



LEA 02	Disclosures	Monetary	Principles
<p>By providing detailed information on the nature and extent of the engagement, investors can demonstrate their commitment to the principles of responsible investment and their role in driving positive change in the companies they invest in.</p> <p>Investors should disclose the nature and extent of their engagement, including the issues they are addressing, the companies they are engaging with, and the outcomes of their engagement.</p>	<p>LEA 02</p>	<p>Monetary</p>	<p>Principles</p> <p>PRI 1, 2, 3</p>
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input checked="" type="checkbox"/> To engage internal ESG issues</p> <p><input checked="" type="checkbox"/> To engage internal ESG issues</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with collaborative engagements</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with service providers</p>	<p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input checked="" type="checkbox"/> To engage internal ESG issues</p> <p><input checked="" type="checkbox"/> To engage internal ESG issues</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with collaborative engagements</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage with service providers</p>

RI TRANSPARENCY REPORT

2018

Permira Holdings Limited

About this report

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

This report is an export of the individual Signatory organisation's response to the PRI during the 2018 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

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

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

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

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

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

Principles Index

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

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 15	Allocation of assets to environmental and social themed areas	✓	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 - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Negative screening - overview and rationale	✓	Public	✓						
FI 06	Examples of ESG factors in screening process	✓	Private	✓						
FI 07	Screening - ensuring criteria are met	✓	Public	✓						
FI 08	Thematic investing - overview	🔒	n/a	✓						
FI 09	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 10	Thematic investing - assessing impact	🔒	n/a	✓						
FI 11	Integration overview	✓	Public	✓						
FI 12	Integration - ESG information in investment processes	✓	Public	✓						
FI 13	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 14	ESG incorporation in passive funds	🔒	n/a	✓						
FI 15	Engagement overview and coverage	✓	Private		✓					
FI 16	Engagement method	✓	Private	✓	✓					
FI 17	Engagement policy disclosure	✓	Private	✓	✓					
FI 18	Financial/ESG performance	✓	Private							✓
FI 19	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	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	✓	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	✓	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	✓	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	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM 1 01.1	Assurance, verification, or review	✓	Public							✓
CM 1 01.2 & 01.8	Assurance of this year's PRI data	✓	n/a							
CM 1 01.3 & 01.9	Assurance of last year's PRI data	✓	n/a							✓
CM 1 01.4, 10-12	Other confidence building measures	✓	n/a							✓
CM 1 01.5	External assurance	🔒	n/a							✓
CM 1 01.6	Assurance or internal audit	🔒	n/a							✓
CM 1 01.7	Internal verification	✓	n/a							✓
CM 1 01 End	Module confirmation page	✓	-							

Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

- Fund of funds, manager of managers, sub-advised products
- Other, specify

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

- Execution and advisory services
- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Guernsey

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3

Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

257

OO 02.4 Additional information. [Optional]

At 31 December 2017, Permira operated offices in Frankfurt, Guernsey, Hong Kong, London, Luxembourg, Madrid, Menlo Park, Milan, New York, Paris, Seoul, Shanghai, Stockholm and Tokyo.

At 31 December 2017, total FTEs included c.192 investment and organisational professionals and c.65 support staff. This also included 35 FTEs for Permira Debt Managers Limited (PDM).

OO 03 **Mandatory** **Public** **Descriptive** **General**

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04 **Mandatory** **Public** **Gateway/Peering** **General**

OO 04.1 Indicate the year end date for your reporting year.

31/12/2017

OO 04.2 Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		20	802	000	000
Currency	EUR				
Assets in USD		24	681	505	730

OO 04.5 Additional information. [Optional]

Total AUM at 31 Dec 2017 includes: a) private equity AUM c.€16.95bn, including current committed capital plus uncalled commitments across all Permira funds, and b) Permira Debt Managers ("PDM") AUM c.€3.85bn, including current investments plus uncalled commitments. Direct lending is the largest of PDM's three core strategies, and represented AUM of more than €3.3bn. PDM's CLO management and structured credit businesses represented the balance of the AUM.

OO 06 **Mandatory** **Public** **Descriptive** **General**

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

OO 06.1

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

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	20	0
Private equity	80	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

OO 06.2

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

OO 06.3

Provide contextual information on your AUM asset class split. [Optional]

Total AUM at 31 Dec 2017 includes: a) private equity AUM c.€16.95bn, including current committed capital plus uncalled commitments across all Permira funds, and b) Permira Debt Managers ("PDM") AUM c.€3.85bn, including current investments plus uncalled commitments. Direct lending is the largest of PDM's three core strategies, and represented AUM of more than €3.3bn. PDM's CLO management and structured credit businesses represented the balance of the AUM.

