



PUBLIC TRANSPARENCY REPORT

2024

Bright Capital

Generated 25-11-2024

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2024 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2024 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented. The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-----------------------------|---------------|
| SLS 1 | CORE | N/A | N/A | PUBLIC | Senior Leadership Statement | GENERAL |

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

We consider responsible investing as the paramount paradigm of creating long-term value. As a private debt investor and signatory of the UN Principles for Responsible Investment stewardship is integral to Bright Capital's investment strategy, focusing on responsible investing and targeting long-term value. Bright Capital's approach to stewardship is characterized by active engagement with portfolio companies, a focus on long-term value creation, integration of ESG considerations into the whole life of an investment, and a commitment to transparency. While performance is the paramount parameter for our investments, by incorporating these principles into our investment strategy, Bright Capital aims to contribute positively to the broader economic, social, and environmental landscape while fulfilling our fiduciary responsibilities to our clients.

Considering sustainability matters over the lifetime of an investment is a vital part to achieve our goals. Taking responsibility for what we do is an important core value at Bright Capital. Bright Capital engages in sustainable investment considering a continuously growing global consciousness for environmental, social and governance (ESG) factors and the corresponding value-add for the long-term development of an investment portfolio. We strongly believe that by improving access to data, insights, and information regarding ESG challenges and opportunities in all areas of the lifecycle of an investment delivers superior long-term value. With Bright Capital we support sustainable businesses with excellent management teams that are committed to act responsibly and to create value for all stakeholders, including employees, owners, and the society. We partner with long-term oriented owners. Bright Capital's commitment and approach to responsible investing reflects industry best practices. Bright Capital believes that addressing ESG matters in the investment decision making process helps to reduce investment risk, may enhance long-term value, generates alpha, and ensures that investor capital is used effectively and ethically.

Bright Capital's actively investing private credit strategies are categorized under Article 8 within the meaning of the (EU) Regulation 2019/2088 ("SFDR").

We have established a dedicated approach to achieve our sustainable investing goals.

Bright Capital's ESG practice is built on three key pillars: Best Practices, Transparency and Ownership.

- Best Practices ensure that sustainability matters are embedded in our investment process, portfolio management and day-to-day management practices. Bright Capital engages with portfolio companies on ESG matters on a regular basis. Every investment undergoes thorough ESG due diligence, utilizing standardized models and stringent exclusion criteria.

- Transparency makes us accountable. We believe that companies that operate sustainably on the back of ESG strategies generate long-term value.

Bright Capital reports ESG matters to its clients on a regular basis. Our Annual Meeting allows to share knowledge, experience and best practices amongst Bright Capital's portfolio companies, clients, and industry experts.

- Ownership is our core philosophy to achieve long-term goals. ESG is embedded in the investment process and as such a mandatory part of the investment decision. Bright Capital engages with portfolio companies on ESG matters on a regular basis. ESG senior ownership ensures organization-wide awareness and collaboration to share best practices.

The oversight of ESG practice has been assigned to an executive member of the Investment Committee to ensure the highest level of senior leadership.

Our strong corporate governance framework secures our long-term success. Bright Capital's approach to corporate governance is characterized by our commitment to fostering transparency, accountability, and ethical conduct across all levels of operation and towards all stakeholders. Our corporate governance strategy is built on our core values:

- Think Entrepreneurial: We foster a culture of innovation, accountability, and continuous improvement, viewing challenges as opportunities.
- Lead with Passion: Our team's enthusiasm and dedication drive outstanding results, setting high performance standards. - Commit to Diversity and Inclusion: We value and respect individual uniqueness, fostering an inclusive environment that enhances decision-making and innovation.

- Give Back: As a responsible investor, we contribute to societal well-being through philanthropy, volunteerism, and community engagement.

Building trust is foundational to everything we do and the cornerstone for responsible investing.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

As one of the most active credit investors supporting buy-and-build and growth platforms in the lower mid-market in the DACH region, Benelux and the Nordics, we believe that the integration of effective ESG practices and investment stewardship by actively encouraging environmental and social responsibility substantially contributes to generating resilient long-term value. Bright Capital is committed to contributing to achieving the United Nations Sustainable Development Goals across our portfolio assets and supports extraordinary efforts with ESG-linked loans.

