



RI TRANSPARENCY REPORT 2020

Charterhouse Capital Partners LLP



An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

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 <u>PRI website</u>, 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 <u>Principles for Responsible Investment</u>. 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
R	The signatory has completed some parts of this indicator
۵	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ю	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.

1



Principles Index



Organisa	ational Overview				Ρ	rin	cip	le		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	1	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							\checkmark
OO 07	Fixed income AUM breakdown	₿	n/a							✓
00 08	Segregated mandates or pooled funds	₿	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	₿	n/a							✓
00 11	ESG incorporation practices for all assets	✓	Public							✓
00 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	₿	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	₿	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	₿	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	₿	n/a							√
OO FI 03	Fixed income breakdown by market and credit quality	₿	n/a							√
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	₽	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	~	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Private							v
OO PR 01	Breakdown of property investments	₿	n/a							✓
OO PR 02	Breakdown of property assets by management	8	n/a							✓
OO PR 03	Largest property types	₿	n/a							✓
OO INF 01	Breakdown of infrastructure investments	₿	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	₿	n/a							✓
OO INF 03	Largest infrastructure sectors	₿	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	₿	n/a							✓
OO End	Module confirmation page	✓	-							





CCStrat	Strategy and Governance						Principle Gene			
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	~	Private							✓
SG 02	Publicly available RI policy or guidance documents	~	Public						~	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	~	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	1	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	~	Private							~
SG 08	RI in performance management, reward and/or personal development	~	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				~	✓		
SG 09.2	Assets managed by PRI signatories	8	n/a	✓						
SG 10	Promoting RI independently	✓	Public				~			
SG 11	Dialogue with public policy makers or standard setters	~	Private				~	~	~	
SG 12	Role of investment consultants/fiduciary managers	~	Public				~			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		₽	n/a							✓
SG 14	Long term investment risks and opportunity	~	Private	~						
SG 14 CC		~	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	1	Private	~						
SG 16	ESG issues for internally managed assets not reported in framework	₿	n/a							~
SG 17	ESG issues for externally managed assets not reported in framework	₿	n/a							~
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				~	
SG End	Module confirmation page	✓	-							



Direct –	Direct – Private Equity							le		General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Private	 ✓ 					✓	
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	 ✓ 			✓		✓	
PE 04	Formal commitments to RI	✓	Private				✓			
PE 05	Incorporating ESG issues when selecting investments	1	Public	~						
PE 06	Types of ESG information considered in investment selection	~	Public	~		~				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	 ✓ 						
PE 09	Proportion of companies monitored on their ESG performance	1	Public		~					
PE 10	Proportion of portfolio companies with sustainability policy	~	Public		~					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	•	Private		~					
PE 12	Type and frequency of reports received from portfolio companies	~	Private		~	~				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	1	Private	~	~					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	~	~					
PE 16	Approach to disclosing ESG incidents	✓	Private						✓	
PE End	Module confirmation page	✓	-							

Confide	Confidence building measures						Principle				
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	1	Public							√	
CM1 03	Other confidence building measures	1	Public							✓	
CM1 04	Assurance of this year`s PRI data	✓	Public							✓	
CM1 05	External assurance	8	n/a							✓	
CM1 06	Assurance or internal audit	8	n/a							✓	
CM1 07	Internal verification	✓	Public							✓	
CM1 01 End	Module confirmation page	✓	-								



Charterhouse Capital Partners LLP

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01	Mandatory	Public	Gateway/Peering	General

00 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	0%
	○ <10%
	○ 10-50%
	● >50%
Fund of funds, manager of managers, sub-advised products	● 0%
	○ <10%
	○ 10-50%
	○ >50%
Other	• 0%
	○ <10%
	○ 10-50%
	○ >50%
Total 100%	

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

□ Hedge funds

□ Fund of hedge funds

00 01.2

Additional information. [Optional]

Charterhouse is an independent private equity house which has invested in European buyouts since the early days of the market in the 1980s. We are owned by our team and focus solely on private equity investing.

