.4	Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.
----------------	--

CapMan is not directly in dialogue with policy-makers and regulators but actively supports FVCA (the industry body and public policy advocate for the venture capital and private equity investors in Finland) in order to form the unified industry view on various topics. FVCA communicates this view to regulators/policy-makers.

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
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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
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SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- ☐ Yes, in order to assess future ESG factors
- ☐ Yes, in order to assess future climate-related risks and opportunities
- ☒ No, our organisation does not currently carry out scenario analysis and/or modelling

SG 13.3	Additional information. [OPTIONAL]
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Risks and opportunities related to environmental, social and climate-related aspects are important part of evaluating the attractiveness of an investment opportunity especially for infrastructure and real estate investments. However, structured scenario analysis is not currently performed.

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

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

- ☒ Changing demographics
- ☒ Climate change
- ☐ Resource scarcity
- ☒ Technological developments
- ☐ Other, specify(1)
- ☐ Other, specify(2)
- ☐ None of the above

SG 14.2

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

- ☐ Established a climate change sensitive or climate change integrated asset allocation strategy
- ☐ Targeted low carbon or climate resilient investments
- ☐ Phase out your investments in your fossil fuel holdings
- ☒ Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- ☐ Used emissions data or analysis to inform investment decision making
- ☐ Sought climate change integration by companies
- ☐ Sought climate supportive policy from governments
- ☒ Other, specify

other description

Energy efficiency is one of the key value creation drivers in real estate investing

- ☐ None of the above

SG 14.3

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

- ☐ Scenario analysis
- ☐ Disclosures on emissions risks to clients/trustees/management/beneficiaries
- ☐ Climate-related targets
- ☐ Encouraging internal and/or external portfolio managers to monitor emissions risks
- ☐ Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- ☐ Weighted average carbon intensity
- ☒ Carbon footprint (scope 1 and 2)
- ☐ Portfolio carbon footprint
- ☐ Total carbon emissions
- ☐ Carbon intensity
- ☒ Exposure to carbon-related assets
- ☐ Other emissions metrics
- ☒ Other, specify

	other description
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For real estate assets, energy consumption is monitored on a detailed level

☐ None of the above

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
----------------	---

☐ Yes

☒ No

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
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SG 16.1	Describe how you address ESG issues for internally 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.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Corporate (non-financial)	<p>Fixed income strategy managed funds make private debt investments, i.e. mezzanine or unitranche loans to unlisted SME companies, typically to help an Equity Sponsor finance the acquisition of the company or to accelerate the growth. These assets are not actively traded but hold until the repayment of the loan.</p> <p>As the Funds do not hold representation in Board of Directors of the portfolio companies (i.e. no voting power), addressed ESG issues revolve around company's ESG status at the time of the investment, and Equity Sponsor/company's targeted actions in regard to ESG.</p>

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

☒ 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.

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>Disclosure to public and URL</p> <p><input type="checkbox"/> ESG information in relationship to our pre-investment activities</p> <p><input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities</p> <p><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance</p> <p><input type="checkbox"/> Other</p>	<p>Disclosure to clients/beneficiaries</p> <p><input checked="" type="checkbox"/> ESG information in relationship to our pre-investment activities</p> <p><input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities</p> <p><input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance</p> <p><input type="checkbox"/> Other</p>
<p>Frequency</p> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>	<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
<p>URL</p> <p>https://www.capman.com/company/sustainability/</p>	

Property

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
<div>Disclosure to public and URL</div> <p><input type="checkbox"/> ESG information on how you select property investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments</p> <p><input checked="" type="checkbox"/> Information on your property investments' ESG performance</p> <p><input type="checkbox"/> Other</p>	<div>Disclosure to clients/beneficiaries</div> <p><input type="checkbox"/> ESG information on how you select property investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments</p> <p><input checked="" type="checkbox"/> Information on your property investments' ESG performance</p> <p><input type="checkbox"/> Other</p>
<div>Frequency</div> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>	<div>Frequency</div> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
<div>URL</div> <p>https://www.capman.com/company/sustainability/</p>	

Infrastructure

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
<div>Disclosure to public and URL</div> <p><input type="checkbox"/> ESG information on how you select infrastructure investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage infrastructure investments</p> <p><input checked="" type="checkbox"/> Information on your infrastructure investments' ESG performance</p>	<div>Disclosure to clients/beneficiaries</div> <p><input checked="" type="checkbox"/> ESG information on how you select infrastructure investments</p> <p><input checked="" type="checkbox"/> ESG information on how you monitor and manage infrastructure investments</p> <p><input checked="" type="checkbox"/> Information on your infrastructure investments' ESG performance</p>
<div>Frequency</div> <p><input type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>	<div>Frequency</div> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad-hoc/when requested</p>
<div>URL</div> <p>https://www.capman.com/company/sustainability/</p>	

CapMan Plc

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.

ESG matters are always a part of the investment process; tools and checklists for identifying need for more detailed DD are in place and most significant opportunities and/or risks need to be identified on the investment memorandum. During holding period, portfolio-level questionnaires are done annually and the case teams monitor the performance of individual portfolio companies in more detail through the Board. Any incidents, as well as general performance, are reported to fund investors.

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

- ☒ Our investment activities are guided by a responsible investment policy

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

As outlined in CapMan's Code of Conduct, the staff is expected to act in line with company's commitment to the principles of responsible investment (as stated in CapMan's Sustainable Investment Policy) at every stage of investments - always aiming to be a value adding active owner who is dedicated to build successful and long-lasting businesses in a sustainable manner.