OO 07

Mandatory to Report Voluntary to Disclose

Public

Gateway

General

OO 07.1

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

Internally managed	SSA	0
	Corporate (financial)	0
	Corporate (non-financial)	85
	Securitised	15
	Total	100%

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1

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

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	<i>100%</i>

The breakdown shown above is based on the location of the headquarters of each portfolio company within the current portfolio of the Permira Private Equity funds and PDM's private credit funds. In 2017, only two portfolio companies were headquartered in Emerging Markets, as defined by the MSCI. In 2017, no portfolio companies from PDM's private credit funds were headquartered in Emerging Markets, as defined by the MSCI.

Several current portfolio companies which are not headquartered in Emerging Markets have operations and activities within Emerging Markets. As such, ESG considerations which may be more prominent in these markets are also routinely incorporated into our investment processes.

Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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Fixed income Corporate (non-financial) – engagement

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

Fixed income Corporate (securitised) – engagement

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

OO 11	Mandatory	Public	Gateway	General
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Fixed income - corporate (non-financial)

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

Fixed income - securitised

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

Private equity

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

OO 12	Mandatory	Public	Gateway	General
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OO 12.1

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

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Fixed Income

- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

Direct - Other asset classes with dedicated modules

- Private Equity

RI implementation via external managers

Closing module

- Closing module

Peering questions

OO FI 01

Mandatory to Report Voluntary to Disclose

Public

Gateway

General

OO FI 01.1

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

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

OO FI 01.2 Additional information. [Optional]

PDM operates across three core strategies in European credit: direct lending (investing in European mid-market companies), CLO management, and structured credit (investing in European CLO assets).

As at 31 December 2017, PDM's AUM was €3.85bn, comprising current investments and uncalled commitments. Direct lending is the largest of PDM's three core strategies, and represented AUM of more than €3.3bn. PDM's CLO management and structured credit businesses represented the balance of the AUM. PDM relaunched its CLO management business during 2017, opening the warehouse for its first CLO 2.0 in Q3 2017. The CLO priced in Q1 2018.

As per last year's report, the responses in this module refer to PDM's direct lending strategy which represents the majority of its fixed income AUM. For the first time, the responses in this module also include the approach to integrating ESG in CLO management and structured credit, for which an approach to incorporating ESG considerations in the investment process was developed during 2017.

OO PE 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total	100%

OO PE
02.1

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

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

OO PE
02.2

Additional information. [Optional]

The Permira private equity funds focus on opportunities which offer majority or controlling ownership. There may be situations where minority ownership is appropriate, for example in partnership deals with aligned co-investors such as an LP co-investor, family shareholder or corporate partner.

The funds will generally seek to appoint one or more non-executive directors to the boards of portfolio companies to enhance governance and to influence and reinforce critical decisions around the business strategy, leadership and the timing and nature of exit. The objective is to work alongside and support world-class management teams and boards to achieve business transformation.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

- Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3 Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change and related issues

SG 01.3b
CC Describe how climate-related risks and opportunities are factored into your investment strategies or products.

- We factor climate-related risks and strategies into our investment strategies or products.
- We do not factor climate-related risks and strategies into our investment strategies or products.
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4 Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.

The Permira funds have delivered market-leading returns for our investors for over 30 years by partnering with more than 200 ambitious businesses, with a key focus on:

- Partnering with management: We partner with world-class management teams to unlock the full potential of the companies in which the Permira funds invest.
- Driving growth: We focus on companies with significant potential to grow and become global industry leaders. This growth is the core driver of returns.
- Investing across five sectors: Our teams look beyond the macro to identify sub-sectors with significant underlying growth potential.

Permira believes that a focus on sustainability is an important part of building lasting value in the funds' portfolio companies. ESG and sustainability considerations are embedded throughout the investment process to protect and create value and are expected to be a key part of the governance of the funds' portfolio companies. As the ESG agenda evolves, Permira continues to strengthen its approach to integrating ESG throughout the investment lifecycle.

No

Your responses to this indicator will be used to determine if you meet the minimum requirements of being a PRI signatory introduced for the first time in 2018. Signatories have until 2020 to meet these requirements.

You can find out more information on the PRI website.

There are two minimum requirements for this indicator SG 01.1 and SG 01.2:

- A policy, or similar document, that: Sets out your overall approach to responsible investment; or
- Formalised guidelines on environmental factors; or
- Formalised guidelines on social factors; or
- Formalised guidelines on governance factors.
-

The PRI recognises that RI "policies" can take many different forms and can have a variety of titles. Please see the explanatory notes for this indicator to see further explanation of this and further guidance.

- This policy/document should cover more than 50% of your AUM

If you have any questions or need support please contact reporting@unpri.org or call on + 44 (0) 203 714 3187.

