



LEA 02	Disclosures Monetary	Reason for Interaction	Principle PRI 1,2,3
<p><b>Type of engagement</b> Individual/ internal staff engagements</p>	<p><b>Reason for Interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input checked="" type="checkbox"/> To engage internal ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Type of engagement</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input type="checkbox"/> To engage internal ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>	
<p><b>Type of engagement</b> Collaborative engagements</p>	<p><b>Reason for Interaction</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input type="checkbox"/> To engage internal ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> </ul>		
<p><b>Type of engagement</b> Service provider engagements</p>	<p><b>Reason for Interaction</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced information</li> <li><input type="checkbox"/> To engage internal ESG advisors</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service providers</li> </ul>		

# RI TRANSPARENCY REPORT

## 2016

Altor Funds

## 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 2016 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 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	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Additional information about organisation	✓	Public							✓
OO 11	RI activities for listed equities	✓	Public							✓
OO 12	RI activities in other asset classes	✓	Public							✓
OO 13	Modules and sections required to complete	✓	Public							✓

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	RI goals and objectives	✓	Public							✓
SG 05	Main goals/objectives this year	✓	Private							✓
SG 06	RI roles and responsibilities	✓	Public							✓
SG 07	RI in performance management, reward and/or personal development	✓	Private							✓
SG 08	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09	Promoting RI independently	✓	Public				✓			
SG 10	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 11	ESG issues in strategic asset allocation	✓	Private	✓						
SG 12	Long term investment risks and opportunity	✓	Private	✓						
SG 13	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 14	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 15	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 16	RI/ESG in execution and/or advisory services	✓	Private	✓	✓					
SG 17	Innovative features of approach to RI	✓	Private							✓
SG 18	Internal and external review and assurance of responses	✓	Private							✓

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Breakdown of investments by strategy	✓	Private							✓
PE 02	Typical level of ownership	✓	Private							✓
PE 03	Description of approach to RI	✓	Private	✓						✓
PE 04	Investment guidelines and RI	✓	Public		✓					
PE 05	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 06	Formal commitments to RI	✓	Private				✓			
PE 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 08	ESG advice and research when selecting investments	✓	Private	✓						
PE 09	ESG issues in investment selection process	✓	Public	✓		✓				
PE 10	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PE 11	Encouraging improvements in investees	✓	Private	✓	✓					
PE 12	ESG issues impact in selection process	✓	Private	✓						
PE 13	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 14	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 15	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 16	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 17	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 18	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 19	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PE 21	Approach to disclosing ESG incidents	✓	Private							✓

# Altor Funds

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services 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

Execution and advisory services

OO 01.2

Additional information. [Optional]

Altor Funds are the signatures of PRI. Altor Equity Partners, the Funds' advisors are supporting the Funds in its execution of ESG related issues, including PRI reporting.

The response submitted is therefore reflecting the Altor Funds' approach, as well as Altor Equity Partners' approach and processes in order to support Altor Funds in its ESG ambitions.

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Sweden

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

70

**OO 02.4** Additional information. [Optional]

About 70 FTEs (investment professionals and support staff) and 4 part time senior industrial advisors. Number of FTEs and offices include Altor Equity Partners, the advisors of the Funds.

Altor Funds have several headquarters, the largest headquarter in terms of number of employees, is located in Sweden.

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

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

Yes

**OO 03.2** List your subsidiaries that are separate PRI signatories and indicate if you would like to report their RI activities in your organisation’s consolidated report.

Name of PRI signatory subsidiary (Up to six subsidiaries may be reported)	RI implementation reported here on a consolidated basis
Carnegie Asset Management	<input checked="" type="radio"/> Yes <input type="radio"/> No
Carnegie Fonder AB	<input checked="" type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No
	<input type="radio"/> Yes <input type="radio"/> No

No

**OO 03.3** Additional information. [Optional]

Carnegie Asset Management and Carnegie Fonder AB are Altor investments included in this report, but as separate PRI signatures the details of their activities will be found in their respective reports.

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



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

31/12/2015

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

	trillions	billions	millions	thousands	hundreds
Total AUM		3	500	000	000
Currency	EUR				
Assets in USD		3	815	720	373

**OO 04.4** Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

	trillions	billions	millions	thousands	hundreds
Total AUM		3	500	000	000
Currency	EUR				
Assets in USD		3	815	720	373

**OO 04.5** Additional information. [Optional]

Altor Funds are signatories of PRI. Altor Equity Partners, the Funds' advisors are supporting the Funds in its execution of ESG related issues, including reporting to the PRI.

The response submitted is therefore covering the Altor Funds' approach, as well as Altor Equity Partners' approach and processes in order to support the Funds in its ESG ambitions.