CapMan requires that all the funds' portfolio companies comply with applicable laws, rules and regulations. In addition, each portfolio company draws up a programme to ensure that good corporate governance principles are followed. Requirements and expectations may vary with respect to other ESG aspects depending e.g. on sector, geography and business model of the portfolio company in question. CapMan takes immediate actions if any critical ESG issues arise concerning the portfolio companies during the ownership period.

- ☐ 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]

Not included in PPM itself, but responsible investment matters are thoroughly outlined in ESG specific documentation available to any potential new investor via data room or equivalent

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

PE 04**Voluntary****Public****Additional Assessed****PRI 4****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

Pre-investment (selection)**PE 05****Mandatory****Public****Gateway****PRI 1****PE 05.1**

During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

- ☒ Yes

PE 05.2

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

Negative screening is done to rule out investments in certain industries. Otherwise, ESG aspects and risks are assessed after the investment opportunity has been identified and preliminary investment case has been formulated. The scope of due diligence is determined on a case by case basis. In the event of ESG criteria are not met, the opportunity will be discontinued.

☐ No

PE 06**Mandatory****Public****Core Assessed****PRI 1,3****PE 06.1**

Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.

- ☒ Raw data from target company
- ☒ Benchmarks against other companies
- ☒ Sector level data/benchmarks
- ☐ Country level data/benchmarks
- ☒ Reporting standards, industry codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Engagements with stakeholders (e.g. customers and suppliers)
- ☒ Advice from external resources
- ☐ Other, specify
- ☐ We do not track this information

PE 06.2

Describe how this information is reported to, considered and documented by the Investment Committee or similar.

Relevant identified risks, opportunities and conclusions are included in the investment memorandum, on which the investment committee makes the decision.

PE 07**Voluntary****Public****Additional Assessed****PRI 1,2****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?

☒ Yes

If yes

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

PE 07.2

Describe the nature of these improvements and provide examples (if any) from the reporting year

ESG-related consideration are not typically included in deal closing documentation. Significant ESG enhancement opportunities identified in due diligence are considered in strategy work and business plan discussions and/or documentation that starts right after the deal closing.

As an example, in 2019 CapMan Growth Equity invested in Picosun, a small Finland-based company providing Atomic Layer Deposition (ALD) solutions globally. One of the key findings in due diligence was inadequate HR operations. Immediately after the completion of the transaction, HR Director was hired as a first step to spearhead the establishment of an acceptable HR function.

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

PE 08**Voluntary****Public****Additional Assessed****PRI 1****PE 08.1**

Indicate how ESG issues impacted your private equity investment selection processes during the reporting year.

- ☒ ESG issues helped identify risks
- ☒ ESG issues helped identify opportunities for value creation.
- ☒ ESG issues led to the abandonment of potential investments.
- ☒ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

PE 08.2

Indicate how ESG issues impacted your private equity investment deals during the reporting year.

- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues were included in the post-investment action plan/100-day plan
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☒ ESG issues were considered but did not have an impact on the deal structuring process
- ☐ Other, specify
- ☐ We do not track this potential impact

PE 08.3

Additional information. [OPTIONAL]

During the reporting period, and in line with previous years, there are always few investment opportunities that are rejected due to ESG matters. These are rejected usually at early stage before venturing into full scope due diligence phase. No investment opportunities were rejected due to ESG matters when presented in the Investment Committee for the decision.

ESG issues identified in the completed investments during the reporting period did not impact to deal structuring but CapMan made sure the management takes the issues into account in order for company to operate with high ethics. Any identified ESG issue that creates a liability is considered in pricing and/or SPA clauses.

Post-investment (monitoring)

PE 09**Mandatory****Public****Gateway/Core Assessed****PRI 2**

PE 09.1

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

☒ Yes

PE 09.2

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

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

(in terms of total number of portfolio companies)

PE 09.3

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

ESG issues

☒ Environmental

List up to three example targets of environmental issues

Example 1

Environmental policy and relevant Environmental Management System in place and up to date.

Example 2 (optional)

Yearly GHG emissions

Example 3 (optional)

Initiatives to reduce company's environmental footprint

☒ Social

List up to three example targets of social issues

Example 1

HR and Health and Safety policy in place, and Occupational Health & Safety Management System in place and up to date

Example 2 (optional)

Lost Time Injury Frequency Rate

	Example 3 (optional)
--	----------------------

Share of female employees

☒ Governance

	List up to three example targets of governance issues
--	---

	Example 1
--	-----------

Implementation of procedures or ethical codes to prevent child & forced labour, bribery and money laundering

	Example 2 (optional)
--	----------------------

Reviews or audits completed to company's supply chain with regard to ESG matters

	Example 3 (optional)
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Company being under investigation for fraud or subject to lawsuit in relation to business ethics

☐ We do not set and/or monitor against targets

☐ No

PE 09.4	Additional information. [Optional]
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In general, particular attention is paid to corporate governance, management incentives, and ESG-related incidents across the portfolio. Furthermore, in many cases there are other ESG-related metrics that are followed in that particular company or industry, and the relevance of those is evaluated on a case by case basis.

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).
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☒ Yes

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

ESG issues are managed at portfolio companies' Board of Directors level. CEO or other company's management team member is responsible for day-to-day actions and reporting to the Board. CapMan has a representative in each portfolio company's Board.

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 13	Voluntary	Public	Additional Assessed	PRI 2
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PE 13.1	Indicate whether during the reporting year your organisation disclosed information on ESG issues to potential buyers prior to exit for private equity investments.
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- ☒ We included ESG issues in pre-exit information
- ☐ We did not include ESG issues in pre-exit information
- ☐ N/A, we did not have any exits in the reporting year

PE 13.2	Apart from disclosure, describe how your organisation considers ESG issues at exit.
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When exiting an investment, ESG issues impacting the entity being sold and CapMan are evaluated case by case by the investment committee that makes the exit decision. CapMan always performs an analysis of potential money laundering risks at exit.