Bright Capital's commitment to ESG principles is exemplified by our successful investments in a B2B textile leasing and laundry company and a dialysis centre platform.

Our investment in the laundry company, which specializes in workwear, was facilitated through an ESG-linked senior financing. This company stands out from its competitors by offering a flexible washing process that ensures gentle care and extended lifespan for clothing, customer adaptability, and eco-friendly logistics and detergents. In alignment with its environmental sustainability objectives and the United Nations Sustainable Development Goals (SDGs), the company undertook an exhaustive evaluation of all its laundry processes. The ESG-linked loan includes a sustainability-linked margin adjustment, contingent on the achievement of three ESG performance indicators, one of which is GHG emissions. This demonstrates Bright Capital's commitment to investing in companies that prioritize sustainability and environmental responsibility.

Bright Capital has taken a proactive role in addressing the environmental impact of the healthcare sector.

We have specifically developed an initiative focused on our investment in a buy-and-build platform for dialysis centres. This initiative aims to increase awareness of the ecological footprint of dialysis treatments, which are a significant consumer of both water and electricity. Our goal is to work collaboratively to identify opportunities for reducing their carbon emissions. This includes exploring energy-efficient technologies, optimizing water usage, and implementing waste management practices that align with the principles of a circular economy. Moreover, we believe that this initiative not only contributes to environmental sustainability but also enhances the long-term viability and competitiveness of these centres.

By reducing their resource consumption, they can achieve cost savings and improve their operational efficiency. Furthermore, by demonstrating their commitment to sustainability, they can strengthen their reputation among patients, healthcare providers, and the broader community.

Bright Capital supports the transformation of an ambulance service provider towards sustainability. The EU taxonomy-aligned (environmentally sustainable) investment underpins Bright Capital's efforts to contribute to climate change mitigation by supporting transitional businesses on the back of our Article 8 (SFDR) strategies.

Bright Capital is a finalist for the Real Deals Media ESG Awards 2024 in the "Lender of the Year" category.

Our commitment to sustainable investing drives us to create significant value and a meaningful impact. With a dedicated sustainable investing team, we ensure ESG principles are at the core of our operations. This recognition underscores our efforts to integrate sustainability into our investment strategies, supporting long-term growth and value creation.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

One of the primary challenges in ESG investing is the nature and variability of many ESG metrics. To address this, Bright Capital has developed a comprehensive ESG questionnaire that gathers both quantitative and qualitative data. This helps us understand the ESG risks, opportunities, strategy, and measures of our investee companies. However, in the SME landscape, obtaining reliable ESG data and performance indicators remains a challenge.

We aim to evolve our current Article 8 strategy into an "Article 8 plus" strategy, which signifies our commitment to making sustainable investments as defined by the SFDR.

This evolution necessitates dependable ESG parameter reporting from our investee companies. To ensure compliance with the relevant regulatory requirements pertaining to sustainable investments, we leverage our industry network to assist our investee companies in regularly reporting high-quality data.

Furthermore, Bright Capital is in the process of implementing solution that all portfolio companies can use. This solution will support their efforts to measure, benchmark, and report their ESG KPIs in accordance with industry standards.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Karsten Batran

Position

Managing Partner

Organisation's Name

Bright Capital

A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| OO 1 | CORE | N/A | N/A | PUBLIC | Reporting year | GENERAL |

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

| | Date | Month | Year |
|------------------------------------------------------------------|------|-------|------|
| Year-end date of the 12-month period for PRI reporting purposes: | 30 | 06 | 2024 |

SUBSIDIARY INFORMATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------|---------------|
| OO 2 | CORE | N/A | OO 2.1 | PUBLIC | Subsidiary information | GENERAL |

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------|---------------|
| OO 4 | CORE | OO 3 | N/A | PUBLIC | All asset classes | GENERAL |

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 250,000,000.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

Additional information on the exchange rate used: (Voluntary)

1:1 EUR:USD

ASSET BREAKDOWN

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|---------------------|------------|-----------------|---------------|
| OO 5 | CORE | OO 3 | Multiple indicators | PUBLIC | Asset breakdown | GENERAL |