00 0	2	Mar	ndatory	Public	Peering	General
	00 02	.1	Select the location of your organisa	tion's headquarters	Э.	
	United	Kingo	dom			



00 02	2.2	Indicate the number of	f countries in which you have	offices (including your headqua	arters).
01					
● 2-5					
○ 6-1	0				
○ >1()				
00 02	2.3	Indicate the approximation	ate number of staff in your org	anisation in full-time equivaler	nts (FTE).
		FTE			
67					
03	Mand	atory	Public	Descriptive	Genera
	3.1	Indicate whether you h their own right.	nave subsidiaries within your	organisation that are also PRI	signatories in
00 03		Ũ			
00 03 0 Ye:	S				
	5				
⊖ Ye	S Mand		Public	Gateway/Peering	Genera
⊖ Yes ⊛ No	Mand	atory	Public date for your reporting year.	Gateway/Peering	Genera

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		4	727	850	000
Currency	USD				
Assets in USD		4	727	850	000

 $\hfill\square$ Not applicable as we are in the fund-raising process

00 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

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

Based on your reporting above, your total AUM is between 1 and 4.99 US\$ billion, and therefore your 2019/20 fee will be \pounds 4,457. Note that your total AUM is calculated by summing all figures provided in OO 04.2, 04.3, and 04.4.



Ma	ndatory	Pu	blic	Descriptive	Gener
OO 06.1	Select how you wo	ould like to disclose yo	ur asset clas	s mix.	
● as per	centage breakdown				
		Internally managed (%) Externall	y managed (%)	
Listeo	lequity	0	0		
Fixed	income	0	0		
Privat	e equity	100	0		
Prope	erty	0	0		
Infras	tructure	0	0		
Comr	nodities	0	0		
Hedg	e funds	0	0		
Fund	of hedge funds	0	0		
Fores	try	0	0		
Farm	and	0	0		
Inclus	ive finance	0	0		
Cash		0	0		
Mone	y market instruments	0	0		
Other	(1), specify	0	0		
Other	(2), specify	0	0		

 \odot as broad ranges

OO 06.2

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



OO 06.3	Indicate whether your organisation has any off-balance sheet assets [Optional].
⊖ Yes	
○ No	

OO 06.5 Indicate whether your organisation uses fiduciary managers.

 \odot 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.



 Asset class implementation gateway indicators

 OO 11
 Mandatory
 Public
 Gateway
 General

 OO 11.1
 Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).
 Image: Colored C



00 12	Mar	ndatory	Public	Gateway	General
00 1	2.1	Below are all applicable modules or report (asset classes representing 1 Those which are voluntary to report	10% or more of you	r AUM) are already ticked and re	
		Core modules			
\checkmark	Organis	sational Overview			
\checkmark	Strateg	y and Governance			
		RI implementation directly or via s	service providers		
		Direct - Other asset classes wit	h dedicated module	es	
_	☑ Priva	ate Equity			
		Closing module			
	Closing) module			
Peer	ing qu	estions			

00 P	PE 01 Mandatory		Public	Descriptive	General	
	OO PE 01.1		Provide a breakdown of your organi investment strategy.	isation's internally r	managed private equity investmer	nts by



Investment strategy	Percentage of your internally managed
	private equity holdings (in terms of AUM)
Venture capital	○ >50%
	○ 10-50%
	○ <10%
	• 0%
Growth capital	○ >50%
	○ 10-50%
	○ <10%
	• 0%
(Leveraged) buy-out	● >50%
	○ 10-50%
	○ <10%
	0%
Distressed/Turnaround/Special Situations	○ >50%
	○ 10-50%
	○ <10%
	• 0%
Secondaries	○ >50%
	○ 10-50%
	○ <10%
	● 0%
Other investment strategy, specify (1)	○ >50%
	○ 10-50%
	○ <10%
	● 0%
Other investment strategy, specify (2)	○ >50%
	○ 10-50%
	○ <10%
	• 0%
Total 100%	



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Reported Information

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Strategy and Governance

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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
☑ Policy setting out your overall approach	 Applicable policies cover all AUM
☑ Formalised guidelines on environmental factors	\bigcirc Applicable policies cover a majority of AUM
☑ Formalised guidelines on social factors	\bigcirc Applicable policies cover a minority of AUM
$\ensuremath{\boxdot}$ Formalised guidelines on corporate governance factors	
☑ Fiduciary (or equivalent) duties	
☑ Asset class-specific RI guidelines	
□ Sector specific RI guidelines	
☑ Screening / exclusions policy	
□ Other, specify (1)	
\Box Other, specify(2)	

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
- $\ensuremath{\boxdot}$ Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ☑ ESG incorporation approaches
- ☑ Active ownership approaches

☑ Reporting

☑ Climate change

- \blacksquare Understanding and incorporating client / beneficiary sustainability preferences
- \Box 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.