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
- ☐ We measure whether our approach to ESG issues impacts the ESG performance of investments
- ☒ None of the above

PE 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1,2
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PE 15.1	Provide examples of ESG issues that you identified in your potential and/or existing private equity investments during the reporting year.
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- ☒ Add Example 1

Investment Stage	<input type="checkbox"/> Initial screening <input checked="" type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input type="checkbox"/> Investment monitoring <input type="checkbox"/> Prior to exit
ESG issues	<div> <div></div> <div>ESG issues</div> </div> <input type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social Risks related to potentially illegal employment practices contributed to abandoning the investment opportunity in due diligence phase. <input type="checkbox"/> Governance
Sector(s)	Industrial
Impact (or potential impact) on the investment	Discontinued investment opportunity
Activities undertaken to influence the investment and its response	n/a

☒ Add Example 2

Investment Stage	<input checked="" type="checkbox"/> Initial screening <input type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input type="checkbox"/> Investment monitoring <input type="checkbox"/> Prior to exit
ESG issues	<div> <div></div> <div>ESG issues</div> </div> <input type="checkbox"/> Environmental <input type="checkbox"/> Social <input checked="" type="checkbox"/> Governance Background checks on current owners lead to discontinued interest to go forward with the potential deal
Sector(s)	n/a
Impact (or potential impact) on investment	Discontinued investment opportunity
Activities undertaken to influence the investment and its response	n/a

☒ Add Example 3

Investment Stage	<input type="checkbox"/> Initial screening <input type="checkbox"/> Due diligence <input type="checkbox"/> Investment decision <input checked="" type="checkbox"/> Investment monitoring <input type="checkbox"/> Prior to exit
ESG issues	<div>ESG issues</div> <input checked="" type="checkbox"/> Environmental Possible leakage in one of portfolio company's workshops <input type="checkbox"/> Social <input type="checkbox"/> Governance
Sector(s)	Industrial
Impact (or potential impact) on investment	In May 2019, local water utility company informed that waste water near one of the portfolio company's properties showed levels well above the limit values that could have been caused due to leakage in the company's workshops. The supervisory authority has been investigating the matter but no update has been heard since then (i.e. no indication that the incident originated from the company's facility).
Activities undertaken to influence the investment and its response	Closely monitored, collaboration with the supervisory authority to assist on their investigation

☐ Add Example 4

☐ Add Example 5

PE 15.2

Describe how you define and evaluate the materiality of ESG factors.

Materiality is evaluated case by case with dialogue between CapMan case responsibility, other members of Board of Directors and the management. External experts are consulted if deemed necessary.

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).

Incidents in portfolio companies are reported on a quarterly basis in funds' investor reports. Major incidents are informed to LPs immediately after the occurrence.

In addition, many LPs perform their own surveys on an annual basis.

CapMan Plc

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 01	Mandatory	Public	Core Assessed	PRI 1-6
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PR 01.1 Indicate if your organisation has a Responsible Property Investment (RPI) policy.

☒ Yes

PR 01.2 Provide a URL or attach the document

☒ URL

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ Attach Document

☐ No

PR 01.3 Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy. [Optional]

Our primary focus is on environmental aspects, as we see major potential in improving the environmental performance of our property investments. Consequently, environmental considerations are integrated in daily management of the assets in our real estate funds, and refurbishment plans are drawn up for all our properties. In addition, we conduct energy efficiency (including electricity, heating, water, and structure) assessments followed by improvement plans with a concrete development agenda. Energy efficiency improvements in our assets result not only in decreased environmental burden but also in direct cost savings through lower energy usage. Where appropriate we apply for environmental certifications for our real estate investments. Our business strategy furthermore encourage our employees to deepen their knowledge relating to responsible investments in property, For example, we have recently had several employees who have taken courses provided by the local Green Building council relating to BREEAM environmental certifications.

Fundraising of property funds

PR 02	Mandatory	Public	Core Assessed	PRI 1,4,6
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PR 02.1 Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

PR 02.2 Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
- ☒ Approach to ESG issues in pre-investment processes
- ☒ Approach to ESG issues in post-investment processes

PR 02.3

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

High level reference in PPM, but responsible investment matters are thoroughly outlined in ESG specific documentation available to any potential new investor via data room or equivalent

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

PR 03**Voluntary****Public****Additional Assessed****PRI 4****PR 03.1**

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.

- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not request us to do so

Pre-investment (selection)**PR 04****Mandatory****Public****Gateway/Core Assessed****PRI 1****PR 04.1**

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

- ☒ Yes

PR 04.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.

A part of normal investment decision making process relates to evaluation of ESG characteristics of each individual property. At early stage potential property investments are initially evaluated through our ESG Screening Checklist focusing on identifying potential ESG risks and mitigations. During a potential Due Diligence the properties go through a thorough analysis where ESG risks are evaluated in detail by the internal investment team as well as by external sector experts. For example such ESG Due Diligence, carried out by external sector experts, primarily aims to investigate and propose on how we could reduce the energy (including water and waste) consumption and carbon footprint in the property as well as provide real and detailed investment proposals on how we could improve the ESG situation and mitigate ESG risks.

PR 04.3

Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process, and list up to three examples per issue.