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

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

	URL/Attachment
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URL

	URL
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<https://www.permira.com/about/investing-responsibly/>

Attachment (will be made public)

Formalised guidelines on environmental factors

Formalised guidelines on social factors

Formalised guidelines on corporate governance factors

Sector specific RI guidelines

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

URL/Attachment

URL

URL

<https://www.permira.com/about/investing-responsibly/>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://www.permira.com/about/investing-responsibly/>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<https://www.permira.com/about/investing-responsibly/>

Attachment

Active ownership approaches

URL/Attachment

URL

URL

<https://www.permira.com/about/investing-responsibly/>

Attachment

Reporting

Climate-related issues

Climate change and related issues

We do not publicly disclose any investment policy components

SG 02.3	Indicate if your organisation's investment principles, and overall investment strategy is publicly available
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Yes

	URL
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<https://www.permira.com/about/investment-strategy/>

No

SG 02.4	Additional information [Optional].
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Permira's full ESG Framework is available to private equity investment professionals through the intranet system and is also available to PDM investment professionals. A high-level overview of the Responsible Investment policies and approach for private equity and PDM are available on the respective websites (link provided above and in the Fixed Income section of this report). In addition, the Permira private equity website also includes:

- A selection of ESG case studies from current and recently exited investments:
<https://www.permira.com/about/investing-responsibly/#tabs2>
- Details of Permira's governance approach including relationships with portfolio companies and Permira's Business Principles: <http://www.permira.com/governance/>
- Overview of approach to ESG/Responsible Investment in Permira Annual Reports:
<https://www.permira.com/about/annual-reports/>

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

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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Permira has internal policies and procedures that seek to ensure that actual and potential conflicts of interest are identified, to reduce the instances when conflicts of interest arise and address conflicts that do arise in a way that protects and deals fairly with the interests of those involved. These policies are part of the governance arrangements by which the firm operates and are also required by the regulators in the jurisdictions in which Permira operates (further information provided below).

There is a conflicts of interest policy and policies on personal securities dealing and directorships, confidentiality and security of information. The conflicts of interest policy sets out potential conflicts that may arise, Permira's approach to managing potential conflicts of interest and procedures that must be followed in the event of any conflict. The securities dealing policy prohibits dealing in listed securities by any Permira employee.

No

SG 03.3

Additional information. [Optional]

Permira Advisers LLP is authorised and regulated by the UK Financial Conduct Authority (FCA), Permira Advisers Limited is regulated by the Securities and Futures Commission in Hong Kong. Permira Europe B.V. has also filed as an "exempt reporting adviser" with the US Securities and Exchange Commission (SEC) under the US Investment Advisers Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The general partners of the Permira private equity funds are licenced by the Guernsey Financial Services Commission (GFSC).

Permira Debt Managers Limited (PDM) is authorised and regulated by the UK FCA. PDM has also filed as an "exempt reporting adviser" with the US SEC under the US Investment Advisers Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act. The general partners of the PDM private credit funds are licensed by the GFSC.

Objectives and strategies**SG 05****Mandatory****Public****Gateway/Core Assessed****General****SG 05.1**

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

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

SG 05.2

Additional information. [Optional]

Permira has taken steps to ensure that ESG is embedded within the investment process and to make consideration of ESG matters a mandatory requirement for each deal on which we work. All Permira employees are required to be aware of and abide by our responsible investment approach and our Business Principles, and training is provided regularly through annual offsite conferences, new starters training and ESG e-learning.

Since 2015, Permira has set formalised annual objectives for its Responsible Investment activities, approved by the Executive Committee (ExCo). These objectives are reviewed on a regular basis by the ESG Group and updates are provided to the ExCo.

Governance and human resources**SG 07****Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), 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
Oliver Steil, Head Portfolio Group
 - 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
- ESG portfolio manager
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- 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 role, specify (2)

SG 07.2

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

Permira professionals have always considered material ESG matters in the investment process and supported the funds in appropriately managing the relevant issues.

Permira appointed its first dedicated resource, Adinah Shackleton, as Head of ESG in 2015. Adinah is responsible for overseeing Permira's approach and leading the further development and improvement of ESG within Permira as part of the ESG Group. Permira's ESG Group has been in place since 2011. It is currently led by Adinah, and during 2017 also included members of the portfolio group, investor relations and risk management teams. Christopher Crozier, the firm's Chief Risk Officer, also sits on the boards of the General Partners, thereby bringing specific risk and ESG expertise to the governance body for the Permira private equity funds.

Permira has taken steps to embed ESG across the investment process. Our approach is that ESG must be considered as a core part of the investment lifecycle as a prerequisite. All Permira employees are required to be aware of and abide by our responsible investment approach and our Business Principles, and training is provided regularly through annual offsite conferences, new starters training and ESG e-learning.