**OO 06**

**Mandatory**

**Descriptive**

**General**

**OO 06.1** To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown
- Publish our asset class mix as broad ranges

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

OO 06.2

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

OO 09

Mandatory to Report Voluntary to Disclose

Peering

General

OO 09.1

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

Market breakdown	% of AUM
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 checked="" type="radio"/> 0%
	<input type="radio"/> <10%
	<input type="radio"/> 10-50%
	<input type="radio"/> >50 %

OO 09.2

Additional information. [Optional]

Altor Funds currently own companies headquartered in Sweden, Norway, Denmark, United States of America and France, but with a global reach.

<b>OO 10</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
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<b>OO 10.1</b>	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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Altor's mission is to generate superior returns by building world class companies and by developing Altor as a world class organization. The vision is to be recognized as a leading world class investment firm. The values include teamwork, respect, accountability, results and sustainability. In terms of 'sustainability', we act responsibly and are always taking the social and environmental impact of our actions into consideration while building companies that are long term sustainable in their performance.

### Gateway asset class implementation indicators

<b>OO 11</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 11.1</b>	Select your direct or indirect ESG incorporation activities your organisation implemented, for listed equities in the reporting year.
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- We incorporate ESG in our investment decisions on our internally managed assets
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

<b>OO 11.2</b>	Select your direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.
----------------	---

- We engage with companies on ESG issues 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.

<b>OO 11.3</b>	Select your direct or indirect voting activities your organisation implemented for listed equity in the reporting year
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- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

<b>OO 11.5</b>	Additional Information [Optional]
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Altor Funds' advisors are managing the ESG matters on the Altor Funds' behalf directly with the portfolio companies.

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 12.1</b>	Select internally managed asset classes where you implemented responsible investment into your investment decisions and/or your active ownership practices (during the reporting year)
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- Private equity
- None of the above

<b>OO 13</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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**You will need to make a selection in OO 13.1 only if you have any voluntary modules that you can choose to report on.**

**OO 13.1**

You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list below.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Other asset classes with dedicated modules

- Private Equity

Closing module

- Closing module

**OO 13.2**

Additional information. [Optional]

Altor Funds' AUM related to listed companies is below 10%.

# Altor Funds

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

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## Responsible investment policy

SG 01

Mandatory

Core Assessed

General

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 guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate what norms have you used to develop your RI policy.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

<b>SG 01.4</b>	Provide a brief description of the key elements of your investment policy that covers your responsible investment approach [Optional].
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The policy shall be implemented and executed throughout the Altor structure and applies to the screening and investment process as well as the ownership phase. The policy shall be managed by Altor Equity Partners as investment advisor, including board representation in Altor's portfolio companies. The approach also goes beyond the portfolio companies; co-investors, potential buyers and other business partners should, to the extent possible, be considered from an ESG perspective.

Altor's governance model is an essential component in the portfolio companies' value creation. The board of directors of each portfolio company is responsible for defining and implementing strategies and policies, also in respect of ESG matters. Its role thus includes establishing sound environmental and social standards that correspond with the minimum ESG requirements set by Altor. Altor Equity Partners to support the board of directors by providing guidance and tools. While there may be a conflict between short term profitability and compliance with this policy, Altor believes there is a strong correlation between long-term profitability and socially and environmentally responsible business practices.

The policy includes minimum requirements regarding environmental, social and governance issues for portfolio companies.

No

<b>SG 02</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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<b>SG 02.1</b>	Indicate which of your investment policy documents (if any) are publicly available. Provide URL and an attachment of the document.
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Policy setting out your overall approach

	URL
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<http://www.althor.com/wp-content/uploads/2013/05/althor-responsible-investment-and-ownership-policy.pdf>

Formalised guidelines on environmental factors

	URL
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<http://www.althor.com/wp-content/uploads/2013/05/althor-responsible-investment-and-ownership-policy.pdf>

Formalised guidelines on social factors

	URL
--	-----

<http://www.althor.com/wp-content/uploads/2013/05/althor-responsible-investment-and-ownership-policy.pdf>

Formalised guidelines on corporate governance factors

	URL
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<http://www.althor.com/wp-content/uploads/2013/05/althor-responsible-investment-and-ownership-policy.pdf>

We do not publicly disclose our investment policy documents

<b>SG 02.2</b>	Additional information [Optional].
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Altor's commitment goes beyond compliance with rules and regulations - it's intended to ensure that Altor contributes to the creation of companies that promote a sustainable future for business, society and the environment. Altor is also supporting a number of independent ESG related initiatives, such as Stella, Hand in Hand and Ashoka.