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

| | (1) Percentage of Internally managed AUM | (2) Percentage of Externally managed AUM |
|-----------------------|------------------------------------------|------------------------------------------|
| (A) Listed equity | 0% | 0% |
| (B) Fixed income | >75% | 0% |
| (C) Private equity | 0% | 0% |
| (D) Real estate | 0% | 0% |
| (E) Infrastructure | 0% | 0% |
| (F) Hedge funds | 0% | 0% |
| (G) Forestry | 0% | 0% |
| (H) Farmland | 0% | 0% |
| (I) Other | 0% | 0% |
| (J) Off-balance sheet | 0% | 0% |

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--------------------------------------------------------|---------------|
| OO 5.3 FI | CORE | OO 5 | Multiple | PUBLIC | Asset breakdown: Internally managed fixed income | GENERAL |

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA 0%

(B) Passive – corporate 0%

(C) Active – SSA 0%

(D) Active – corporate 0%

(E) Securitised 0%

(F) Private debt >75%

GEOGRAPHICAL BREAKDOWN

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|---------------------------|------------|------------|---------------------------|---------------|
| OO 7 | CORE | Multiple, see guidance | N/A | PUBLIC | Geographical breakdown | GENERAL |

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(E) Fixed income – private debt (1) 0%

STEWARDSHIP

STEWARDSHIP

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|------------------------|---------------------|------------|-------------|---------------|
| OO 8 | CORE | Multiple, see guidance | Multiple indicators | PUBLIC | Stewardship | GENERAL |

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

(3) Fixed income - active

| | |
|------------------------------------|-------------------------------------|
| (A) Yes, through internal staff | <input checked="" type="checkbox"/> |
| (B) Yes, through service providers | <input type="checkbox"/> |
| (C) Yes, through external managers | <input type="checkbox"/> |
| (D) We do not conduct stewardship | <input type="radio"/> |

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|------------------------|---------------------|------------|---------------------------|---------------|
| OO 11 | CORE | Multiple, see guidance | Multiple indicators | PUBLIC | Internally managed assets | 1 |

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

| | | |
|---------------------------------|----------------------------------|-----------------------|
| (H) Fixed income - private debt | <input checked="" type="radio"/> | <input type="radio"/> |
|---------------------------------|----------------------------------|-----------------------|

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------|---------------|
| OO 18 | CORE | OO 11–14 | OO 18.1 | PUBLIC | Labelling and marketing | 1 |

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

(A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>75%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------|---------------|
| OO 18.1 | CORE | OO 18 | OO 18.2 | PUBLIC | Labelling and marketing | 1 |

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|---------------------|---------------------|------------|-----------------------------------|---------------|
| OO 21 | CORE | Multiple indicators | Multiple indicators | PUBLIC | Summary of reporting requirements | GENERAL |

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

| Applicable modules | (1) Mandatory to report (pre-filled based on previous responses) | (2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module | (2.2) Voluntary to report. No, I want to opt-out of reporting on the module |
|---------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Policy, Governance and Strategy | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Confidence Building Measures | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| (H) Fixed income – private debt | <input checked="" type="radio"/> | <input type="radio"/> | <input type="radio"/> |

SUBMISSION INFORMATION

REPORT DISCLOSURE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------|---------------|
| OO 32 | CORE | OO 3, OO 31 | N/A | PUBLIC | Report disclosure | GENERAL |

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|---------------------|------------|----------------------------------------|---------------|
| PGS 1 | CORE | OO 8, OO 9 | Multiple indicators | PUBLIC | Responsible investment policy elements | 1, 2 |

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------------------|------------|----------------------------------------|---------------|
| PGS 2 | CORE | PGS 1 | Multiple, see guidance | PUBLIC | Responsible investment policy elements | 1 |

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues
- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------------------|---------------|
| PGS 3 | CORE | PGS 1, PGS 2 | N/A | PUBLIC | Responsible investment policy elements | 6 |

Which elements of your formal responsible investment policy(ies) are publicly available?

(A) Overall approach to responsible investment

Add link:

https://www.brightcapital.de/wp-content/uploads/BrightCapital_ESG_Integration_Statement.pdf

- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (J) Guidelines on exclusions
- (K) Guidelines on managing conflicts of interest related to responsible investment
- (L) Stewardship: Guidelines on engagement with investees
- (Q) No elements of our formal responsible investment policy(ies) are publicly available

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------------------|---------------|
| PGS 4 | PLUS | PGS 1 | N/A | PUBLIC | Responsible investment policy elements | 1 – 6 |

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

(A) Yes

Elaborate:

The policy includes the relevant obligations under the SFDR.

