



PREQIN

September 2020

ESG

**TRANSPARENCY &
RISK METHODOLOGY**



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1. Introducing the Preqin ESG Solutions Products

Environmental, social, and governance (ESG) data, while increasingly adopted across public markets, has largely been elusive in private markets. This is not to say private markets are avoiding ESG – in fact, many capital allocators and asset managers do use or seek ESG data across private market asset classes. However, these efforts tend to be idiosyncratic, through direct engagement, or inconsistent across various players and their use cases.

Preqin has played a role in developing the nascent growth of ESG across private asset classes. We introduced some high-level ESG information in 2019, including introducing ESG policy and impact investing policy status, as well as some information on third-party ESG affiliations. This offering represents a follow-up to that foundation, with the goal of answering one simple question:

What is the full extent of disclosure around ESG in private markets?

To that end, Preqin has worked in concert with more than 50 clients through a partnered research and development program to identify, collect, and make actionable a core set of ESG data designed specifically for private market participants to answer this question. This document outlines the inputs, processes, indicators, and some potential use cases of this ESG data. Our target aims of the Preqin Sustainability Solutions Products are to:

- Identify the **best-use ESG indicators** derived from commonly accepted ESG data and engagement frameworks that are most applicable to the private market ecosystem.

- Collect the identified ESG indicators **at scale** across public disclosures.
- Create an **out-of-the-box solution for ESG transparency** tailored to private market players, specifically General Partners (GPs).

The output of our efforts has culminated in a two-part product, hereafter collectively referred to as the Preqin ESG Solutions: Preqin ESG Transparency, and the Preqin ESG Risk Attribution.

2. Identifying ESG Core Data and ESG Informational Data

We sourced the data indicators from the following existing ESG frameworks:

- The Sustainability Accounting Standards Board (SASB)
 - List of indicators as part of the Materiality Map for Asset Management sector¹
- The United Nations Principles for Responsible Investing (UNPRI)
 - List of indicators as part of standardized UNPRI Transparency Reports for firms²
 - List of questions and best practices from UNPRI Technical Guide for Limited Partners³
 - List of questions from UNPRI LP Responsible Investment DDQ⁴
- Institutional Limited Partnership Association (ILPA)
 - List of questions from the ILPA Due Diligence Questionnaire⁵
- The Task Force for Climate Related Financial Disclosure (TCFD)
 - List of questions from the TCFD Recommendations⁶
- Public market ESG Ratings providers
 - List of indicators commonly applied to public market analysis and ESG ratings by MSCI, Sustainalytics, ISS, and other public market ratings providers

¹ <https://materiality.sasb.org/>

² <https://www.unpri.org/transparency-reports/382.subject?adredir=1>

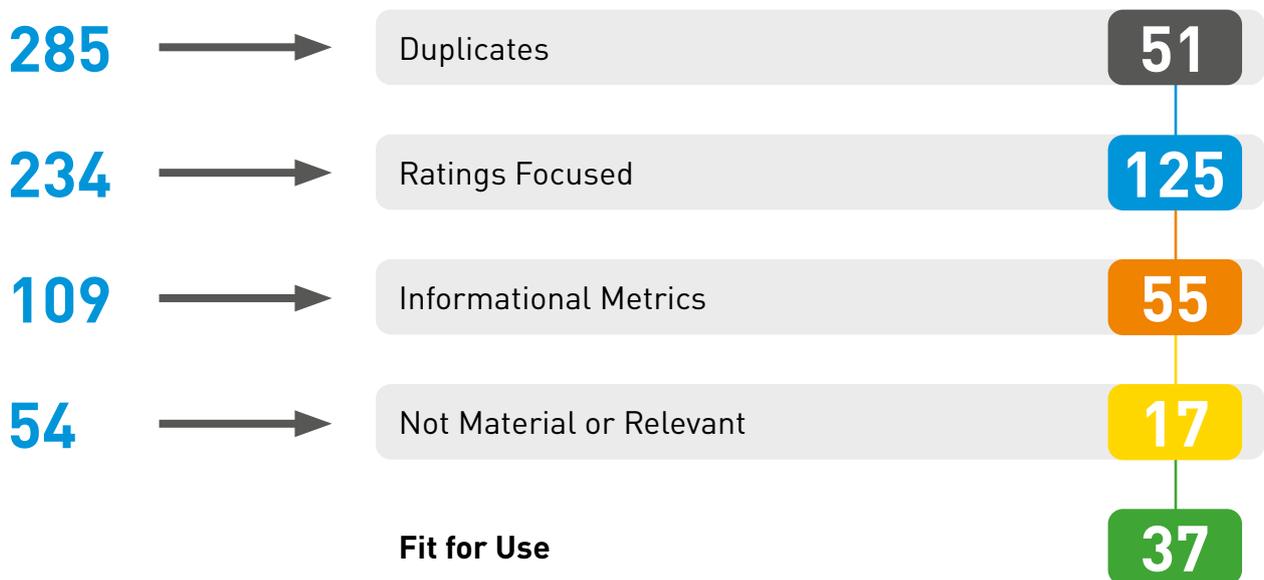
³ <https://www.unpri.org/private-equity/technical-guide-for-limited-partners-responsible-investment-in-private-equity/5657.article>