Our investment strategy is a collaborative one: partnering with management is key to the Charterhouse investment philosophy. We back incumbent management teams and provide active support to drive growth in our portfolio businesses. Our success has been built on recognising and rewarding management with equity ownership in each transaction.

Charterhouse has a flexible and open minded investment approach built on clear investment criteria, deep local networks and detailed sector knowledge.

We believe that the long term financial success of our portfolio companies can be positively influenced by robust management of environmental, social and governance ("ESG") opportunities and risks. During the investment cycle, we consider all ESG factors which may impact the business case or value. This ESG integration, managing ESG risks and opportunities, is overseen by the Charterhouse ESG Committee, which is made up of senior members of the firm, together with the Portfolio Committee.

SG 01.5 Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

The Charterhouse ESG Policy published on its website is supported by additional policy documents: i) the ESG Responsibilities of the Investment Team Guidelines and ii) the ESG Themed Questionnaire which are formalised guidelines for ESG incorporation and the considerations that have to be given to ESG factors in all stages of the investment life cycle.

 \bigcirc No

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

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

SG 02 Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

☑ Policy setting out your overall approach



{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment (will be made public)

☑ Formalised guidelines on environmental factors



URL/Attachment

☑ URL

URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment (will be made public)

☑ Formalised guidelines on social factors

	URL/Attachment		
⊠ URL			
	URL		

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment (will be made public)

 $\ensuremath{\boxtimes}$ Formalised guidelines on corporate governance factors

	URL/Attachment
⊠ URL	
	URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment (will be made public)

□ Fiduciary (or equivalent) duties

□ Asset class-specific RI guidelines

 $\hfill\square$ Screening / exclusions policy

 $\hfill\square$ 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.

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

URL/Attachment

☑ URL

URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment

 $\hfill\square$ Time horizon of your investment

 $\ensuremath{\boxtimes}$ Governance structure of organisational ESG responsibilities





URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

Attachment

☑ ESG incorporation approaches

	URL/Attachment
☑ URL	
	URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment

☑ Active ownership approaches

	URL/Attachment
⊠ URL	

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

□ Attachment

☑ Reporting



{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

Attachment

☑ Climate change







URL

{hyperlink:https://www.charterhouse.co.uk/environmental-social-and-governance-policy/}

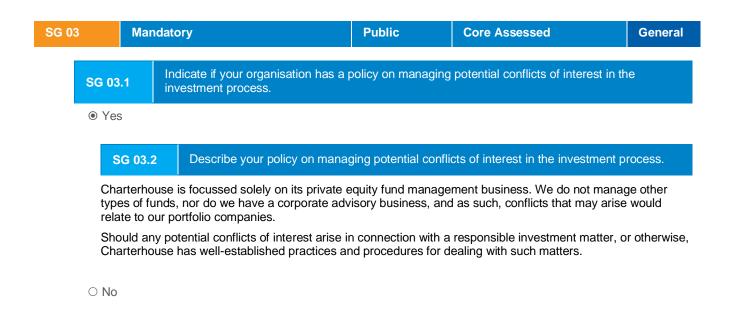
□ Attachment

□ Understanding and incorporating client / beneficiary sustainability preferences

□ We do not publicly disclose any investment policy components



Our ESG Policy and our 2019 ESG Review available on our website, cover several of the SG02 criteria.



Objectives and strategies

SG 05	Man	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.			
● Qua	arterly	or more frequently			
⊖ Biar	nnually	/			
⊖ Ann					
⊖ Les	○ Less frequently than annually				
⊖ Ad-I	○ Ad-hoc basis				
⊖ It is	○ It is not set/reviewed				

Governance and human resources						
Mandatory	Public	Core Assessed	General			
	nance and human resources Mandatory					



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
- ☑ Internal Roles (triggers other options)

Select from the below internal roles

 \boxdot 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

Charterhouse Partners

- ☑ 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
- Dedicated responsible investment staff
 - ☑ Oversight/accountability for responsible investment
 - ☑ Implementation of responsible investment
 - □ No oversight/accountability or implementation responsibility for responsible investment

☑ 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)

Investment Team Members

- ☑ Oversight/accountability for responsible investment
- Implementation of responsible investment
- □ No oversight/accountability or implementation responsibility for responsible investment
- \Box Other role, specify (2)
- External managers or service providers