- (B) No

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------------------|---------------|
| PGS 5 | CORE | PGS 1 | N/A | PUBLIC | Responsible investment policy elements | 2 |

Which elements are covered in your organisation’s policy(ies) or guidelines on stewardship?

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship

(H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa

(I) Other

(J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

RESPONSIBLE INVESTMENT POLICY COVERAGE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------------------|---------------|
| PGS 8 | CORE | PGS 1 | N/A | PUBLIC | Responsible investment policy coverage | 1 |

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

(A) Overall approach to responsible investment

(B) Guidelines on environmental factors

(C) Guidelines on social factors

(D) Guidelines on governance factors

(4) >70% to 80%

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|-------------------|------------|------------|----------------------------------------|---------------|
| PGS 10 | CORE | OO 8, OO 9, PGS 1 | N/A | PUBLIC | Responsible investment policy coverage | 2 |

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

(B) Fixed income

(1) Percentage of AUM covered

(1) >0% to 10%

(2) >10% to 20%

(3) >20% to 30%

(4) >30% to 40%

(5) >40% to 50%

(6) >50% to 60%

(7) >60% to 70%

(8) >70% to 80%

(9) >80% to 90%

(10) >90% to <100%

(11) 100%

(2) If your AUM coverage is below 100%, explain why: (Voluntary)

Policy does not apply for investment before 2019.

GOVERNANCE

ROLES AND RESPONSIBILITIES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|---------------------|------------|----------------------------|---------------|
| PGS 11 | CORE | N/A | Multiple indicators | PUBLIC | Roles and responsibilities | 1 |

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

(A) Board members, trustees, or equivalent

(B) Senior executive-level staff, or equivalent

(C) Investment committee, or equivalent

Specify:

Mandatory part of the IC.

(D) Head of department, or equivalent

(E) None of the above bodies and roles have oversight over and accountability for responsible investment

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|----------------------|------------|------------|----------------------------|---------------|
| PGS 11.1 | CORE | PGS 1, PGS 2, PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1, 2 |

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

(1) Board members, trustees, or equivalent

(2) Senior executive-level staff, investment committee, head of department, or equivalent

(A) Overall approach to responsible investment

(B) Guidelines on environmental, social and/or governance factors

(H) Guidelines on exclusions

(I) Guidelines on managing conflicts of interest related to responsible investment

(J) Stewardship: Guidelines on engagement with investees

(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)

○

●

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------|---------------|
| PGS 11.2 | CORE | N/A | N/A | PUBLIC | Roles and responsibilities | 1 – 6 |

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

(A) Yes

Describe how you do this:

Political engagement (only through third parties, i.e. associations) and our commitment to the principles of PRI are monitored through the board.

(B) No

(C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------|---------------|
| PGS 12 | CORE | N/A | N/A | PUBLIC | Roles and responsibilities | 1 |

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

(A) Internal role(s)

Specify:

Responsible investing team.

(B) External investment managers, service providers, or other external partners or suppliers

(C) We do not have any internal or external roles with responsibility for implementing responsible investment

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------|---------------|
| PGS 13 | CORE | PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1 |

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent

Explain why: (Voluntary)

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------------|---------------|
| PGS 15 | PLUS | PGS 11 | N/A | PUBLIC | Roles and responsibilities | 1 |

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

| | (1) Board members, trustees or equivalent | (2) Senior executive-level staff, investment committee, head of department or equivalent |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------|
| (A) Specific competence in climate change mitigation and adaptation | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (B) Specific competence in investors' responsibility to respect human rights | <input type="checkbox"/> | <input type="checkbox"/> |
| (C) Specific competence in other systematic sustainability issues | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| (D) The regular training of this senior leadership role does not include any of the above responsible investment competencies | <input type="radio"/> | <input type="radio"/> |

EXTERNAL REPORTING AND DISCLOSURES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------------------|---------------|
| PGS 16 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------------------|---------------|
| PGS 17 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures

(E) None of the above

Explain why: (Voluntary)

While the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations provide a valuable framework for disclosing climate-related information, it remains challenging to gather the respective metrics from SMEs.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------------------|---------------|
| PGS 18 | PLUS | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)**

Link to example of public disclosures

https://iqeq.com/wp-content/uploads/2023/04/221123-Bright-Capital-Art.-10-Website-Disclosure_Template-Art-8.pdf