⁴ <https://www.unpri.org/private-equity/lp-responsible-investment-ddq-and-how-to-use-it/113.article>

⁵ <https://ilpa.org/due-diligence-questionnaire/>

⁶ <https://www.fsb-tcfcd.org/wp-content/uploads/2017/06/FINAL-2017-TCFD-Report-11052018.pdf>

Fig. 1



All told, there were 285 data points which we used as a starting point in product creation. Each indicator we used as a baseline is listed in [Appendix A](#) with sources. ESG Ratings providers' data points have been withheld due to redistribution restrictions, but they numbered 148 data indicators.

Sorting the Indicator Pool

To sort the data indicators and identify a foundational dataset for use as part of this current product for GPs and LPs we took the following steps:

1. Identify and remove duplicate indicators (51 indicators).
2. Identify and remove indicators that dealt specifically with ratings and assessment that could not easily be modified to focus on disclosure (125 indicators).
3. Identify for collection indicators that are purely informational such as signatory affiliations (55 indicators).
4. Identify and remove non-material or non-relevant indicators for private markets (17 indicators).

This process is summarized in Fig. 1. Effectively, we were able to isolate 37 indicators (hereafter, ESG Core Data) that were best fit for the Preqin ESG Solutions. These indicators also served as the basis for our Client Validation and Partnership programs (see page 8). The indicators identified for collection for additional context, (hereafter, ESG Informational Data), will be made available on the Preqin platforms.

The full list of indicators that will be available on Preqin platforms, both ESG Core Data and ESG Informational Data, are listed in [Appendix B](#). Each indicator has been catalogued with the following tags to create bespoke filters for varying client use cases:

- **ESG Process:** tags that indicate the internal ESG function and process described.
- **ESG Framework:** tags that indicate the source frameworks to which the indicator is applicable.
- **ESG Pillar:** tags indicating whether the indicator is primarily related to environmental, social, or governance pillars.
- **ESG Theme:** tags indicating the SASB material issue or theme, as well as themes specific to private markets.

Preqin's process for capturing ESG Core Data is detailed in [Section 3](#).

3. Generating Preqin ESG Transparency

Mathematically, the Preqin ESG Transparency metric simply indicates the percentage of ESG Core Data indicators that are publicly disclosed.