SG 07.2 For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Whilst ESG oversight, accountability and implementation responsibility is executed at various levels within Charterhouse, the ESG Committee has overall oversight responsibility over ESG implementation. The members of the ESG Committee include the Managing Partner (CEO), senior partners and representatives of the Investment Team, representatives of the Portfolio Team, the Firm's General Counsel, the Head of Investor Relations and the ESG & Compliance Manager. The Committee formulates the Charterhouse ESG approach and policy and oversees its incorporation at all levels of activity within Charterhouse, both in-house as well as at an investment and external / portfolio company level.

The ESG Workgroup was formed in 2016 to meet more frequently than the ESG Committee with a view to coordinate the activities required to meet the Charterhouse ESG objectives. This workgroup is attended by the Firm's General Counsel, the Chairperson of the ESG Committee who is a senior member of the Investment Team (with responsibility for portfolio company matters), the Head of Investor Relations and the ESG & Compliance Manager.

Members of the Investment Team are responsible for addressing ESG concerns encountered in potential and current fund portfolio companies. Charterhouse has also shared its ESG approach and policy with various consultants with whom it works to ensure that ESG issues are addressed by third party service providers assisting the firm, e.g. in relation to investment due diligence and portfolio company initiatives.

Charterhouse has a Portfolio Committee, member of which is the Chairperson of the ESG Committee, which reviews each portfolio company on a regular basis and this committee's remit includes the monitoring of ESG matters.

The ESG & Compliance Manager, who assists with the implementation of the ESG Committee recommendations, co-ordinates the ESG-related activities Charterhouse is required to take to meet its ESG objectives. Given the monitoring remit of the Portfolio Team, she meets with members from this team on a weekly basis, at least, to ensure uniform progression and monitoring of ESG matters.



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



Select all that apply

Principles for Responsible Investment



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

- ☑ Basic
- \Box Moderate
- \Box Advanced

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

Charterhouse became a PRI signatory in October 2013.

- $\hfill\square$ Asian Corporate Governance Association
- □ Australian Council of Superannuation Investors
- □ AVCA: Sustainability Committee
- □ France Invest La Commission ESG
- ☑ BVCA Responsible Investment Advisory Board



- ☑ Basic
- \Box Moderate
- Advanced
- □ CDP Climate Change
- □ CDP Forests
- \Box CDP Water
- □ CFA Institute Centre for Financial Market Integrity
- □ Climate Action 100+
- □ Code for Responsible Investment in SA (CRISA)
- □ Council of Institutional Investors (CII)
- \Box 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
 - PEI Responsible Investment Forum 2019, PRI in Person 2019



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

- □ Basic
- $\ensuremath{\boxdot} \mathsf{Moderate}$
- $\hfill\square$ Advanced

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

Charterhouse led a SDG-themed roundtable at the PEI Responsible Investor Forum.

☑ Other collaborative organisation/initiative, specify

UK International Climate Initiative ("ICI" and formerly IC20)

_		
		Your organisation's role in the initiative during the reporting year (see definitions)
	Basic	
	☑ Mode	rate
	🗆 Advar	nced
Ø	ther collabo	rative organisation/initiative, specify
E	SG-Live	

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]

Charterhouse initiated "ESG-Live" in 2017 to actively promote ESG in our industry. This is a closed-member GP-attended group, meeting to discuss relevant ESG topics, with external specialist speakers or portfolio company ESG representatives providing insight into ESG-related experiences - the emphasis of this forum is on practical steps GPs can take. It convened once in 2019 at our offices.

☑ Other collaborative organisation/initiative, specify

Level 20

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]

Charterhouse is a financial sponsor of Level 20, a not for profit organisation established in 2015 with a vision of improving gender diversity in the industry and to inspire more women to join and succeed in private equity.

Charterhouse executives support and participate in Level 20's mentoring programme with some senior personnel acting as mentors to young women in the Private Equity industry and encouraging young female members of the Charterhouse team to work with an outside mentor.