- (B) Disclosures against the European Union's Taxonomy
- (C) Disclosures against the CFA's ESG Disclosures Standard
- (D) Disclosures against other international standards, frameworks or regulations
- (E) Disclosures against other international standards, frameworks or regulations
- (F) Disclosures against other international standards, frameworks or regulations
- (G) Disclosures against other international standards, frameworks or regulations

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------------------|---------------|
| PGS 19 | CORE | N/A | N/A | PUBLIC | External reporting and disclosures | 6 |

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- (A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

<https://www.bvkap.de/the-bvk/members/mitglieder-details/user/bright-capital-gmbh>
https://www.bvai.de/en/about-us/bai-members/detail?tx_baimembersearch_show%5Baction%5D=show&tx_baimembersearch_show%5Bbaimember%5D=333&tx_baimembersearch_show%5Bcontroller%5D=Membersearch&cHash=28f82183d671aeb56a78de418d499d0b
<https://fondsfrauen.de/business-mitgliedschaft/>
<https://www.mittelstandsbund.de/>

- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--------------------|---------------|
| PGS 20 | CORE | N/A | N/A | PUBLIC | Capital allocation | 1 |

Which elements do your organisation-level exclusions cover?

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements
 - Specify:
 - Exclusions based on ethical aspects.
- (F) Not applicable; our organisation does not have any organisation-level exclusions

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--------------------|---------------|
| PGS 21 | CORE | N/A | N/A | PUBLIC | Capital allocation | 1 |

How does your responsible investment approach influence your strategic asset allocation process?

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - (1) for all of our AUM subject to strategic asset allocation
 - (2) for a majority of our AUM subject to strategic asset allocation
 - (3) for a minority of our AUM subject to strategic asset allocation
- (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - (1) for all of our AUM subject to strategic asset allocation
 - (2) for a majority of our AUM subject to strategic asset allocation
 - (3) for a minority of our AUM subject to strategic asset allocation
- (C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns

(D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation**
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------------------|---------------|
| PGS 22 | CORE | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?

(2) Fixed income

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------------------|---------------|
| PGS 24 | CORE | OO 8, OO 9 | N/A | PUBLIC | Stewardship: Overall stewardship strategy | 2 |

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible**
- (B) We collaborate on a case-by-case basis

- (C) Other
- (D) We do not join collaborative stewardship efforts

STEWARDSHIP: ESCALATION

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|------------------------|------------|------------|-------------------------|---------------|
| PGS 38 | PLUS | Multiple, see guidance | N/A | PUBLIC | Stewardship: Escalation | 2 |

Describe your approach to escalation for your SSA and/or private debt fixed income assets.

(B) Private debt - Approach to escalation

Stewardship escalation refers to intensifying engagement activities with investee companies following an insufficient response to concerns raised. It involves deploying additional actions to re-align with a company on certain matters. This could involve more frequent and direct communication with the company's management and collaboration with other investors to align stakeholder interests.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|--------------------|------------|--------------------------------------------|---------------|
| PGS 39 | CORE | OO 8, OO 9 | PGS 39.1, PGS 39.2 | PUBLIC | Stewardship: Engagement with policy makers | 2 |

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--------------------------------------------|---------------|
| PGS 39.1 | CORE | PGS 39 | N/A | PUBLIC | Stewardship: Engagement with policy makers | 2 |

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups
- (D) We engaged policy makers on our own initiative
- (E) Other methods
Describe:

Participation in working groups and conferences.

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|--------------------------------------------------|---------------|
| PGS 39.2 | CORE | PGS 39 | N/A | PUBLIC | Stewardship: Engagement with policy makers | 2 |

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions
- (B) We publicly disclosed details of our engagements with policy makers
- (C) **No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year**

Explain why:

NA

CLIMATE CHANGE

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 41 | CORE | N/A | PGS 41.1 | PUBLIC | Climate change | General |

Has your organisation identified climate-related risks and opportunities affecting your investments?

- (A) **Yes, within our standard planning horizon**

Specify the risks and opportunities identified and your relevant standard planning horizon:

Climate-related risks such as extreme weather events, natural disasters, natural resources crisis, and biodiversity loss may directly impact society and investee companies. Global risks and trends are identified annually for a 2 and 10-year horizon.