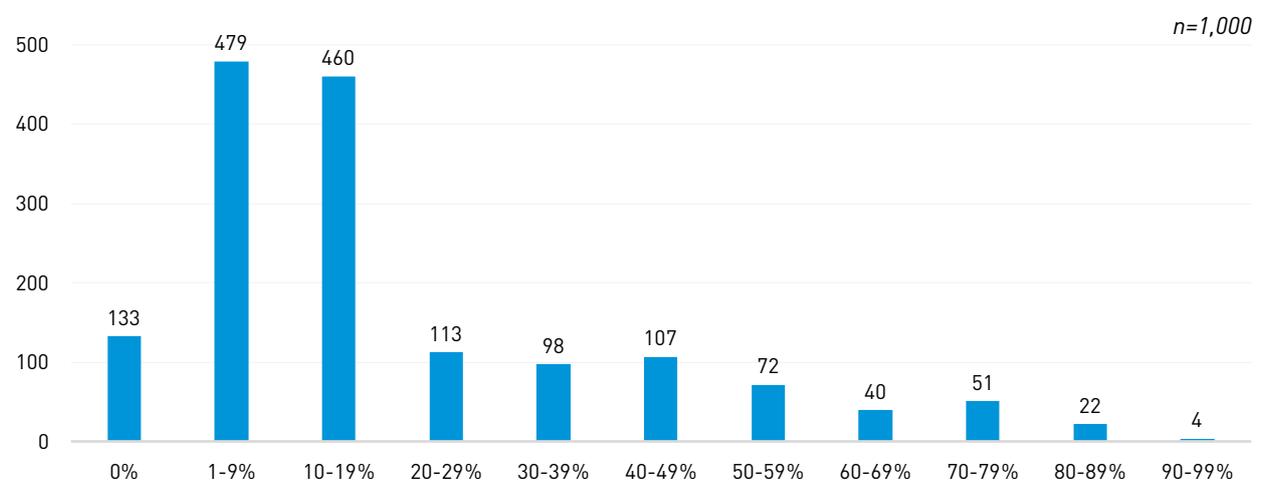
$$\text{Preqin ESG Transparency metric} = \frac{\text{ESG Core Data Disclosed}}{\text{Total ESG Core Data Points}}$$

This offers an indication of the extent of disclosure around core ESG issues. To be marked “Publicly Disclosed”, Preqin uses a set of pre-trialed ESG Core Data Guidance, available in [Appendix B](#). Guidance was written to provide greater transparency into the Preqin collection process and to provide Preqin clients with documentation for deeper engagement where desired.

Our initial sample of ESG Transparency provides a glimpse of the market dynamics for ESG in private markets. Fig. 2 shows the distribution of ESG Transparency across an initial sample of over 1,000 GPs and LPs.

Views of ESG Transparency are also available across the variety of filters on the Preqin Pro platform. For example, certain clients are specifically targeting SASB indicators as part of their due diligence into ESG. By filtering the ESG Core Data for data points applicable to the SASB Materiality frameworks, clients can create their own view of ESG Transparency based on publicly disclosed SASB data points captured by Preqin.

Fig. 2: Distribution of Preqin ESG Transparency



Source: Preqin Pro. Data as of September 2020

4. Generating the Preqin ESG Risk Attribution

As part of the Preqin ESG Solutions Suite, we have developed an initial offering targeting risk transparency. The Risk Attribution module is designed to help LPs overcome the challenge of evaluating the ESG risk exposure of a fund at a baseline level.

The process is simple: leveraging active deal data in Preqin’s existing database (for reference, please refer to the Preqin Pro documentation available through your client representative), we’ve partnered with SASB to map the risk factors identified in the SASB Materiality Map against Preqin’s deal-level industry categories. Each industry group has multiple ESG material risk factors according to SASB. We count the number of active deals for which any given SASB ESG risk was material and display the results as a heat map, as

shown in Fig. 3. Active deals are defined as currently held in portfolio according to best available Preqin data, subject to change or updating.

The result is a rudimentary risk attribution – what could any given GP’s fund or LP’s portfolio face as ESG risk given the industry biases of the assets? Functionally, ESG Risk Module heat maps are rolled up either by GP fund, the firm-wide GP investments, or LP portfolios (total allocations), and are subject to data limitations in deals and deal flow inherent in private markets. Preqin does not guarantee the validity or reliability of deals data on its platforms. For more information on deals data, please contact a client representative.

Fig. 3: Example ESG Risk Attribution Module Illustrating the Aggregate Number of Active Portfolio Companies by Their SASB Risk Factors

Low  High

ENVIRONMENTAL		SOCIAL		GOVERNANCE	
SASB Factor	No. of Deals	SASB Factor	No. of Deals	SASB Factor	No. of Deals
GHG Emission	5	Human Rights & Community Relations Rights	1	Supply Chain Management	6
Air Quality	1	Customer Privacy	11	Business Ethics	9
Energy Management	17	Data Security	16	Competitive Behaviour	7
Water & Wastewater Management	6	Access & Affordability	5	Management of the Legal & Regulatory Environment	0
Waste & Hazardous Materials Management	5	Product Quality & Safety	11	Critical Incident Risk Management	1
Ecological Impacts	1	Customer Welfare	7	Systematic Risk Management	10
Product Design & Lifecycle Management	11	Selling Practices & Product Labelling	7	Business Model Resilience	1
Materials Sourcing & Efficiency	7	Labor Practices	5		
Physical Impacts of Climate Change	4	Employee Health & Safety	5		
		Employee Engagement, Diversity & Inclusion	16		