- ☒ Environmental

Environmental example 1, select one

- ☐ Climate change adaptation
- ☒ Contamination
- ☐ Energy efficiency
- ☐ Energy supply, Flooding, GHG emissions
- ☐ Indoor environmental quality
- ☐ Natural hazards
- ☐ Resilience
- ☐ Transportation
- ☐ Water efficiency
- ☐ Waste management
- ☐ Water supply
- ☐ Other
- ☐ Other
- ☐ Flooding
- ☐ GHG emissions

Environmental example 2, select one

- ☐ Climate change adaptation
- ☐ Contamination
- ☒ Energy efficiency
- ☐ Energy supply, Flooding, GHG emissions
- ☐ Indoor environmental quality
- ☐ Natural hazards
- ☐ Resilience
- ☐ Transportation
- ☐ Water efficiency
- ☐ Waste management
- ☐ Water supply
- ☐ Other
- ☐ Other
- ☐ Flooding
- ☐ GHG emissions

Environmental example 3, select one

- ☐ Climate change adaptation
 - ☐ Contamination
 - ☐ Energy efficiency
 - ☐ Energy supply, Flooding, GHG emissions
 - ☐ Indoor environmental quality
 - ☐ Natural hazards
 - ☐ Resilience
 - ☐ Transportation
 - ☒ Water efficiency
 - ☐ Waste management
 - ☐ Water supply
 - ☐ Other
 - ☐ Other
 - ☐ Flooding
 - ☐ GHG emissions
- ☒ Social

Social example 1, select one

- ☒ Building safety and materials
- ☐ Health, safety and wellbeing
- ☐ Socio-economic
- ☐ Accessibility
- ☐ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other

Social example 2, select one

- ☐ Building safety and materials
- ☒ Health, Safety and wellbeing
- ☐ Socio-economic
- ☐ Accessibility
- ☐ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other

Social example 3, select one

- ☐ Building safety and materials
- ☐ Health, Safety and wellbeing
- ☐ Socio-economic
- ☒ Accessibility
- ☐ Affordable Housing
- ☐ Occupier Satisfaction
- ☐ Other
- ☐ Other
- ☐ Other
- ☒ Governance

Governance example 1, select one

- ☒ Anti-bribery & corruption
- ☐ Board structure
- ☐ Conflicts of interest
- ☐ Governance structure
- ☐ Regulatory
- ☐ Shareholder structure & rights
- ☐ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

Governance example 2, select one

- ☐ Anti-bribery & corruption
- ☐ Board structure
- ☒ Conflicts of interest
- ☐ Governance structure
- ☐ Regulatory
- ☐ Shareholder structure & rights
- ☐ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

Governance example 3, select one

- ☐ Anti-bribery & corruption
- ☐ Board structure
- ☐ Conflicts of interest
- ☐ Governance structure
- ☒ Regulatory
- ☐ Shareholder structure & rights
- ☐ Supply chain governance
- ☐ Other
- ☐ Other
- ☐ Other

☐ No

PR 04.4	Additional information. [Optional]
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In property acquisition due diligence phases we have external sector experts carrying out the following services:

- Legal DD to identify any legal ESG risks and other general risk associated to the property and acquisition,
- Technical DD to identify the standard and quality of the property and its technical installations as well as reviewing the existence of any environmental issues in the property.
- Financial DD to review any risks related to the business and management carried out in the property
- ESG DD to thoroughly investigate the energy situation and energy/ESG performance in the property as well as identifying real investment proposals on how to reduce the energy consumption and improve the overall ESG performance in the property. The ESG DD also includes an initial review and analysis to prepare for future environmental certifications of the property.

PR 05	Voluntary	Public	Additional Assessed	PRI 1,3
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PR 05.1	Indicate what type of ESG information your organisation typically considers during your property investment selection process.
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- ☒ Raw data from the target property asset/company
- ☒ Appraisals/audits
- ☒ Benchmarks/ratings against similar property asset
- ☐ Country level data/benchmarks
- ☒ Data aligned with established property reporting standards, industry codes and certifications
- ☒ International initiatives, declarations or standards
- ☐ Data from engagements with stakeholders (e.g. tenants and local community surveys)
- ☒ Information from external advisers
- ☐ Other, specify
- ☐ We do not track this information

PR 05.2	Provide a brief description of how this ESG information was incorporated into your investment selection process.
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Evaluated case by case. At least energy efficiency and existence/potential for environmental certificates (such as LEED and BREEAM) typically a part of DD and investment case.

PR 06	Mandatory	Public	Core Assessed	PRI 1
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PR 06.1	Indicate if ESG issues impacted your property investment selection process during the reporting year.
----------------	---

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year
- ☐ We do not track this potential impact

PR 06.2	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
----------------	---

- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the deal structuring process
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year
- ☐ We do not track this potential impact

PR 06.3	Additional information.
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Typically the analysis of ESG issues relating to energy consumption has an impact on pricing. The review of ESG issues, primarily relating to energy consumption and future energy investments and energy consumption forecasts, forms a vital part of the business plan and directly impacts on pricing as well as forecasted cashflows.

Selection, appointment and monitoring third-party property managers

PR 07	Mandatory	Public	Core Assessed	PRI 4
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PR 07.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
----------------	--

☒ Yes

PR 07.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☒ Selection process of property managers incorporated ESG issues

Types of actions

- ☒ Request explanation of how ESG is effectively integrated, including inquiries about governance and processes
- ☒ Request track records and examples of how the manager implements ESG in their asset and property management
- ☒ Discuss property level out-performance opportunities through greater integration of ESG criteria
- ☐ Request explanation of engaging stakeholders on ESG issues
- ☐ Other, explain

Coverage

- ☒ >75% to 100%
- ☐ >50% to 75%
- ☐ <50%

- ☒ Contractual requirements when appointing property managers includes ESG issues

Types of actions

- ☒ Include clear and detailed expectations for incorporating ESG
- ☒ Require dedicated ESG procedures in all relevant asset and property management phases
- ☒ Clear ESG reporting requirements
- ☒ Clear ESG performance targets
- ☐ Other, explain