- (B) Yes, beyond our standard planning horizon
- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 41.1 | CORE | PGS 41 | N/A | PUBLIC | Climate change | General |

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

- (A) **Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities**

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

All products include climate-related screening and investment monitoring. Certain industries or business models may be excluded from the investment strategy.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 43 | CORE | N/A | N/A | PUBLIC | Climate change | General |

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios
- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 44 | CORE | N/A | N/A | PUBLIC | Climate change | General |

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- (A) Yes, we have a process to identify and assess climate-related risks
 - (1) Describe your process

Bright Capital has established ESG processes to pinpoint crucial risk factors, including those related to climate, as well as opportunities and materiality thresholds. All investments undergo a negative screening during the due diligence phase to identify potential climate-related risks. We utilize both internal and external data for benchmarking purposes to evaluate and quantify potential risks, which may involve scenario analysis, carbon footprinting, and other climate risk assessment tools. The insights derived from this climate risk assessment are subsequently incorporated into our investment decisions. This could affect our choice of investee companies, the terms of the investment, and our engagement approach with the company after the investment. Following an investment, Bright Capital maintains at least an annual review of the company's climate risks. For ESG-linked loans, semi-annual reporting is obligatory.

- (2) Describe how this process is integrated into your overall risk management

At Bright Capital, we recognize the importance of climate-related risks and their potential impact on our investments. Our proactive approach to managing these risks is integrated into our overall risk management strategy.

- Risk Evaluation: We evaluate climate-related risks over short-term (2-year) and long-term (10-year) horizons. This dual timeframe allows us to capture immediate and emerging risks and plan our investment strategies accordingly.
- Due Diligence: As part of our due diligence process for new investments, we thoroughly assess climate-related risks. This involves analyzing the company's exposure to both physical risks (such as extreme weather events) and transition risks (such as policy changes related to the transition to a low-carbon economy). We also assess the company's strategies for managing these risks and their alignment with climate-related goals and targets.
- Ongoing Monitoring: We monitor climate-related risks throughout the holding period once an investment is made.

All our investments are required to report on their climate-related performance and risks on a semi-annual basis for ESG-linked loans or on an annual basis. This ongoing monitoring allows us to track the company's progress in managing climate-related risks and to intervene if necessary.

- Integration with Risk Management: The insights gained from our climate risk assessment and ongoing monitoring are integrated into our overall risk management processes. This ensures that climate-related risks are considered alongside other risks (such as financial, operational, and reputational risks) in our investment decisions and risk mitigation strategies.

- (B) Yes, we have a process to manage climate-related risks
- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 45 | CORE | N/A | N/A | PUBLIC | Climate change | General |

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

- (A) Exposure to physical risk
- (B) Exposure to transition risk**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used**
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (C) Internal carbon price
- (D) Total carbon emissions**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used**
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (E) Weighted average carbon intensity**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used**
 - (2) Metric or variable used and disclosed
 - (3) Metric or variable used and disclosed, including methodology
- (F) Avoided emissions
- (G) Implied Temperature Rise (ITR)
- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities
- (J) Other metrics or variables
- (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------|---------------|
| PGS 46 | CORE | N/A | N/A | PUBLIC | Climate change | General |

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- (A) Scope 1 emissions
- (B) Scope 2 emissions
- (C) Scope 3 emissions (including financed emissions)

(D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|---------------------|------------|-------------------------|---------------|
| PGS 47 | CORE | N/A | Multiple indicators | PUBLIC | Sustainability outcomes | 1, 2 |

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities
 (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------|---------------|
| PGS 47.1 | CORE | PGS 47 | N/A | PUBLIC | Sustainability outcomes | 1, 2 |

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- (A) The UN Sustainable Development Goals (SDGs) and targets
 (B) The UNFCCC Paris Agreement
 (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
 (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 (E) The EU Taxonomy
 (F) Other relevant taxonomies
 (G) The International Bill of Human Rights
 (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 (I) The Convention on Biological Diversity
 (J) Other international framework(s)
 (K) Other regional framework(s)
 (L) Other sectoral/issue-specific framework(s)
Specify:
Sustainable Finance Disclosure Regulation (SFDR)
 (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------|---------------|
| PGS 47.2 | CORE | PGS 47 | PGS 48 | PUBLIC | Sustainability outcomes | 1, 2 |