Source: Preqin Pro. Data as of September 2020

5. Client Validation and Partnership

Preqin sought feedback as part of the development process. More than 50 private market participants contributed, including GPs managing funds across natural resources, private debt, private equity, and venture capital. Preqin also heard from investors and LPs including pension funds, non-profits, academic institutions, and other asset allocators. The feedback was systematically captured in order to assess validation of the product in the proposal phase and formed part of an effort to partner with clients during research and development, prior to the product's release to broader client groups. As part of the conversations, key topics of discussion included:

- Systematic feedback on product development proposals and proposed ESG indicators.
- Information sharing on ESG due diligence processes, questionnaires, and other tools used by private investors.
- Capturing the private market ESG dynamics, including assessments of investor interest in ESG, best practices, and other macro drivers for ESG data and analytics.

We organized the product validation and partnership feedback in three categories: Macro, Limited Partner, and General Partner. While individual discussions were often in-depth and about potential use cases, specific pain points and needs, or the demands of often disparate asset classes and investment processes, we noted a few key consensus points for each category.

Macro ESG Context

First, it was clear through our discussions that ESG is a key trend throughout the private markets, regardless of asset class focus, current allocations, or idiosyncrasies of the market player. While different market participants we interviewed for validation covered a range of macro topics, there were three areas worth noting:

1. Data quality is key

Overall, there was a desire for quality data, particularly at scale. Our focus on public disclosures as a starting point was well received, though there were consistent concerns over validation of the data.

ACTION: We have outlined in [Section 1](#) Preqin's ESG data processes, from ingestion through validation and publication with a goal of maintaining verifiable, source-linked data with transparent guidance.

2. No new frameworks

Framework fatigue – and reinvention of the ESG wheel – often came up as a potential pitfall. The interview participants made clear, in many cases, they already had a framework they used for internal ESG processes and they were not looking for another “framework conversion.”

ACTION: We focused on indicators pulled only from existing frameworks – Preqin did not invent any new or proprietary data indicators as part of the product creation process. Indicators are tagged and filterable by individual frameworks, and should new frameworks be created by third parties, we will be able to map or scale to cover them.

3. Greenwashing is an issue

Both GPs and LPs we interviewed brought up greenwashing – either by competitors (in the case of GPs) or during due diligence and manager selection (in the case of LPs). Greenwashing is the marketing of ESG despite the lack of substance or process to execute it, and is common both in public and private markets.

ACTION: While greenwashing is likely to exist going forward, we have made all documentation available through source links on Preqin’s platforms. This in no way solves greenwashing, but it does allow clients access to an initial set of documentation as part of due diligence. During engagement processes, it enables clients to request disclosure of execution efforts either publicly or through Preqin’s platform.

Limited Partner Context

LPs were often in a position to do idiosyncratic due diligence as part of either request for proposals or continued manager engagement, and clearly valued the ability to start at a broader scale. They also appreciated the indicators’ potential use as a due diligence tool, providing a common set of questions to ask. LPs, far more than GPs, were interested in going beyond disclosure to ratings. We noted the following core issues as part of our validation process:

1. Need broad coverage

LPs were particularly concerned with breadth of coverage – they had managers spanning geographies and asset classes, large and small, and were looking for both manager and fund coverage.

ACTION: Preqin aims to cover its entire database of GPs and LPs – more than 60,000 entities and more than 113,000 funds – using the ESG Core Data, where applicable.

2. Want to see portfolio risk

LPs repeatedly requested a risk tool that covered their entire portfolio – all funds or managers – to get a sense of “where to start” when engaging and asking for more data.

ACTION: Built off this feedback through our partnered research and development, the ESG Risk Module is designed to accommodate portfolio holdings across funds and managers and provide a window in general ESG risk throughout an LP’s holdings.

General Partner Context

First and foremost, GPs were relieved the product was not an ESG rating (unlike LPs). There is ongoing concern given the nature of private markets and potential greenwashing effect in the limited data environment that a rating would not (yet) properly reflect what and how ESG was taken into account throughout their processes. Instead, GPs focused largely on two broad issues:

1. Want to build and fundraise around product

GPs were looking to create specific potential investor cohorts – LPs already primed for interest in ESG or ESG products. As part of these efforts, GPs wanted to benchmark themselves and their efforts against competitors to be properly armed for conversations with current and potential investors.