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

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

In Altor's Responsible Investment and Ownership Policy it's stated: "High standards of business ethics". That statement includes managing potential conflicts of interests. More detailed processes and procedures are stated in robust policies by Fund in accordance with local regulations. Each Fund maintains a conflicts policy which requires associated staff to identify conflicts as soon as they arise and then manage them sensitively with assistance from the Compliance Officer. All active conflicts are recorded on the conflicts register which is maintained by the Compliance Officer.

In addition to guidance on dealing with basic conflicts of interest as set out above, the conflicts policy also contains internal rules regarding the Fund Manager's exercise of voting rights. In this regard, the Manager is committed to preventing and managing conflicts arising in connection with the exercise of voting rights in Fund portfolio companies. To the extent that the Manager is involved in exercising such rights, it will endeavour to always exercise them in the best interests of the Fund and its investors and in accordance with the investment objectives of the Fund.

... continued in "Additional Information".

No

<b>SG 03.3</b>	Additional information. [Optional]
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....continued from "03.2"

The Fund Manager has established a Risk Management Committee whose responsibilities, inter alia, include to supervise and report conflicts of interests that may arise in the Board Any such conflicts are reported and discussed at Board level on at least a quarterly basis.

## Objectives and strategies

<b>SG 04</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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**SG 04.1**

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 reviewed

## Governance and human resources

**SG 06****Mandatory****Core Assessed****General****SG 06.1**

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

**Partners**

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
- Investor relations
- Other role, specify

Portfolio Development Director

	Other description (1)
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- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify

<b>SG 06.2</b>	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
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Responsible investment responsibilities are executed on a daily basis along with all other investment and operational matters, i.e. fully integrated with the Funds' development and management.

<b>SG 06.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
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	Number
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0

<b>SG 06.4</b>	Additional information. [Optional]
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Responsible investment responsibilities are included in all investment managers' and analysts' tasks, but no employee is spending 100% on responsible investment efforts. We believe the RI efforts and approach are well integrated in our daily operations, rather than a separate activity. Altor Portfolio Development Director is managing ESG related efforts across all Altor portfolio companies and within Altor, along with other operational efforts.

## Promoting responsible investment

SG 08

Mandatory

Core Assessed

PRI 4,5

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

SG 08.1

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

### Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced
- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable

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

- Basic
- Moderate
- Advanced
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action for the 21st Century
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
SVCA

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

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 09	Mandatory	Core Assessed	PRI 4
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SG 09.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- Yes

**SG 09.2**

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Wrote articles on responsible investment in the media.
- Other, specify

No

**SG 09.3**

Additional information. [Optional]

Altor is an active promoter of responsible investment and ownership. Representatives spoke publicly at various events during the year and workshop sessions were conducted in order to increase awareness and commitment.

**Implementation not in other modules**

**SG 14**

**Mandatory**

**Descriptive**

**General**

**SG 14.1**

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Listed equities - ESG incorporation	See additional information below.
Listed equities - engagement	See additional information below.
Listed equity - (proxy) voting	See additional information below.

**SG 14.2**

Additional information [Optional].

Altor's directly owned companies as well as listed equities are managed the same way, i.e. could be compliant with Altor's Responsible Investment and Ownership Policy.

## Altor Funds

### Reported Information

#### Public version

#### Direct – Private Equity

### PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

PE 04	Mandatory	Core Assessed	PRI 2
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**PE 04.1** Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

- Our investment guidelines do refer to responsible investment

**PE 04.2** Describe how your organisation's investment guidelines outline your expectations on staff and portfolio companies' approach towards ESG issues [Optional].

As part of the investment decision making process, ESG matters are reviewed and documented in preparation for the Investment Committee meetings, IC1 and IC2. Standardized templates, including key questions are available to prepare for the meetings. The IC1 meeting documentation is covering the ESG matters on a high level - historic and forward looking. The IC2 meeting documentation shall include the target's status versus Altor Funds' minimum ESG requirements.

Material ESG matters are included in the Investment Memorandum as input and documentation for the investment decision. In the deal structuring and execution process, ESG matters are included, together with other potential risks, in the transfer agreement. ESG matters are thereafter addressed in the post-investment analysis and assessment process, called A3 by Altor (Analysis, Alignment, Aspiration).

The guidelines cover the key dimensions of the environmental, social and governmental issues. Altor's guidelines define relevant ESG issues for all sectors covered by Altor's investment strategy. Altor's guidelines are based on recognized international principles based primarily on global compact's 10 principles. Altor's guidelines define ESG-related responsibilities for internal staff pre-investment and post investment. The guidelines apply to all Altor staff. There are no major exceptions or variations in Altor's implementation of the guidelines.