G 10		Mandat	ory	Public	Core Assessed	PRI 4
5	SG 10	1	dicate if your organisation promot itiatives.	es responsible inve	estment, independently of collabo	rative
(● Yes	;				
	S	G 10.2		initiatives. Provide	o promote responsible investment a description of your role in contri al frequency of your	
	е	ducation o	l or supported education or training or training may be for clients, inves , legal advisers etc.)			
		Provided	financial support for academic or	industry research	on responsible investment	
] Provided	l input and/or collaborated with ac	ademia on RI relate	ed work	
		i Encouraç Industry	ged better transparency and disclo	osure of responsibl	e investment practices across the	e investment

Description

Charterhouse initiated "ESG-Live" in 2017 to actively promote ESG in our industry. This is a closedmember GP-attended group, meeting to discuss relevant ESG topics, with external specialist speakers or portfolio company ESG representatives providing insight into ESG-related experiences – the emphasis of this forum is on practical steps GPs can take.

Frequency of contribution

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

specify

Typically this group meets several times a year. The second planned session in 2019, was opened to a wider audience, given the varied topic discussion.



- □ Spoke publicly at events and conferences to promote responsible investment
- □ Wrote and published in-house research papers on responsible investment
- □ Encouraged the adoption of the PRI
- □ Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- $\hfill\square$ 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

specify description

Charterhouse ESG conference

Description

In 2019, several ESG Committee members addressed portfolio company representatives at the annual Charterhouse ESG conference. The ESG topics covered that day included, amongst others, eco-design and circular economies, cyber risk, unconscious bias and inclusion, lessons learnt in an ESG enhancement project, Climate Change, and risk registers as management tools among others.

Frequency of contribution

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

\bigcirc No

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4

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

SG 12.1	Indicate whether your organisation uses investment consultants.
---------	---

☑ Yes, we use investment consultants



SG 12.4 Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

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

Describe how responsible investment is incorporated

Charterhouse engaged international environmental consultancy SLR to initiate a TCFD aligned climate change programme.

- \Box Other, specify (2)
- \Box Other, specify (3)
- $\hfill\square$ None of the above

 \Box No, we do not use investment consultants.

ESG issues in asset allocation

SG 1	3	Mar	ndatory	Public	Descriptive	PRI 1
	SG 13	.1	Indicate whether the organisation c provide a description of the scenari etc.).			

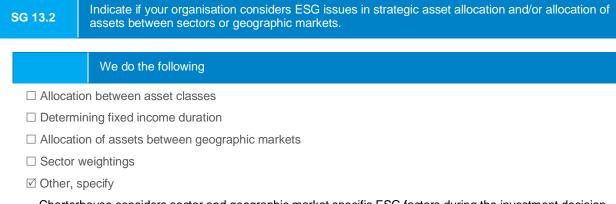
☑ Yes, in order to assess future ESG factors

Describe

Charterhouse reviews the prospects for the business in general and its ESG context and will run scenarios bespoke to that business.

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

□ No, our organisation does not currently carry out scenario analysis and/or modelling



Charterhouse considers sector and geographic market specific ESG factors during the investment decision phase and beyond.



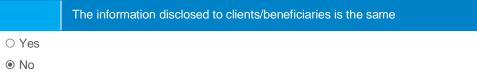
□ We do not consider ESG issues in strategic asset allocation

	Comr	nunio	cation			
SG 1	9	Mar	ndatory	Public	Core Assessed	PRI 2, 6
	SG 19	.1	Indicate whether your organisation Select the frequency of the disclosu the public information.			

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

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

	Private equity
	Do you disclose?
	not disclose to either clients/beneficiaries or the public. sclose to clients/beneficiaries only.
We dis	sclose to the public





Disclosure to public and URL	Disclosure to clients/beneficiaries
Disclosure to public and URL	Disclosure to clients/beneficiaries
 ESG information in relationship to our pre-investment activities ESG information in relationship to our post-investment monitoring and ownership activities Information on our portfolio companies' ESG performance Other 	 ESG information in relationship to our pre- investment activities ESG information in relationship to our post- investment monitoring and ownership activities Information on our portfolio companies' ESG performance Other Specify The information disclosed to investors may contain additional information to t that contained in the annual ESG Review.
Frequency	Frequency
 Quarterly or more frequently Biannually Annually Less frequently than annually Ad-hoc/when requested 	 Quarterly or more frequently Biannually Annually Less frequently than annually Ad-hoc/when requested
URL {hyperlink:https://www.charterhouse.co.uk/about/}	

SG 19.2

Additional information [Optional]

1. Charterhouse is frequently requested to complete ESG questionnaires which cover its ESG policy, its ESG approach during the investment cycle, and its monitoring process.