ACTION: We created a number of filters to provide bespoke views of ESG Transparency to enhance benchmarking. We’ve also collected data informationally on LPs and investors about ESG efforts, mandates, and policies for better fundraising targeting.

2. Need granular, asset level data for our own due diligence

Nearly every GP was looking, on some level, for a systematized dataset covering each specific set of issues facing asset companies to benchmark ESG performance in both pre- and post-investment processes.

ACTION: At this point, no action is likely as part of this product given data limitations, opacity, and market factors.

Overall, through the validation and partnership process, feedback was consistently strong that this current product build was an excellent starting point for ESG in private markets with deep potential to create future ratings or other products over time.

6. Data Ingestion, Processing, and Validation

Preqin has a multi-team approach to ingesting, processing, and validating the ESG data.

Collection: Preqin has a dedicated ESG Research Team to collect ESG Core Data and ESG Informational Data for the Preqin ESG Solutions products. Initially, the ESG Research Team focused on sourcing documents from the public domain. Examples of sources include the firm's website, the firm's sustainability reports, regulatory entities like the Securities Exchange Commission, or ESG groups like the United Nations Principles for Responsible Investing (UNPRI). Each data point has specific guidance to reduce confusion as to what, exactly, the data point is intended to capture.

Ingestion: Preqin developed a proprietary input to its database platform for entering ESG data.

Validation: Ten percent of all profiles undergo a review by our ESG Team Heads to confirm consistency and accuracy across the product. Any errors are amended within 24 hours, and analysis which tracks time spent and error frequency over time is updated. This prevents quality deterioration.

Publication: Profiles are uploaded to the Preqin Pro platform daily after completing the validation process. Clients can communicate with our ESG Team directly regarding inquiries and disputes for their own information. Should they provide a URL to a public document that is within a two-year frame, data can be updated as needed. No private information will be accepted.

Appendix A

Total Indicator Pool

The Core ESG Data indicators were pulled from a list of approximately 285 data points sourced from common ESG frameworks. Below is the list indicator pool along with the source. Indicators used that were derived from major ESG Ratings providers have been withheld given redistribution rights.

<u>Original Data Indicator</u>	<u>Source</u>
Describe your approach to disclosing and following up on material ESG incidents to your LPs	ILPA
Does the Firm have a Code of Conduct that covers harassment, discrimination, and/or workplace violence?	ILPA
Does the Firm have a Family Leave policy?	ILPA
Does the Firm have a formal Diversity and Inclusion policy or initiative?	ILPA
Does the Firm have a formal mentorship program for minorities and/or women?	ILPA
Does the Firm have a written policy on the handling and safeguarding of any material, nonpublic information?	ILPA
Does the Firm obtain Environmental Impact Studies for each of its portfolio company and property investments?	ILPA
Does the Firm require such a Code of Conduct at its portfolio companies?	ILPA
Does the Firm track the gender composition of employees taking family leave benefits? If 'yes', provide a summary of employees that have taken family leave in the past three years	ILPA
Does the Firm work with organizations that promote the attraction and retention of women and minorities within private equity?	ILPA
Has the Firm adopted the CFA Institute's most recent Code of Ethics and Standards of Professional Conduct or substantive equivalent?	ILPA
Has the Firm put procedures in place for the reporting and investigation of harassment and/or discrimination?	ILPA
Have there been any claims of sexual or general harassment, misconduct, or discrimination against any current or former Firm employees (while employed by the Firm) within the past five years?	ILPA
Identify trends to inform pipeline development	ILPA
Integrate ESG metrics into company management and reporting	ILPA
Is the Firm a registered investment advisor or broker-dealer?	ILPA
Would you be willing to begin tracking this information within one year?	ILPA
Would you be willing to develop and implement a policy or initiative within one year?	ILPA
Would you be willing to develop and implement such a code within one year?	ILPA
Would you be willing to develop and implement such a policy within one year?	ILPA
Would you be willing to establish and communicate procedures within one year?	ILPA
Would you be willing to require such a code at the Firm's current/future portfolio companies within one year?	ILPA
Communicate effective management of operationally relevant ESG factors leading to strength of enterprise value	SASB
Consider key ESG factors in due diligence	SASB
Define GP's view of Materiality	SASB
Establish ESG Policy	SASB
Use ESG data to inform LP monitoring	SASB