Coverage

- ☒ >75% to 100%
- ☐ >50% to 75%
- ☐ <50%

- ☒ Monitoring of property managers covers ESG responsibilities and implementation

Types of actions

- ☒ Performance against quantitative and material environmental / resource targets over specified timeframe.
- ☒ Performance against quantitative and material environmental / resource targets against relevant benchmarks
- ☒ Performance against quantitative and qualitative targets to address social impacts of the portfolio/investment,
- ☐ Other, explain

	Coverage
--	----------

☒ >75% to 100%

☐ >50% to 75%

☐ <50%

☐ No

PR 07.3	Provide a brief description of your organisations selection, appointment and monitoring of third party property managers and how they contribute to the management of ESG issues for your property investments.
----------------	---

Property management partners used are typically known to us from other projects. All selected property managers are widely recognised and known to do detailed ESG work. ESG matters are a part of the agreements with the property managers and discussed at every quarterly management meeting. Especially energy efficiency has a direct impact on NOI, so it is automatically on the manager's agenda. Otherwise relevant ESG issues are monitored on a case by case basis.

Post-investment (monitoring and active ownership)

Overview

PR 08	Mandatory	Public	Gateway	PRI 2
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PR 08.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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☒ Yes

PR 08.2	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
----------------	--

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and major renovations.
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☐ We consider ESG issues in other post-investment activities, specify

PR 08.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.

Our Real Estate organisation mainly has a focus on environmental issues and energy efficiency, which implies improvements in energy or water efficiency, applying for environmental certificates (and improving the property to be feasible for such standards), making technical improvements e.g. upgrades of technical installations, removing hazardous materials such as asbestos, engaging with the communities in relation to zoning (e.g. relating public transport, change of use of the properties etc.), verifying that all mandatory inspections and documents are completed and up to date and other similar measures are typically a part of the value creation agenda.

☐ No

Property monitoring and management

PR 09**Mandatory****Public****Core Assessed****PRI 2,3****PR 09.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 09.2

Indicate which ESG targets your organisation and/or property managers typically set and monitor

☒ Environmental

Target/KPI	Progress Achieved
Energy consumption Green energy Indoor climate and building material	Not followed on consolidated level, but for individual properties. For many assets a key component in improving profitability Investigations on the opportunity to install for example solar panels. Monitoring a healthy indoor climate for users of the property as well as routines to identify and treat any hazardous building material that may exist

☒ Social

Target/KPI	Progress Achieved
Health and safety	Includes to verify that site and property has documented and up to date health and safety protocols including fire documentation and completed mandatory inspection protocols
Accessibility	To make sure the property corresponds to regulations and enable full access for disabled people.

☐ Governance

☐ We do not set and/or monitor against targets

PR 09.3	Additional information. [Optional]
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In addition to energy consumption, which is followed for practically all properties (but not on a consolidated basis across the portfolio), there are other ESG metrics that may be followed for individual properties depending on the case characteristics. These may involve e.g. water consumption, waste management, hazardous materials, indoor air quality, accessibility, and so on.

PR 10	Voluntary	Public	Descriptive	PRI 2
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PR 10.1	Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks
----------------	---

☒ Yes

PR 10.2	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.
----------------	--

☒ Add certification scheme, rating and benchmark 1

Specify	LEED
Proportion of property assets these apply to	<input type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input checked="" type="radio"/> <10% of property assets (in terms of number of property assets)

☐ Add certification scheme, rating and benchmark 2

☐ Add certification scheme, rating and benchmark 3

☐ No

PR 10.3	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.
----------------	---

☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)

☐ Other property reporting standards, specify

☐ No property specific reporting standards are used

Property developments and major renovations

PR 11	Mandatory	Public	Core Assessed	PRI 2
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PR 11.1

Indicate the proportion of active property developments and major renovations where ESG issues have been considered.

- ☒ >90% of active developments and major renovations
- ☐ 51-90% of active developments and major renovations
- ☐ 10-50% of active developments and major renovations
- ☐ <10% of active developments and major renovations
- ☐ N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 11.2

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.

- ☐ Environmental site selection requirements
- ☐ Environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Water efficiency requirements
- ☒ Energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☐ Health and wellbeing of residents
- ☐ Construction contractors comply with sustainability guidelines
- ☐ Resilient building design and orientation
- ☒ Other, specify

See below

PR 11.3

Additional information. [Optional]

Developments made for example in shopping centre and hotel projects that have later been environmentally certified by USGBC (LEED). Other developments also include office projects/conversions where significant energy savings have been achieved.

Occupier engagement

PR 12	Mandatory	Public	Core Assessed	PRI 2
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PR 12.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- ☒ >90% of occupiers
- ☐ 50-90% of occupiers
- ☐ 10-50% of occupiers
- ☐ <10% of occupiers

(in terms of number of occupiers)

PR 12.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---

- ☐ Distribute a sustainability guide to occupiers
- ☐ Organise occupier events focused on increasing sustainability awareness
- ☐ Deliver training on energy and water efficiency
- ☐ Deliver training on waste minimisation
- ☒ Provide feedback on energy and water consumption and/or waste generation
- ☒ Provide feedback on waste generation
- ☐ Carry out occupier satisfaction surveys
- ☐ Health and wellbeing of residents
- ☒ Offer green leases
- ☐ Other, specify

PR 13	Voluntary	Public	Additional Assessed	PRI 2
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PR 13.1	Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues.
----------------	---

- ☐ >90% of leases or MoUs
- ☐ 50-90% of leases or MoUs
- ☐ 10-50% of leases or MoUs
- ☒ <10% of leases or MoUs
- ☐ 0% of leases or MoUs
- ☐ N/A, no leases or MoUs were signed during the reporting year

(in terms of number of leases or MoUs)

PR 13.2	Additional information.
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Based on request we offer green leases to any tenant. However, this has not been requested to any larger extent during the last year. We have for a smaller number of tenants, mainly public tenants, included a Green Appendix to the leases.