2. The Chairman of the ESG Committee presented an update on ESG matters to investors at our Annual General Meeting.

- 3. The Charterhouse Funds' joint advisory board committee meetings are kept updated on ESG-related matters.
- 4. The Charterhouse annual ESG Review is published on our website.



Charterhouse Capital Partners LLP

Reported Information

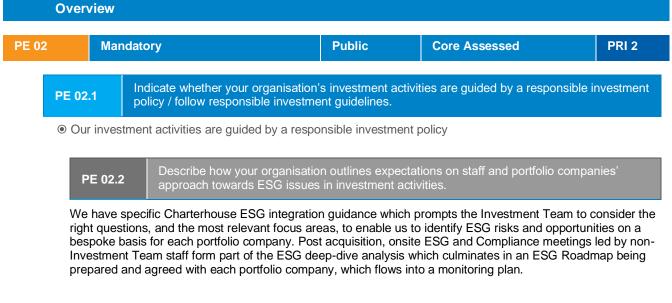
Public version

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.





O Our investment activities are not guided by a responsible investment policy

○ We do not have a responsible investment policy

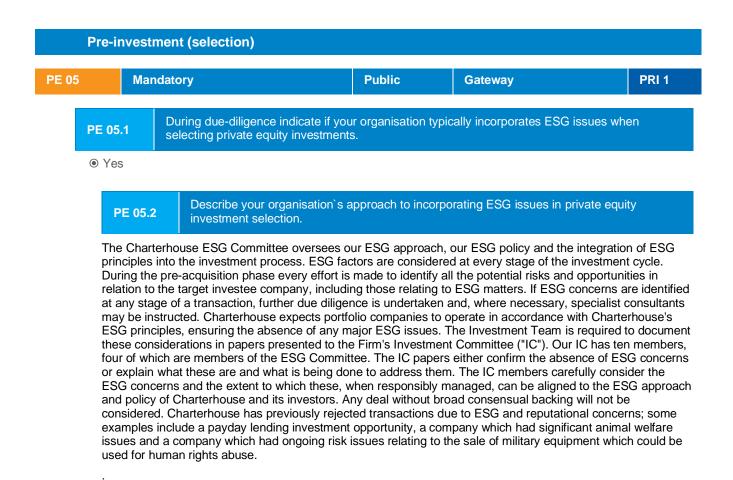
Fundraising of private equity funds **PE 03** Mandatory **Public Core Assessed** PRI 1,4,6 Indicate if your most recent fund placement documents (private placement memorandums (PPM) **PE 03.1** or similar) refer to responsible investment. Yes Indicate how your most recent fund placement documents (PPM or similar) refer to the PE 03.2 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 Describe how your organisation refers to responsible investment in fund placement PE 03.3 documents (PPMs or similar). [Optional] We were not fundraising during the reporting year, however, updated the working draft of our fund placement

 \bigcirc No

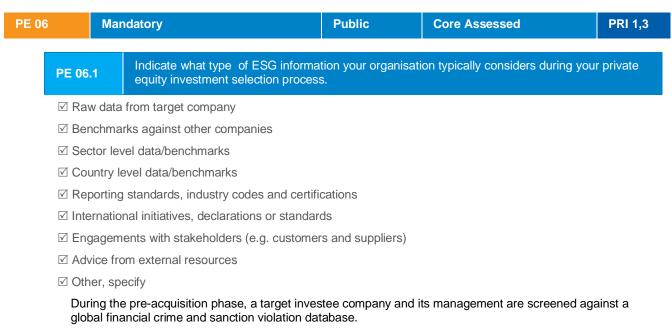
 \odot Not applicable as our organisation does not fundraise

documents to reference the above.





\bigcirc No



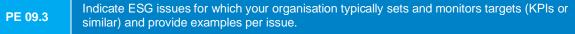
□ We do not track this information



Charterhouse considers any ESG issues that may be specific to a potential investment company and its sector.