Permira professionals play a fundamental role in implementation of Permira's responsible investment approach. Depending on the nature of the investment, external consultants may also be employed to assist in ESG-related due diligence or ESG reviews post-investment to support further understanding of ESG risks and opportunities. Adinah is a member of Permira's portfolio group, reflecting the firm's commitment to using ESG as a lever for value creation and protection.

SG 07.3

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

Number

1

Your responses to this indicator will be used to determine if you meet the minimum requirements of being a PRI signatory introduced for the first time in 2018. Signatories have until 2020 to meet these requirements.

You can find out more information on the PRI website.

There are two minimum requirements for this indicator SG 07.1:

- A role implementing responsible investment: Individuals with implementation roles are those charged with implementing specific aspects of the organisation's responsible investment practices, for example, conducting ESG-related research, incorporating ESG issues into investment strategies, voting shareholdings, engaging with companies and policy makers;
- This can be an internal staff or an external role;
- They do not have to be a dedicated RI/ESG investment staff (captured in 07.3); and
- They do not have to be allocating the majority of their time to RI/ESG activities.
-
- Senior level oversight and accountability for RI implementation: Individuals with oversight roles are those with management or governance responsibility for ensuring that the organisation implements its policies, and achieves its objectives and targets in relation to responsible investment performance; and
- "Senior level" includes the roles: Chief level staff, head of department, CEO, CIO, Investment Committee and Board members or trustees.
-

If you have any questions or need support please contact reporting@unpri.org or call on + 44 (0) 203 714 3187.

Promoting responsible investment

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

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

- Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
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Permira is a signatory to the United Nations-supported Principles for Responsible Investment ("PRI"). PRI provides a useful framework for progressing the integration of ESG into the investment processes of the Permira private equity funds and the PDM private credit funds.

In 2017, Permira was an active member of the ESG Monitoring and Reporting working group. The working group is developing guidance for Limited Partners and General Partners (GPs) on monitoring and reporting the ESG integration practices of GPs during the lifetime of the fund. The guidance is due to be published in 2018.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board

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

- Basic
- Moderate
- Advanced

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

Since 2016, Adinah Shackleton (Head of ESG) has been a member of the British Venture Capitalist Association (BVCA) Responsible investment Advisory Group. During 2017, Adinah was involved in:

- Developing and delivering an ESG module as part of the BVCA's Private Equity Foundation course, training the next generation of investment professionals. This was the first time ESG had been included within the course syllabus, previously being included as a pre-dinner speech

- Developing the BVCA Responsible Investment Toolkit to provide further resources and guidance for BVCA members on ESG and responsible investment (<https://www.bvca.co.uk/Our-Industry/Responsible-Investment/Responsible-Investment-Toolkit>)
- Permira also supported the BVCA Responsible Investment e-Learning Course as a Founding Member in 2015. During 2016/17 the BVCA ESG e-learning training was rolled out across private equity investment professionals and partners globally and is also being provided to new starters.

- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable

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

- Basic
- Moderate
- Advanced

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

During 2017, Adinah Shackleton joined the Invest Europe (formerly EVCA) Responsible Investment Roundtable as an Affiliate Member.

- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

UK "Guidelines for Disclosure and Transparency in Private Equity" (formerly the Walker Guidelines)

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]

Permira was engaged in the development of the UK "Guidelines for Disclosure and Transparency in Private Equity" (formerly the "Walker Guidelines") and was an early adopter of its recommendations. In 2017, no Permira Funds' portfolio companies met the reporting thresholds for the "Guidelines for Disclosure and Transparency in Private Equity".

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 10.2

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work

Description

Permira receive a number of requests to provide input into academic research. For example, in 2017, Permira contributed to a MSc study by Alison Hampton on 'The Reality of Responsible Investment: How do Private Equity shareholders engage with their portfolio on ESG and what factors enhance their effectiveness in doing so? Practical implications for investors and their ESG engagement'.

Frequency of contribution

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

Description

During 2017, Permira attended PRI in Person and participated in panels at the PEI Responsible Investment conference and the SuperReturn ESG forum.