- Our investment guidelines do not refer to responsible investment
- We do not have investment guidelines

## Fundraising of private equity funds

PE 05	Mandatory	Core Assessed	PRI 1,4,6
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**PE 05.1** Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- Yes

**PE 05.2** Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

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

PE 05.3

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

As a commitment to the investors and the communities in which Altor and its portfolio companies operate, Altor has adopted a Responsible Investment and Ownership Policy. Altor is referring to the policy in PPMs and other key documents. The policy is stating how the organization, its advisors and its portfolio companies must approach ESG and Responsible Investment matters.

Altor's ambition is to assess and evaluate each investment opportunity to ensure that ESG risks and opportunities are identified in the screening and investment process.

Altor's governance model is an essential component in the portfolio companies' value creation. The board of directors of each portfolio company is responsible for defining and implementing strategies and policies, also in respect of ESG matters.

- No
- Not applicable as our organisation does not fundraise

### Pre-investment (selection)

PE 07

Mandatory

Gateway

PRI 1

PE 07.1

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

- Yes

PE 07.2

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

The process to understand and analyze risks related to ESG matters are the same as for other areas included in the due diligence process, i.e. key questions and hypothesis are listed and investigated by an Altor deal team, with support from external advisors and experts. Likelihood and possible impact of each risk is considered and discussed and documented if material.

- No

PE 09

Mandatory

Core Assessed

PRI 1,3

PE 09.1

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

#### ESG issues

- Environmental

List up to three typical examples of environmental issues

Compliance with relevant local and international environmental conventions and legislation.

Reducing greenhouse gas emissions.

Energy efficiency and sound resource management and pollution prevention.

- Social



List up to three typical examples of social issues

Safe and healthy working conditions.

Awareness and compliance with international conventions on human rights.

Avoidance of discrimination or harassment based on age, race, gender, religion, sexual orientation or disability.

Governance

List up to three typical examples of governance issues

High standards of business ethics.

Work against corruption in all its forms, including extortion and bribery.

Compliance with applicable antitrust and competition laws.

**PE 09.2**

Additional information. [Optional]

Issues listed above are on a very high level. Details addressed are based on industry geographic scope specific company situation.

## Post-investment (monitoring and active ownership)

**PE 13**

**Mandatory**

**Gateway/Core Assessed**

**PRI 2**

**PE 13.1**

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

Yes

**PE 13.2**

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 13.3**

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

Compliance with relevant local and international environmental conventions and legislation.

Reducing greenhouse gas emissions.  
 Energy efficiency and sound resource management and pollution prevention.

Social

List up to three example targets of social issues

Safe and healthy working conditions.  
 Awareness and compliance with international conventions on human rights.  
 Avoidance of discrimination or harassment based on age, race, gender, religion, sexual orientation or disability.

Governance

List up to three example targets of governance issues

High standards of business ethics.  
 Work against corruption in all its forms, including extortion and bribery.  
 Compliance with applicable antitrust and competition laws.

We do not set and/or monitor against targets

No

PE 14	Mandatory	Core Assessed	PRI 2
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**PE 14.1** Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

**PE 14.2** 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

**Communication**

PE 20	Mandatory	Core Assessed	PRI 6
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**PE 20.1**

Indicate whether your organisation proactively discloses ESG information on your private equity investments.

- Disclose publicly
- Disclose to investor clients (LPs)/beneficiaries only

**PE 20.5**

Indicate the type of ESG information that your organisation proactively discloses to your clients (LPs)/beneficiaries.

- ESG information in relation to our pre-investment activities
- ESG information in relation to our post-investment monitoring and ownership activities
- Information on our portfolio companies' ESG performance
- Other, specify

**PE 20.6**

Indicate your organisation's typical frequency of disclosing ESG information to your clients(LPs)/beneficiaries.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

**PE 20.7**

Describe the ESG information and how your organisation proactively discloses it to your clients (LPs)/beneficiaries. [Optional]

Altor aims to promote the communication and implementation of responsible investment and ownership principles and practices. For this purpose, Altor Funds' Responsible Investment and Ownership Policy is published on the Funds' website and the intention is to publish the PRI reports going forward.

Altor is providing an annual update at its Annual Investor Meeting to the LPs.

The update includes a progress report on portfolio companies' compliance with Altor's requirements. The update also includes a summary of Altor's efforts and activities related to PRI's six principles as well as operational case studies from portfolio companies.

On Altor's intranet (available for portfolio company management and Board) tools, templates and inspirational ESG and RI examples are available.

- No proactive disclosure to the public or to clients (LPs)/beneficiaries