Original Data Indicator	Source
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	TCFD
Describe the organization's processes for identifying and assessing climate-related risks	TCFD
Describe the organization's processes for identifying climate-related risks	TCFD
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	TCFD
Did they company set a carbon target?	TCFD
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	TCFD
Disclose the climate-related risks and opportunities the organization has identified over the short, medium, and long term	TCFD
Disclose the climate-related risks and opportunities the organization has identified over the short, medium, and long term	TCFD
Disclose the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	TCFD
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	TCFD
Disclose the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario.	TCFD
Disclose the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	TCFD
Disclose the role of management in assessing and managing climate-related issues	TCFD
Disclose the role of the board of the organization in overseeing climate-related issues	TCFD
Does the company aim to use clean sources of energy?	TCFD
Does the company disclose to CDP?	TCFD
AFIC – La Commission ESG	UNPRI
American Investment Council (ESG guidelines)	UNPRI
Asian Corporate Governance Association	UNPRI
Australian Council of Superannuation Investors	UNPRI
Business for Social Responsibility (BSR)	UNPRI
BVCA – Responsible Investment Advisory Board	UNPRI
CDP Climate Change	UNPRI
CDP Forests	UNPRI
CDP Water	UNPRI
CFA Institute Centre for Financial Market Integrity	UNPRI
Code for Responsible Finance in the 21st Century	UNPRI
Code for Responsible Investment in SA (CRISA)	UNPRI
Council of Institutional Investors (CII)	UNPRI
Dedicated ESG staff?	UNPRI
Discloses a post-investment ESG policy	UNPRI
Discloses a pre-investment ESG policy	UNPRI
Does the company have an ESG policy?	UNPRI
Energy AUM	UNPRI
ESG due diligence reporting lines	UNPRI
ESG Research Australia	UNPRI
Eumedion	UNPRI
Extractive Industries Transparency Initiative (EITI)	UNPRI
Frequency of ESG strategy reviews	UNPRI
Fund offerings sold as "ESG" or "ESG-themed" funds	UNPRI
Global Impact Investing Network	UNPRI
Global Investors Governance Network (GIGN)	UNPRI

Original Data Indicator	Source
Global Real Estate Sustainability Benchmark (GRESB)	UNPRI
Green Bond Principles	UNPRI
Hedge fund and stakes	UNPRI
How is your ESG policy applied?	UNPRI
How is your ESG policy applied?	UNPRI
Infrastructure AUM	UNPRI
Institutional Investors Group on Climate Change (IIGCC)	UNPRI
Interfaith Center on Corporate Responsibility (ICCR)	UNPRI
International Corporate Governance Network (ICGN)	UNPRI
International Integrated Reporting Council (IIRC)	UNPRI
Invest Europe Responsible Investment Roundtable	UNPRI
Investor %: Corporate	UNPRI
Investor %: Endowment	UNPRI
Investor %: Family Office / HNW	UNPRI
Investor %: Financial Institutions	UNPRI
Investor %: Fund of Funds	UNPRI
Investor %: Insurance	UNPRI
Investor %: Public Pension & Agency	UNPRI
Investor Group on Climate Change, Australia/New Zealand (IGCC)	UNPRI
Is ESG considered in specific asset classes or across asset classes?	UNPRI
Local Authority Pension Fund Forum	UNPRI
Market breakdown: DM	UNPRI
Market breakdown: EM	UNPRI
Market breakdown: Frontier	UNPRI
Market breakdown: Other	UNPRI
Offers investment fund targeting ESG opportunities linked to SDGs	UNPRI
Operating Principles for Impact Management	UNPRI
PE AUM	UNPRI
Principles for Responsible Investment (PRI)	UNPRI
Principles for Sustainable Insurance	UNPRI
Public market credit	UNPRI
RE AUM	UNPRI
Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify	UNPRI
Responsible Finance Principles in Inclusive Finance	UNPRI
Shareholder Association for Research and Education (Share)	UNPRI
Sustainability Accounting Standards Board	UNPRI
Total AUM	UNPRI
Total AUM subject to ESG due diligence	UNPRI
Total AUM targeting ESG	UNPRI
Total AUM targeting SDGs	UNPRI
United Nations Environmental Program Finance Initiative (UNEP FI)	UNPRI
United Nations Global Compact	UNPRI
Describe your process for identifying and understanding (i) potentially material ESG risks, and (ii) ESG-related opportunities during due diligence.	UNPRI DDQ
Discloses ESG reporting and monitoring in portfolio companies	UNPRI DDQ
Do you commit to any international standards, industry (association) guidelines, reporting frameworks, or initiatives that promote responsible investment practices?	UNPRI DDQ
Do you have a policy that describes your approach to identifying and managing ESG factors within the investment and portfolio management processes? If so, please provide a copy. If not, please indicate whether you would consider adopting a responsible investment policy.	UNPRI DDQ