Frequency of contribution

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

Description

Permira encourage adoption of PRI through conference speaking slots and other external communications

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media

Description

During 2017, articles included a thought leadership piece in the PEI Responsible Investment special, including a case study on the development of Dr Marten's sustainability strategy.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- A member of PRI advisory committees/ working groups, specify

Description

Member of PRI Monitoring and Reporting Working Group

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

SG 10.3

Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

In order to actively promote responsible investment in the industry and support the shaping of the evolving ESG agenda, Permira participates in panels at conferences and thought leadership opportunities more broadly. Recent examples not mentioned above include:

- Moderating a panel at the 2017 Private Equity International (PEI) Responsible Investment conference on 'The importance of human capital in all areas of business'
- Presenting on a panel at the 2017 SuperReturn conference in Berlin on Impact and Sustainable Development, to discuss approaches to implementation of the UN Sustainable Development Goals (SDGs)

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
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

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

SG 13.1

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

Communication**SG 19****Mandatory****Public****Core Assessed****PRI 6****SG 19.1**

Indicate whether your organisation proactively discloses asset class specific information. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Fixed income

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

Disclosure to public and URL	Disclosure to clients/beneficiaries
<p>Disclosure to public and URL</p> <p><input checked="" type="radio"/> Broad approach to RI incorporation</p> <p><input type="radio"/> Detailed explanation of RI incorporation strategy used</p>	<p>Disclosure to clients/beneficiaries</p> <p><input type="radio"/> Broad approach to RI incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used</p>
<p>Frequency</p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>	<p>Frequency</p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>
<p>URL</p> <p>https://www.permiradebtmanagers.com/about/investing-responsibly/</p> <p>URL</p> <p>https://www.permira.com/about/annual-reports/</p>	

Private equity

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

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

SG 19.2 Additional information [Optional]

Engagement with the Permira funds' investors and other stakeholders is through a variety of channels, including public and non-public disclosures. Permira's responsible investment policy, articulation of its approach and a selection of case studies from the Permira Funds' portfolio are available on the Permira website (links provided above).

As part of the Limited Partner Advisory Committees and Annual Meetings, updates are provided to investors on key ESG developments for private equity and private credit funds. The funds' quarterly valuations also include reference to material ESG matters or incidents, as relevant.

Permira has also been producing an annual ESG report for Permira Funds' investors since 2016, following a pilot report which was produced for the 2015 calendar year. The report for the funds' private equity investments includes company by company reporting on ESG risk and opportunity.

ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	100
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%
Securitized	Screening alone	100
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	0

	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%

FI 01.2 Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

PDM operates across three core strategies in European credit: direct lending (investing in European mid-market companies), CLO management, and structured credit (investing in European CLO assets). Please see below for further details on the core strategies and approach to ESG incorporation.

FI 01.3 Additional information [Optional].

PDM operates across three core strategies in European credit: direct lending (investing in European mid-market companies), CLO management, and structured credit (investing in European CLO assets).

- **Direct lending:** PDM's direct lending funds provide capital to strong and growing companies in the European mid-market, typically as the sole lender to the company. PDM believes that a focus on ESG is an important part of building lasting value in portfolio companies. PDM is committed to ensuring that potentially material ESG matters are integrated as part of the standard investment analysis for direct lending investments. PDM recognises that the considerations for a debt provider are different to a private equity investor acquiring a controlling stake in a company.
- **CLO management:** PDM relaunched its CLO management business during 2017, opening the warehouse for its first CLO 2.0 in Q3 2017. As part of the relaunch, PDM developed an ESG screening approach for the pre-investment process for its directly managed CLOs with ESG eligibility criteria included in the fund documentation. The CLO priced in Q1 2018.
- **Structured credit:** PDM is committed to increased engagement with CLO managers to understand what ESG policies are currently in place, and to promote the implementation of ESG policies and/or negative screening criteria in their investments.

PDM investment teams across all three strategies have access to the existing Permira ESG network and framework.

For the purposes of PRI reporting, PDM's three core strategies are reported under the following categories: direct lending (Fixed income - Corporate, non-financial), CLO management and structured credit (Fixed income - Securitised).

FI 03	Mandatory	Public	Additional Assessed	PRI 1
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FI 03.1	Indicate how you ensure that your ESG research process is robust:
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- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify

	specify description
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PDM may rely on third party due diligence from reputable service providers and information disclosed by the portfolio company.

- None of the above

FI 03.2	Describe how your ESG information or analysis is shared among your investment team.
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- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

FI 03.3	Additional information. [Optional]
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FI 03.1 - As mentioned previously, PDM use RepRisk, a business intelligence tool, to inform the pre-acquisition process and screen companies for previous negative ESG/reputational issues. This tool is also used post investment to support in monitoring reputational risk. RepRisk is a live database, updated frequently to reflect current ESG/reputational issues. Various other sources of information may be used during the pre-investment due diligence for direct lending investments, for example, PDM may gain reliance on independent environmental, health, safety and/or social due diligence undertaken for the sponsor as part of the due diligence process and review information disclosed by the portfolio company.