Community engagement

PR 14	Voluntary	Public	Additional Assessed	PRI 2
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PR 14.1	Indicate what proportion of property assets your organisation, and/or your property managers, engaged with the community on ESG issues during the reporting year.
----------------	---

- ☐ >90% of property assets
- ☐ 50-90% of property assets
- ☒ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 14.2	Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement.
----------------	--

- ☐ ESG education programmes for the community
- ☐ ESG enhancement programmes for public spaces
- ☐ Research and networking activities focusing on ESG issues
- ☐ Employment creation in communities
- ☐ Supporting charities and community groups
- ☐ Other, specify

PR 14.3	Additional information.
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The community engagement has a wide variety, but in relation to a number of investments we have also committed to the community development and engagement. For example,

1. we have in one of our shopping centres selected an energy service provider that invests part of the revenue to improve the water quality of the Baltic Sea.
2. Another example is that we as one of the landlord in a business area invests in the local road network to improve communications and accessibility.
3. In another property, subject for a major refurbishment, we have had extensive discussions with the local authorities to bring back old historical values and design of the building that has during the last decades deteriorated.
4. In another property located in a an area with some socioeconomic challenges we have together with a number of other local landlords formed a working group which aims to improve the area as a whole and situation for particularly weaker socioeconomic groups.

Outputs and outcomes

PR 15	Voluntary	Public	Additional Assessed	PRI 1,2
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PR 15.1	Indicate whether your organisation measures how your approach to responsible investment in property investments has affected financial and/or ESG performance.
----------------	--

- ☒ We measure whether our approach to ESG issues impacts funds' financial performance

PR 15.2a

Describe the impact on the following.

Describe the impact on:	Impact
Funds' financial performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

☒ We measure whether our approach to ESG issues impacts funds' ESG performance
PR 15.2b

Describe the impact on the following.

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

☐ None of the above
PR 15.3

Describe how you are able to determine these outcomes.

As energy consumption is often paid for on monthly levels we are able to track the energy performance continuously and analyse the financial outcome from responsible investments in detail

PR 16

Voluntary

Public

Descriptive

PRI 1,3

PR 16.1

Provide examples of ESG issues that affected your property investments during the reporting year.

☒ Add Example 1

ESG issue	Energy efficiency
Types of properties affected	Office
Impact (or potential impact) on investment	In a recent due diligence we had one of the leading technical consultants in the market to carry out an ESG analysis. One area that was analysed was the current energy usage. The analysis concluded that by upgrading the technical installations and ventilation aggregates to modern equipment, the energy consumption at full occupancy was estimated to be almost 50%. This analysis helped us to price the opportunity and forecast the future cashflows in the property.
Activities undertaken to influence the investment and the outcomes	Detailed energy survey to investigate the savings potential from upgrades of the technical installations.

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5

CapMan Plc

Reported Information

Public version

Direct - Infrastructure

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

INF 01	Voluntary	Public	Descriptive	PRI 1-6
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INF 01.1

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.

For CapMan Infra, ESG matters are always a part of the investment process; ESG matters are part of the investment analysis for each target, tools and checklists for identifying the need for more detailed DD are in place and most significant opportunities and/or risks need to be identified in the investment memorandum.

Certain types of assets are not considered for investment based on their environmental footprint, unless a concrete plan for changing the footprint is possible to implement during the holding period. Assets with positive ESG characteristics (e.g. low GHG emissions) are prioritised in investment screening.

During the holding period, the case teams monitor the performance of individual portfolio companies in more detail through the Board, and seeks to implement improvements in ESG matters. Any significant incidents, as well as general performance, are reported to fund investors.

INF 02	Mandatory	Public	Core Assessed	PRI 1-6
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INF 02.1

Indicate if your organisation has a responsible investment policy for infrastructure.

☒ Yes

INF 02.2

Provide a URL if your policy is publicly available.

https://www.capman.com/wp-content/uploads/2019/06/CapMan_Sustainable_Investment_Policy_Final.pdf

☐ No

INF 02.3

Additional information. [Optional]

As outlined in CapMan's Code of Conduct, the staff is expected to act in line with company's commitment to the principles of responsible investment (as stated in CapMan's Sustainable Investment Policy) at every stage of investments - always aiming to be a value adding active owner who is dedicated to build successful and long-lasting businesses in a sustainable manner.

CapMan requires that all the funds' portfolio companies comply with applicable laws, rules and regulations. In addition, each portfolio company draws up a programme to ensure that good corporate governance principles are followed. Requirements and expectations may vary with respect to other ESG aspects depending e.g. on sector, geography and business model of the portfolio company in question. CapMan takes immediate actions if any critical ESG issues arise concerning the portfolio companies during the ownership period.

Fundraising of infrastructure funds

INF 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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INF 03.1

Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

☒ Yes

INF 03.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- ☒ Policy and commitment to responsible investment
- ☒ Approach to ESG issues in pre-investment processes
- ☒ Approach to ESG issues in post-investment processes

INF 03.3

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

CapMan Infra applies CapMan Group's ESG policies as well as in four central ESG principles for the fund:

5. No coal-based capacity as base load in the portfolio,
6. High focus on renewable fuel-based energy sources,
7. High focus on environmental compliance in due diligence and asset management,
8. Stakeholder management and responsible governance always key in the investment process.

These principles are described in the PPM and other key marketing documents for the fund.

☐ No

☐ Not applicable as our organisation does not fundraise

INF 04

Voluntary

Public

Additional Assessed

PRI 4

INF 04.1

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in infrastructure when requested by clients.

- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not request us to do so

INF 04.2

Additional information.

Formal commitments and exclusion rights are made in side letters at investor request.

Pre-Investment (Selection)

INF 05	Mandatory	Public	Gateway	PRI 1
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INF 05.1	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.
----------	--

☒ Yes

INF 05.2	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection.
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ESG aspects are part of the initial screening for investment opportunities and form part of the investment case. We also use negative screening with restrictions e.g. on coal-based capacity. ESG aspects and risks are further assessed after the investment opportunity has been identified and preliminary investment case has been formulated. In the event of ESG criteria are not met, the opportunity will be discontinued.

The scope of due diligence is determined on a case by case basis, but as part of all investment decisions, a formal ESG due diligence checklist is applied to ensure all potential aspects of ESG issues are covered.

Targets with positive ESG aspects (e.g. potential to lower GHG emissions) are prioritised in investment target selection.

☐ No

INF 06	Voluntary	Public	Descriptive	PRI 1,4
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INF 06.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.
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☒ Internal staff

☒ Specify role

Investment Partner

☒ Specify role

Investment Associate

☒ Specify role

Compliance Officer

☒ External resources

☒ Environmental advisors

☐ Social advisors

☐ Corporate governance advisors

☒ Regulatory and/or legal advisors

☐ Other, specify type of advisors/roles

☐ No use of internal or external advice on ESG issues

INF 06.2	Additional information. [Optional]
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External advisers are used to complete our standardised ESG due diligence checklists. In addition, key ESG-related factors such as environmental compliance are included in the scope of full due diligence reports by the relevant advisers (typically technical & environmental, legal).

INF 07	Mandatory	Public	Core Assessed	PRI 1,3
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INF 07.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
----------	--

ESG issues

☒ Environmental

List up to three typical examples of environmental issues

Emissions (e.g. GHG)

Fuel mix

Environmental compliance and permits

☒ Social

List up to three typical examples of social issues
--

Health and safety issues

Policies in place (HR, code of conduct, etc.)

Community impact

☒ Governance

List up to three typical examples of governance issues
--

Anti-bribery and corruption

Board and management team composition & diversity

Processes

INF 08	Voluntary	Public	Additional Assessed	PRI 1,3
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INF 08.1	Indicate what type of ESG information your organisation typically considers during your infrastructure investment selection process.
----------	--

- ☒ Raw data from the target infrastructure asset/company
- ☒ Benchmarks/ratings against similar infrastructure asset
- ☒ Sector level data/benchmarks
- ☒ Country level data/benchmarks
- ☒ Reporting standards, infrastructure sector codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Engagements with stakeholders (e.g. contractors and suppliers)
- ☒ Advice from external sources
- ☐ Other, specify
- ☐ We do not track this information

INF 08.2	Additional information.
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Relevant identified risks, opportunities and conclusions are included in the Investment Memorandum, which is used by the Investment Committee to decide on the investment. Sources of information include information from the target, statistical agencies, public authorities, sector experts, etc.

INF 09	Voluntary	Public	Additional Assessed	PRI 1
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INF 09.1	Indicate if ESG issues impacted your infrastructure investment selection processes during the reporting year.
-----------------	---

- ☒ ESG issues helped identify risks and/or opportunities for value creation.
- ☒ ESG issues led to the abandonment of potential investments.
- ☒ ESG issues impacted the investment in terms of price offered and/or paid.
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants.
- ☐ ESG issues were considered but did not have an impact on the investment selection process.
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year.
- ☐ We do not track this potential impact

INF 09.2	Indicate how ESG issues impacted your infrastructure investment deal structuring processes during the reporting year.
-----------------	---

- ☐ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the deal structuring process
- ☐ Other, specify
- ☐ Not applicable, our organisation did not select any investments in the reporting year.
- ☐ We do not track this potential impact

INF 09.3	Additional information.
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Consideration of ESG issues typically always leads to identification of opportunities and/or risks. Investments have been abandoned typically based on environmental aspects (fossil fuel related footprint). Share purchase agreements typically contain clauses based on ESG related due diligence matters such as any identified environmental or regulatory exposures.

Post-investment (monitoring and active ownership)

Overview

INF 11	Mandatory	Public	Gateway	PRI 2
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INF 11.1	Indicate whether your organisation and/or operators consider ESG issues in post-investment activities relating to your infrastructure assets.
-----------------	---

☒ Yes

INF 11.2	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
-----------------	--

- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☒ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☐ We consider ESG issues in other post-investment activities, specify

INF 11.3	Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]
-----------------	---

We have established ESG KPIs for our investments that we monitor throughout our holding period. ESG related issues are a key item on the agenda of every Board meeting, and ESG related reporting is always included in the shareholder reporting packs. Decision-making at the Board level considers the ESG aspects of all decisions.

We also maintain relationships and consistent dialogue with our stakeholders, e.g. customers and users through the management teams of the respective assets.

☐ No

Infrastructure Monitoring and Operations

INF 12	Mandatory	Public	Core Assessed	PRI 2
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INF 12.1	Indicate the proportion of infrastructure assets for which your organisation and/or operators included ESG performance in investment monitoring during the reporting year.
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- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 12.2	Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.
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- ☒ Environmental

	List up to three example targets per issue
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Yearly GHG emissions

Waste segregation %

Discharge to sea

☒ Social

List up to three example targets per issue

Lost Time Injury Frequency Rate

Sick leave %

Employee satisfaction

☒ Governance

List up to three example targets per issue

Board and senior management composition

☐ We do not set and/or monitor against targets

INF 13

Mandatory

Public

Additional Assessed

PRI 2

INF 13.1

Indicate whether you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).