Post-investment (monitoring)

E 09	Man	datory	Public	Gateway/Core Assessed	PRI 2
PE	E 09.1	Indicate whether your organisation companies.	incorporates ESG i	ssues in investment monitoring c	of portfolic
۲	Yes				
	PE 09.2	Indicate the proportion of portfor performance in investment more		ere your organisation included ES reporting year.	SG
	◉ >90%	of portfolio companies			
	○ 51-90	0% of portfolio companies			
	○ 10-50	0% of portfolio companies			
	○ <10%	of portfolio companies			
	(in terms	s of total number of portfolio compani	es)		



ESG issues

☑ Environmental



Waste management and reduction

Example 2 (optional)

Reduced environmental impact / reduced consumption of natural resources

Example 3 (optional)

Compliance with environmental permits, requirements and thresholds

☑ Social

List up to three example targets of social issues



Example 1
Increase diversity
Example 2 (optional)

Reduction of	Health and Safety incidents
	Example 3 (optional)
Retention of	key personnel
Governance	

List up to three example targets of governance issues

Example 1

Efficient anti-bribery and corruption policies

Example 2 (optional)

Efficient whistle-blowing policies and procedures

Example 3 (optional)

Implementation of or enhancement to cyber security measures and frameworks

 \Box We do not set and/or monitor against targets

 \bigcirc No

PE 10	Mano	latory		Public	Core Assessed	PRI 2
PE 1	0.1		organisation tracks bility-related policy (o		your portfolio companies that es).	have an
• Y	es					
	PE 10.2	Indicate w similar gu		our portfolio com	panies has an ESG/sustainabi	lity policy (or
	◉ >90%	of portfolio com	npanies			
	○ 51-90	% of portfolio co	ompanies			
	○ 10-50	% of portfolio co	ompanies			
	○ <10%	of portfolio com	npanies			
	○ 0% of	portfolio compa	anies			
	(in terms	of total numbe	r of portfolio compan	ies)		
	`)		

 \bigcirc No



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Reported Information

Public version

Confidence building measures

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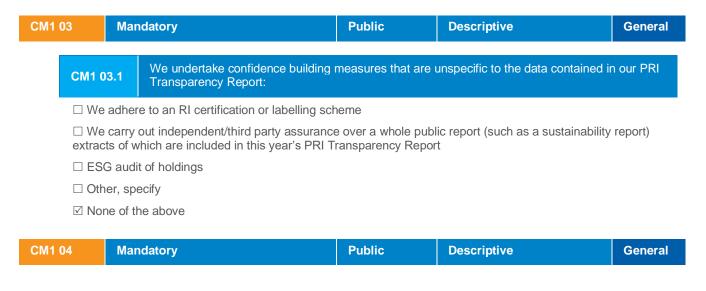
M1 01	Mandatory Public		Additional Assessed	General				
CM1	CM1 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:							
	nird par	ty assurance over selected responses	from this year's l	PRI Transparency Report				
		ty assurance over data points from oth his year	ner sources that h	nave subsequently been used in	n your PRI			
	nird pari his yea	ty assurance or audit of the correct im rr)	plementation of F	RI processes (that have been re	ported to the			
		udit of the correct implementation of F the PRI this year)	RI processes and/	or accuracy of RI data (that ha	ve been			
⊠ In	ternal v	erification of responses before submis	ssion to the PRI (e	e.g. by the CEO or the board)				
	Who	ele PRI Transparency Report has beer	n internally verifie	d				
	⊖ Sele	ected data has been internally verified						
	her, sp	ecify						
		e valuations and uncalled commitment ar ended 31 December 2019.	t as disclosed in t	he Fund's audited annual finan	cial statements			
	one of t	he above						
CM1 02	Mai	ndatory	Public	Descriptive	General			

O Whole PRI Transparency Report was assured last year

 \odot Selected data was assured in last year's PRI Transparency Report

• We did not assure last year's PRI Transparency report

 \odot None of the above, we were in our preparation year and did not report last year.





CM1 04.1 Do you plan to conduct third party assurance of this year's PRI Transparency report?

- \odot Whole PRI Transparency Report will be assured
- \odot Selected data will be assured
- We do not plan to assure this year`s PRI Transparency report

CM1 07		Mandatory		Public	Descriptive	General
CM1		7.1 Indicate who has reviewed/verified Transparency Report . and if this a				reviewed

Who has conducted the verification

☑ CEO or other Chief-Level staff

Sign-off or review of responses

- ☑ Sign-off
- ☑ Review of responses
- □ The Board
- □ Investment Committee
- ☑ Compliance Function
- ☑ RI/ESG Team
- ☑ Investment Teams
- ☑ Legal Department
- ☑ Other (specify)

specify

ESG Committee: Review of responses and Sign-off