FI 03.2 - Material ESG risks identified throughout the pre-investment due diligence are raised with the Investment Committee (IC) through the iterative IC process. For direct lending investments, at Final Investment Recommendation stage overall ESG risks identified throughout the pre-investment process are distilled and presented in one summary slide to the Investment Committee, and discussed where relevant.

(A) Implementation: Screening				
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FI 04	Mandatory	Public	Gateway	PRI 1
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FI 04.1	Indicate the type of screening you conduct.
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Select all that apply

			Corporate (non-financial)	Securitised
Negative/exclusionary screening			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Positive/best-in-class screening			<input type="checkbox"/>	<input type="checkbox"/>
Norms-based screening			<input type="checkbox"/>	<input type="checkbox"/>

FI 04.2 Describe your approach to screening for internally managed active fixed income

For direct lending investments, whilst a defined exclusion list is not in place, potential investments are considered on a case-by-case basis as part of the pre-investment due diligence process, where consideration is given to ESG factors, sustainability concerns and investor requirements and sensitivities. As such, there may be instances where PDM would not invest in certain sectors/sub-sectors due to strategic sustainability concerns.

During 2017, exclusion requirements (focusing on particular sectors and business activities) were developed for PDM's directly managed CLO investments, with ESG eligibility criteria included in the fund documentation. When developing these exclusions, consideration was given to investor sensitivities. It will be the responsibility of the investment professionals, with oversight from the investment committee, to ensure that exclusion criteria are not breached.

FI 05 **Mandatory** **Public** **Descriptive** **PRI 1**

Corporate (non-financial)

Corporate (non-fin)

- For legal reasons
- For non-legal reasons

Securitized

Securitized

- For legal reasons
- For non-legal reasons

FI 05.2 Describe your approach to ESG-based negative screening of issuers from your investable universe.

For direct lending investments, whilst a defined exclusion list is not in place, potential investments are considered on a case-by-case basis as part of the pre-investment due diligence process, where consideration is given to ESG factors and sustainability concerns. As such, there may be instances where PDM would not invest in certain sectors/sub-sectors due to strategic sustainability concerns. Consideration is also given to investor requirements and sensitivities.

During 2017, exclusion requirements (focusing on particular sectors and business activities) were developed for PDM's directly managed CLO investments, with ESG eligibility criteria included in the fund documentation. When developing these exclusions, consideration was given to investor sensitivities.

FI 07	Mandatory	Public	Core Assessed	PRI 1
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FI 07.1 Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

Type of screening	Checks
Negative/exclusionary screening?	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

FI 07.2 Additional information. [Optional]

For direct lending investments, whilst a defined exclusion list is not in place, potential investments are considered on a case-by-case basis as part of the pre-investment due diligence process, where consideration is given to ESG factors and sustainability concerns. As such, there may be instances where PDM would not invest in certain sectors/sub-sectors due to strategic sustainability concerns. Consideration is given to investor requirements and sensitivities.

RepRisk may be used as part of the screening process and is a live database, updated frequently to reflect current ESG/reputational issues.

Where PDM is the manager of a CLO, exclusion criteria have been developed in 2017. It will be the responsibility of the investment professionals, with oversight from the investment committee, to ensure that exclusion criteria are not breached.

(C) Implementation: Integration

FI 11	Mandatory	Public	Descriptive	PRI 1
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FI 11.1 Describe your approach to integrating ESG into traditional financial analysis.

Potentially material ESG matters are considered as part of the pre-investment due diligence process on each direct lending transaction. Responsibility for assessing ESG considerations on a potential transaction lies with the deal team. Where required, the PDM team can call on the expertise of Permira's Head of ESG, Adinah Shackleton. During the pre-investment stage, deal teams may also have access to deal documentation, management teams and/or external advisors to understand and assess the ESG risks associated with the investment. Depending on the sponsor and the nature of the investment, PDM may also gain reliance on independent environmental, health, safety and/or social due diligence undertaken for the sponsor as part of the due diligence process.

PDM also use RepRisk, an ESG business intelligence provider, to inform the pre-acquisition process and screen companies for previous negative ESG and reputational issues (e.g. in the local, national, international media,

issues raised by Non-Governmental Organisations and industry bodies in various languages). This tool is also used post investment to support in monitoring reputational risks during the lifetime of the investment.

Material risks identified throughout the pre-investment due diligence are raised with the Investment Committee through the iterative IC process. At Final Investment Recommendation overall ESG risks identified throughout the pre-investment process are distilled and presented in one summary slide to the Investment Committee, and discussed where relevant. As a result of the due diligence process, deal teams assign ESG risk ratings (red, yellow or green) according to a target's sector of activity and its internal ESG management capability. Permira deal teams have access to Permira's Head of ESG to discuss potential material issues and risk ratings to ensure that risk criteria are assessed consistently.