<u>Original Data Indicator</u>	<u>Source</u>
Do you make formal commitments relating to ESG integration in fund formation contracts, Limited Partnership Agreements, or in side letters when requested by investors?	UNPRI DDQ
Do you measure whether your approach to ESG factors has affected the financial and/or ESG performance of your investments? If yes, please describe how you are able to determine these outcomes.	UNPRI DDQ
Do you provide training, assistance, and/or external resources to your staff to help them understand and identify the relevance and importance of ESG factors in investment activities? If so, please describe what level of training is provided.	UNPRI DDQ
Do you systematically incorporate ESG considerations into preparations for exit? If yes, please describe your approach. If not, please explain why.	UNPRI DDQ
During deal structuring, what is the process for integrating ESG-related considerations into the deal documentation and/or the post-investment action plan?	UNPRI DDQ
Give two to three examples of how you have contributed to portfolio companies' management of ESG factors. Specify which initiative(s) you worked with management to identify and instigate, which you supported your portfolio company to achieve (and how) and/or what the portfolio company was already doing that you identified as existing good practice.	UNPRI DDQ
How are ESG risks and/or ESG-related opportunities reported to, considered, and documented by the ultimate decision making body, such as the Investment Committee?	UNPRI DDQ
How do you assess that adequate ESG-related competence exists at the portfolio company level? How do you ensure that portfolio company management devotes sufficient resources to manage ESG factors that have been identified?	UNPRI DDQ
How do you define the materiality of ESG factors? Please give two to three examples of ESG factors that you have identified as material to portfolio companies in your most recent fund.	UNPRI DDQ
How do you use your interaction with the board to influence the portfolio company's management of ESG factors?	UNPRI DDQ
Is the management of ESG factors included on the agenda of the Limited Partners Advisory Committee and/or Annual General Meeting?	UNPRI DDQ
Once identified, how might (i) potentially material ESG risks, and (ii) ESG-related opportunities impact the investment decision?	UNPRI DDQ
Please describe how (i) oversight responsibilities, and (ii) implementation responsibilities for ESG integration are structured within your organization. Please list the persons involved and describe their role, position within the organization, and how they are qualified for this role. Please also describe any external resources you may use.	UNPRI DDQ
Upon investing in a company, would you review existing compliance with sustainability or ethical business guidelines, or introduce new guidelines if necessary?	UNPRI DDQ
What is the current implementation status of your responsible investment policy? Do you have any firm plans to develop your approach toward the management of ESG factors?	UNPRI DDQ
What monitoring processes would you have in place to assess portfolio companies' management of ESG factors?	UNPRI DDQ
Which channels do you use to communicate ESG-related information to LPs? Can you provide samples of ESG-related disclosures from an earlier fund? If not, please indicate whether you would consider introducing ESG-related disclosures.	UNPRI DDQ