☒ Yes

INF 13.2

Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).

- ☐ >90% of infrastructure investees
- ☒ 51-90% of infrastructure investees
- ☐ 10-50% of infrastructure investees
- ☐ >0% and <10% of infrastructure investees
- ☐ 0% of infrastructure investees

(in terms of number of infrastructure investees)

INF 13.3

Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]

On the agenda of Board meetings, support in establishing policies

☐ No

INF 14

Voluntary

Public

Descriptive

PRI 2,3

INF 14.1

Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues.

Type of Reporting

☒ Overarching portfolio asset/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
- ☐ Other, specify
- ☐ No reporting on ESG issues requested and/or provided by infrastructure investees

Infrastructure Maintenance

INF 15	Mandatory	Public	Core Assessed	PRI 2
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INF 15.1	Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.
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- ☐ >90% of active maintenance projects
- ☒ 51-90% of active maintenance projects
- ☐ 10-50% of active maintenance projects
- ☐ <10% of active maintenance projects
- ☐ N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

INF 15.2	Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]
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In the example of retrofit of vessels through electrification / bio fuels we for example check that the yards have good working conditions for employees.

Stakeholder engagement

INF 16	Voluntary	Public	Additional Assessed	PRI 2
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INF 16.1	Indicate which stakeholders your organisation, and/or operators, engaged with on ESG issues in relation to your infrastructure assets during the reporting year and what proportion of your investments they apply to.
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Stakeholders engaged

- ☒ Regulators

	Percentage of infrastructure assets these apply to
--	--

- ☐ >90% of infrastructure assets
- ☒ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☒ Communities

	Percentage of infrastructure assets these apply to
--	--

- ☐ >90% of infrastructure assets
- ☒ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☐ Other stakeholder, specify

☐ Other stakeholder, specify

INF 16.2	Describe your approach to stakeholder engagements in relation to your infrastructure assets.
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Responsibility for stakeholder engagement lies primarily with the management of the target companies. Important engagements are discussed in the Boards of the respective target companies.

Outputs and outcomes

INF 17	Voluntary	Public	Additional Assessed	PRI 1,2
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INF 17.1	Indicate whether your organisation measures how your approach to responsible investment in Infrastructure investments has affected financial and/or ESG performance.
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- ☐ We measure whether our approach to ESG issues impacts funds' financial performance
- ☒ We measure whether our approach to ESG issues impacts funds' ESG performance

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

☐ None of the above

INF 17.2

Describe how you are able to determine these outcomes.

By monitoring of KPIs we follow up on goals set and measure progress, if deviation towards goals management are taking action.

INF 18

Voluntary

Public

Descriptive

PRI 1-3

INF 18.1

Provide examples of ESG issues that affected your infrastructure investments during the reporting year.

☒ Add Example 1

ESG issue	GHG emissions
Types of infrastructure affected	Transportation
Impact (or potential impact) on investment	Investments into reduced emission fleet, lower operating future costs
Activities undertaken to influence the investment and the outcomes	Overhaul of old vessels to low-emission vessels. According to existing and won tenders until 2021 we will by then have 20 out of 82 vessels being low emission vessels , compared to only 1 at the start of our holding period being second half of 2020.

☒ Add Example 2

ESG issue	Worker health
Types of infrastructure affected	Transportation
Impact (or potential impact) on investment	Retain reputation as attractive employer to facilitate hire of new employees and keep staff turnover on low levels to save costs (ie recruitment, education).
Activities undertaken to influence the investment and the outcomes	Regular monitoring from board and mgmt. acting upon deviations from goals on sick leave - short and long term. Preventive actions identified at early stage.

☒ Add Example 3

ESG issue	Safety
Types of infrastructure affected	Transportation
Impact (or potential impact) on investment	Zero employees or customers should be seriously injured or deceased as a result of portfolio company's activities.
Activities undertaken to influence the investment and the outcomes	Regular monitoring from board and management acting upon deviations. KPIs measured are critical incidents, collision with quay, groundings. LTIF (Lost time incident frequency), personal injury.

☒ Add Example 4

ESG issue	Safety
Types of infrastructure affected	Renewable generation
Impact (or potential impact) on investment	Managing transportation and installation of wind turbine components in wind farm
Activities undertaken to influence the investment and the outcomes	Monitoring progress and taking necessary corrective actions in case of incidents. Working actively with the owner's engineer and contractors to put in place best possible health, safety, and environment practices.

☒ Add Example 5

ESG issue	Health and safety
Types of infrastructure affected	Renewable generation
Impact (or potential impact) on investment	Improving health and safety processes and procedures on the construction site to minimise any accidents
Activities undertaken to influence the investment and the outcomes	Working with owner's engineer, including deploying a specific HSE individual on site, and using independent auditors to ensure appropriate procedures are in place.

Communication

INF 19	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 6
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INF 19.1	Describe your organisation's approach to disclosing ESG incidents in infrastructure investments to your investor clients.
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We maintain close communications with portfolio company management. Incidents in portfolio companies are reported on a quarterly basis in funds' investor reports. Major incidents are informed to LPs immediately after the occurrence.

In addition, many LPs perform their own surveys on an annual basis.

CapMan Plc

Reported Information

Public version

Confidence building measures

PRI disclaimer

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Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
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- ☐ 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)
- ☒ Other, specify
Performance monitoring team and communications
- ☐ None of the above

CM1 02	Mandatory	Public	Descriptive	General
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CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report
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- ☐ Whole PRI Transparency Report was assured last year
- ☐ Selected data was assured in last year's PRI Transparency Report
- ☒ We did not assure last year's PRI Transparency report
- ☐ None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:
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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
- ☒ None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1

Do you plan to conduct third party assurance of this year's PRI Transparency report?

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