Corporate (non-financial)

PDM operates across three core strategies in European credit: direct lending (investing in European mid-market companies), CLO management, and structured credit (investing in European CLO assets).

- **Direct lending:** PDM's direct lending funds provide capital to strong and growing companies in the European mid-market, typically as the sole lender to the company. PDM believes that a focus on ESG is an important part of building lasting value in portfolio companies. PDM is committed to ensuring that potentially material ESG matters are integrated as part of the standard investment analysis for direct lending investments. PDM recognises that the considerations for a debt provider are different to a private equity investor acquiring a controlling stake in a company.
- **CLO management:** CLO management: PDM relaunched its CLO management business during 2017, opening the warehouse for its first CLO 2.0 in Q3 2017. As part of the relaunch, PDM developed an ESG screening approach for the pre-investment process for its directly managed CLOs with ESG eligibility criteria included in the fund documentation. The CLO priced in Q1 2018.
- **Structured credit:** PDM is committed to increased engagement with CLO managers to understand what ESG policies are currently in place, and to promote the implementation of ESG policies and/or negative screening criteria in their investments.

PDM investment teams across all three strategies have access to the existing Permira ESG network and framework.

FI 12	Mandatory	Public	Core Assessed	PRI 1
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FI 12.1	Indicate how ESG information is typically used as part of your investment process.
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Select all that apply

			Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis			<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions			<input type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions			<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment			<input type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings			<input checked="" type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar			<input checked="" type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring			<input checked="" type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents			<input checked="" type="checkbox"/>	
Other, specify			<input type="checkbox"/>	

FI 13	Mandatory	Public	Additional Assessed	PRI 1
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FI 13.1	Indicate the extent to which ESG issues are reviewed in your integration process.
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	Environment	Social	Governance
Corporate (non-financial)	<div style="background-color: #0070c0; color: white; padding: 2px;">Environmental</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0070c0; color: white; padding: 2px;">Social</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0070c0; color: white; padding: 2px;">Governance</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

	Corporate (non-financial)
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Potentially material ESG matters are considered as part of the pre-investment due diligence process on each direct lending investment. Responsibility for assessing ESG considerations on a potential transaction lies with the deal team. Where required, the PDM team can call on the expertise of Permira's Head of ESG. During the pre-investment stage, deal teams may also have access to deal documentation, management teams and/or external advisors to understand and assess the ESG risks associated with the investment. Depending on the sponsor and the nature of the investment, PDM may also gain reliance on independent environmental, health, safety and/or social due diligence undertaken for the sponsor as part of the due diligence process.

PDM also use RepRisk, an ESG business intelligence provider, to inform the pre-acquisition process and screen companies for previous negative ESG and reputational issues (e.g. in the local, national, international media, issues raised by Non-Governmental Organisations and industry bodies in various languages). This tool

is also used post investment to support in monitoring reputational risks during the lifetime of the investment (see section on post-investment below for further details).

An initial screening of ESG risks begins during deal origination. The ESG Framework and templates guide this process but are not prescriptive, allowing deal teams to focus on the relevant aspects of ESG for a given sector or target company. As a result of the due diligence process, deal teams assign ESG risk ratings (red, yellow or green) according to a target's sector of activity and its internal ESG management capability. Permira deal teams have access to Permira's Head of ESG to discuss potential material issues and risk ratings to ensure that risk criteria are assessed consistently.

Overview

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

- Our investment activities are guided by a responsible investment policy

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

Permira is committed to maintaining the highest standards across all of its activities - a commitment which is the foundation for its global reputation. Permira's Business Principles form a key part of its commitment to corporate responsibility. All partners and employees in Permira's private equity business, Permira Debt Managers and any contractors, temporary employees, secondees or interns, are expected to conduct their activities in accordance with both the letter and the spirit of these principles.

Permira expects each portfolio company of a Permira private equity fund to be aware of the Principles and to have their own business principles that should also incorporate the following values relating to ESG:

- Follow best practice with regard to applicable ESG standards
- Manage risks effectively and seek to minimize or mitigate any adverse effects to the environment, workers, affected communities and other stakeholders
- Add sustainable value to investee companies with appropriate regard to ESG matters

Permira's "ESG Framework" defines the approach and provides tools for private equity investment professionals to support the integration of ESG throughout the investment lifecycle.

- Our investment activities are not guided by a responsible investment policy
- We do not have a responsible investment policy

Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
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PE 03.1 Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.

- Yes

PE 03.2

Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:

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

PE 03.3

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

Permira has included formal commitments relating to ESG in side letters for a number of investors on a case by case basis. Our approach to Responsible Investment is also set out in key documents provided to investors as part of fundraising processes. For example, for P6 this was included in the information memorandum and a dedicated responsible investment document.