Appendix B

Transparency Data

Points

<u>DataID</u>	<u>Type</u>	<u>Data Point Name</u>	<u>Key Question</u>
1	GP	The ownership structure of the GP	Does the GP disclose who owns the firm?
1.1	GP	Registered investment advisor or a registered broker dealer status	Is the firm registered as an investment advisor [in any country]?
1.2	GP	General partner firm-level governing, leadership, or executive bodies, including the board of directors	Does the firm disclose the board members or C-level staff?
1.21	GP	Female representation on the board of directors	Does the firm disclose that there are females are on the board of directors?
2	GP	Any mention of ESG consideration in operations	Does the firm mention any consideration of ESG?
2.1	GP, LP	A code of conduct policy for employees	Does the firm have a code of conduct?
2.11	GP	An insider trading policy	Does the firm have an insider trading policy?
2.12	GP	An anti-money laundering and/or "know your client" (AML KYC) policy	Does the firm have an anti-money laundering/know your client (AML KYC) policy?
2.13	GP	A whistleblower or anonymous incident reporting process	Does the firm have a whistleblower policy or procedure?
2.14	GP	A modern slavery or human rights policy	Does the firm have a modern slavery policy?
2.2	GP	Adherence to any ISO standards	Does the firm mention that it adheres to any ISO standards?
2.21	GP	General partner firm-level privacy policy	Does the firm have a privacy policy?
2.22	GP	A formal diversity policy or initiative	Does the firm have a diversity and inclusion policy?
3	GP, LP	Discloses a public sustainability report	Does the firm publish a sustainability report?
3.1	GP, LP	Statements, policies, or initiatives related to climate change	Does the firm disclose any policy related to climate change, carbon or emissions?
3.11	GP	General partner firm-level carbon or GHG emissions	Does the firm disclose their carbon or greenhouse gas (GHG) emmissions?
5	GP, LP	Any mention of ESG consideration in investing	Does the firm mention consideration of ESG factors in its investment process?
5.1	GP, LP	An investment policy that includes ESG issues	Does the firm have an ESG policy?
5.11	GP, LP	A policy detailing engagement processes with portfolio companies	Does the firm disclose an engagement policy with portfolio companies?
5.12	GP, LP	An engagement process or considerations specifically focused on ESG issues with portfolio companies	If the firm has an engagement policy - does this policy include ESG issues?
5.121	GP	The number of companies in the portfolio with whom engagements were conducted on ESG policies or issues	Does the firm disclose how many companies they have engaged with regarding ESG policies/issues?
5.123	GP	ESG educational programs designed and run for portfolio companies	Does the firm provide education to portfolio companies about ESG issues?
5.124	GP	A code of conduct policy for portfolio companies	Does the firm require portfolio companies to follow a code of conduct?
5.2	GP	A policy specifying how ESG factors are used before investing in a company	Does the firm consider ESG factors before making an investment?
5.21	GP	Evidence of environmental impact studies conducted on portfolio companies or properties	Does the Firm obtain environmental impact studies for each of its portfolio company and property investments?

<u>DataID</u>	<u>Type</u>	<u>Data Point Name</u>	<u>Key Question</u>
5.3	GP	A policy specifying how ESG factors are used after investing in a company or in company exits	Does the firm consider ESG factors after making an investment?
5.31	GP, LP	Tracking of GHG emissions at portfolio companies	Does the firm track the emissions of portfolio companies/assets?
6	GP, LP	ESG due diligence reporting lines	Does the firm disclose who is responsible for ESG at the firm at executive level?
6.1	GP, LP	Dedicated ESG investment staff	Does the firm have a dedicated ESG team?
6.2	GP	Reporting or monitoring portfolio companies using ESG KPIs	Does the firm monitor ESG performance in their portfolio companies?
8	GP, LP	Total AUM disclosed as subject to ESG criteria or policies	What is the firm's AUM that is subject to ESG criteria?
8.01	GP	A list of investors by type (i.e., "family office")	Does the firm mention the types of investors they work with?
8.1	GP	Total assets under management in ESG funds	What is the firm's AUM for ESG specific funds?
8.11	GP	Fund offerings sold as "ESG" or "ESG-themed" funds	Does the firm offer ESG-themed funds?
8.2	GP	Total assets under management in impact or SDG-related companies	Does the firm disclose their AUM targeting impact or SDG-related investments?
8.21	GP	Fund offerings sold as "Impact" or "SDG" funds	Does the firm offer impact funds?
8.211	GP, LP	Investments in companies explicitly developing products in line with the UN Sustainable Development Goals	Has the firm invested in companies tied to the UN sustainable development goals?

Appendix C

List of Affiliations

Association Full Name - Transparency Module

Principles for Responsible Investment (PRI)
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 Impact Investing Network (GIIN)
Global Investors Governance Network (GIGN)
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
Operating Principle for Impact Management (OPIM)
Principles for Financial Action in the 21st Century
Principles for Sustainable Insurance
Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA)
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

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