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities

- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irreparable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|----------------|------------|-------------------------|---------------|
| PGS 48 | CORE | PGS 47.2 | PGS 48.1, SO 1 | PUBLIC | Sustainability outcomes | 1, 2 |

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------|---------------|
| PGS 48.1 | PLUS | PGS 48 | N/A | PUBLIC | Sustainability outcomes | 1, 2 |

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|----------------------|---------------|
| FI 1 | CORE | OO 21 | N/A | PUBLIC | Materiality analysis | 1 |

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

(4) Private debt

(A) Yes, our investment process incorporates material governance factors

(1) for all of our AUM

(B) Yes, our investment process incorporates material environmental and social factors

(1) for all of our AUM

(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons

(1) for all of our AUM

(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion

o

(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors

o

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------|---------------|
| FI 3 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

(4) Private debt

- (A) We incorporate material environmental and social factors
- (B) We incorporate material governance-related factors
- (C) We do not incorporate material ESG factors for the majority of our fixed income investments

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------|---------------|
| FI 4 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

(4) Private debt

- (A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)
- (B) Yes, we have a framework that differentiates ESG risks by sector (1) for all of our AUM
- (C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

o

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------|---------------|
| FI 5 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

How does your organisation incorporate material ESG factors when selecting private debt investments during the due diligence phase?

(A) We use a qualitative ESG checklist

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

(B) We assess quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

(C) We check whether the target company has its own responsible investment policy, sustainability policy or ESG policy

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

(D) We hire third-party consultants to do technical due diligence on specific material ESG factors where internal capabilities are not available

Select from dropdown list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases**

(E) We require the review and sign-off of our ESG due diligence process by our investment committee, or the equivalent function

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

(F) We use industry-recognised responsible investment due diligence questionnaire (DDQ) templates

(G) We use another method of incorporating material ESG factors when selecting private debt investments during the due diligence process

(H) We do not incorporate material ESG factors when selecting private debt investments during the due diligence phase

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-------------------------------|---------------|
| FI 6 | CORE | OO 21 | N/A | PUBLIC | ESG incorporation in research | 1 |

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

(3) Private debt

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(2) for a majority of our AUM

(B) We make a qualitative assessment of how material ESG factors may evolve

(2) for a majority of our AUM

(C) We do not incorporate significant changes in material ESG factors

o

POST-INVESTMENT

ESG RISK MANAGEMENT

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|---------------------|---------------|
| FI 11 | CORE | OO 21 | N/A | PUBLIC | ESG risk management | 1 |

How are material ESG factors incorporated into your portfolio risk management process?

(4) Private debt

(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations

(1) for all of our AUM

(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits

(1) for all of our AUM

(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process

(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process

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| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|---------------------|---------------|
| FI 12 | CORE | OO 21 | N/A | PUBLIC | ESG risk management | 1 |

For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

(4) Private debt

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion

(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

PERFORMANCE MONITORING

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|------------------------|---------------|
| FI 13 | CORE | OO 21 | N/A | PUBLIC | Performance monitoring | 1 |

During the reporting year, how did your organisation incorporate material ESG factors when monitoring private debt investments?

(A) We used a qualitative ESG checklist

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

(B) We assessed quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

(C) We hired third-party consultants to do technical assessment on specific material ESG factors where internal capabilities were not available

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

(D) We used industry body guidelines

Select from dropdown list:

- (1) in all cases
- (2) in the majority of cases
- (3) in the minority of cases

(E) We used another method to incorporate material ESG factors into the monitoring of private debt investments

- (F) We did not incorporate material ESG factors when monitoring private debt investments

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|---------------------|------------|------------------------------------------|---------------|
| CBM 1 | CORE | N/A | Multiple indicators | PUBLIC | Approach to confidence-building measures | 6 |

How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

| Indicator | Type of indicator | Dependent on | Gateway to | Disclosure | Subsection | PRI Principle |
|-----------|-------------------|--------------|------------|------------|-----------------|---------------|
| CBM 6 | CORE | CBM 1 | N/A | PUBLIC | Internal review | 6 |

Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
 - Sections of PRI report reviewed
 - (1) the entire report
 - (2) selected sections of the report
- (B) Senior executive-level staff, investment committee, head of department, or equivalent
- (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year