- No
- Not applicable as our organisation does not fundraise

Pre-investment (selection)

PE 05

Mandatory

Public

Gateway

PRI 1

PE 05.1

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

- Yes

PE 05.2

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

An initial screening of ESG risks begins during deal origination. The ESG Toolkit and an ESG template guides this process but is not prescriptive, allowing deal teams to focus on the relevant aspects of ESG for a given sector or target company.

During this screening, deal teams assign two ESG risk ratings (red, yellow or green) to a target's sector of activity and its internal ESG management capability. Permira deal teams discuss risk ratings with the firm's Head of ESG to ensure that risk criteria are assessed consistently. If a target receives a positive preliminary investment recommendation, a due diligence team is formed which will formulate solutions to identified ESG risks and develop plans to capitalise on ESG opportunities. Permira deal teams build detailed business cases for identified ESG opportunities which highlight revenue upside and cost reduction potential. In the event of a potentially material "red" ESG risk, external consultants typically are employed to assist in ESG due diligence.

Investment teams are required to include discussion of ESG issues in their investment recommendations and, as such, their consideration of ESG issues is monitored by the Investment Committee ("IC"), which, where appropriate, is also attended by the Head of ESG, Adinah Shackleton. The Investment Committee makes recommendations to the General Partner of the fund. Christopher Crozier, the firm's Chief Risk Officer, sits on the board of the General Partner, thereby bringing specific risk and ESG expertise to the governance body of the fund. This pre-investment process helps inform the value creation plans and implementation post-acquisition.

Where material ESG matters are identified during the pre-acquisition due diligence process, these are integrated into the value creation plans by Permira's private equity investment professionals. These can then be monitored during the lifetime of the investment by Permira's investment professionals, Portfolio Group and the Head of ESG.

No

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

PE 06.2	Describe how this information is reported to, considered and documented by the Investment Committee or similar.
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Permira's ESG Framework was developed in 2010 with reference to these sources of information and is updated on a regular basis to reflect changes in industry standards. During the due diligence process, deal teams will consider all these sources of information, to the extent applicable and available, to assess the ESG profile (risks and opportunities) of the target company and identify potential areas for improvement. During the pre-investment process deal teams assess the ESG risk rating of the target in relation to the ESG risk rating for the industry/sector/region.

Investment teams are required to include discussion of ESG issues in their investment recommendations and, as such, their consideration of ESG issues is monitored by the Investment Committee, which, where appropriate, is also attended by the Head of ESG, Adinah Shackleton.

Post-investment (monitoring)

PE 09	Mandatory	Public	Gateway/Core Assessed	PRI 2
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PE 09.1	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
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Yes

PE 09.2

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

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

(in terms of total number of portfolio companies)

PE 09.3

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

ESG issues

- Environmental

List up to three example targets of environmental issues

Greenhouse Gas emissions (GHG) - Scope 1, 2, 3

Material environmental incidents

- Social

List up to three example targets of social issues

Health and safety incident/incidence rates (Lost Time Incidents, Reportable incidents)

Fatalities

Material social incidents

- Governance

List up to three example targets of governance issues

Material governance incidents

- We do not set and/or monitor against targets

- No

PE 09.4

Additional information. [Optional]

Permira has a broad and comprehensive framework whereby environmental, social and governance risks are rated as high, medium and low based on a detailed analysis. This framework supports us to focus on ESG issues which are relevant for each company based on a detailed and company-specific analysis: for example, environmental risks may be very relevant for an Industrial company and less so in Financial Services; conversely, transparency and regulation may be critical for a Financial Services company and less so for a Consumer, Technology or Industrial business.

Throughout the life of the investment, Permira private equity investment professionals regularly review progress on environmental, social and/or governance matters, both against the objectives that form the value creation plan and against other relevant criteria that emerge subsequently. Since 2015/16, Permira has included reporting of ESG KPI's in iLevel, a portfolio monitoring and reporting tool. Core KPIs (as set out above) are relevant to all companies. Permira is also engaging with portfolio companies to identify KPIs which reflect material environmental, social and/or governance topics for their business/operations. Whilst there may be some similarities in KPIs by sector, these are tailored company by company.

PE 10	Mandatory	Public	Core Assessed	PRI 2
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PE 10.1 Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

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

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

PE 10.3 Additional information. [Optional]

In some cases portfolio companies may not have an overarching ESG/sustainability policy but have policies and guidelines in place which address ESG matters, as relevant.

Assurance

CM 1 01.1	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

CM 1 01.1

Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
 - The submission is reviewed internally by members of ExCo (including a Co-Managing Partner), PDM Leadership, the Chief Risk Officer and Permira's ESG Group
- None of the above