




The image shows two overlapping forms from the PRI LEA (Leadership Engagement) toolkit. The top form is LEA 02, titled 'Disruptive Mandatory', and the bottom form is LEA 03, titled 'Gateway'. Both forms are designed for recording engagement activities and are structured with columns for 'Type of engagement', 'Reason for interaction', and 'Action'. The forms are partially filled out with handwritten text.

Type of engagement	Reason for interaction	Action
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency on ESG issues <input checked="" type="checkbox"/> To encourage corporate practice for identifying the need to enhance corporate <input checked="" type="checkbox"/> Other: specify

# RI TRANSPARENCY REPORT

2014/15

Actis



UNEP Finance Initiative  
Changing finance, financing change



United Nations Global Compact

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

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [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 2014-15 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	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	🔒	n/a							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public						✓	
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

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

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Public							✓
PR 02	Breakdown of assets by management	✓	Public							✓
PR 03	Largest property types	✓	Public							✓
PR 04	Description of approach to RI	✓	Public	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 07	Formal commitments to RI	✓	Public				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 12	ESG issues impact in selection process	✓	Public	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	-	n/a		✓					
PR 20	Proportion of assets engaged with on community issues	-	n/a		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Public	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Public							✓
INF 02	Breakdown of assets by management	✓	Public							✓
INF 03	Largest infrastructure	✓	Public							✓
INF 04	Description of approach to RI	✓	Public	✓					✓	
INF 05	Responsible investment policy for infrastructure	✓	Public	✓					✓	
INF 06	Fund placement documents and RI	✓	Public	✓			✓		✓	
INF 07	Formal commitments to RI	✓	Public				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
INF 12	ESG issues impact in selection process	✓	Public	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	⚠	n/a				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	✓	Public		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Public		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	✓	Public	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	
INF 23	Approach to disclosing ESG incidents	✓	Public						✓	

Actis

Reported Information

Public version

Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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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 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

United Kingdom

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

227

OO 02.4 Additional information. [Optional]

Actis has offices in Beijing, Cairo, Delhi, Johannesburg, Lagos, London, Mumbai, Nairobi, ,São Paulo and Singapore

OO 03	Mandatory	Descriptive	General
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**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**

**Gateway/Peering**

**General**

**OO 04.1**

Indicate the year end date for your reporting year.

31/12/2014

**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		8	000	000	000
Currency	USD				
Assets in USD		8	000	000	000

**OO 04.5**

Indicate the level of detail you would like to provide about your asset class mix.

- ☒ Approximate percentage breakdown to the nearest 5% (e.g. 45%)  
☐ Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**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

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0
Private equity	65	0

Property	5	0
Infrastructure	30	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

☐ Publish our asset class mix as broad ranges

☐ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %

OO 08.2	Additional information. [Optional]
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Actis focusses on investing in the emerging markets - a small percentage of our business have offices in developed markets.

OO 09	Voluntary	Descriptive	General
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OO 09.1	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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Actis's distinctive investment approach means that we:

- focus on two trends: rising domestic consumption driven by the rapid expansion of the new consumer class, and the need for sustained investment in infrastructure
- invest in growth businesses with limited leverage
- adopt a sector approach to sourcing opportunities combining deep sector knowledge and local insight with global perspective
- favour control positions which reduces risk and allows further value creation
- maximise value addition through operational enhancement
- work with the conviction that our investors' capital should be transformational for the societies in which we invest
- make responsible investment central to our business activities and take an integrated approach to ESG which mitigates risk and enhances exit premiums.

### Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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OO 11.1	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
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- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ None of the above

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below.
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*This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. 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. Fixed Income and Infrastructure are voluntary.*

#### **Core modules**

- ☒ Organisational Overview
- ☒ Overarching Approach (including assets which do not have a separate module)

#### **RI implementation directly or via service providers**

- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure

**Closing module**

- ☒ Closing module

Actis

Reported Information

Public version

Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**OA 01.1** Indicate if you have a responsible investment policy.

- ☒ Yes  
☐ No

**OA 01.2** Indicate if you have other guidance documents or more specific policies related to responsible investment.

- ☒ Yes  
☐ No

**OA 01.3** Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

The key ESG elements of our approach to responsible investment are:

- Adherence to the United Nations' Principles for Principle Investment (UNPRI)
- The adoption of World Bank and IFC global guidance and standards
- The integration of ESG into our investment decisions
- A determination to improve ESG at management level for all our portfolio companies
- An approach that requires the involvement of a dedicated in-house team of qualified ESG professionals at each stage of the investment cycle

Actis promotes world class standards in health and safety, social, environmental and climate change areas, as well as sound corporate governance and transparent accounting practices. Actis also expects its business partners to understand the importance we attach to integrating the management of ESG issues fully into their business processes. Our commitment to these high standards (and our recognition of Actis's responsibilities to broader society) has been central to our investment process since Actis was created in 2004.

OA 02	Mandatory	Core Assessed	PRI 6
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**OA 02.1** Indicate if your responsible investment policy is publicly available.

- ☒ Yes

**OA 02.2** Provide a URL to your responsible investment policy.

URL

[http://www.act.is/ActisPDFs/01271\\_Actis\\_ESG\\_Code.pdf](http://www.act.is/ActisPDFs/01271_Actis_ESG_Code.pdf)

- ☐ No

**OA 02.3**

Indicate if your other policies or guidance documents related to responsible investment are publicly available.

- ☒ Yes
- ☐ Yes, all
- ☒ Yes, some

**OA 02.4**

List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Environmental Policy (Internal)	<a href="http://www.act.is/ActisPDFs/Environmental_Policy_2014.pdf">http://www.act.is/ActisPDFs/Environmental_Policy_2014.pdf</a>
ESG framework	<a href="http://www.act.is/ActisPDFs/Actis_ESG_Framework.pdf">http://www.act.is/ActisPDFs/Actis_ESG_Framework.pdf</a>
The Actis Energy Impact Model	<a href="http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20explanatory%20powerpoint.pdf">http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20explanatory%20powerpoint.pdf</a>

☐ No

**OA 03**

**Mandatory**

**Core Assessed**

**PRI 1,2**

**OA 03.1**

Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<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

**OA 04**

**Mandatory**

**Core Assessed**

**General**



**OA 04.1**

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

☒ Yes**OA 04.2**

Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Actis is regulated by the UK Financial Conduct Authority and as such is required to have measures in place to identify and manage any conflicts of interest which arise.

Actis's conflict management procedure has several aspects.

The first stage of any Actis conflict management plan is an internal legal review and referral to the Chief Investment Officer ('CIO'). The CIO, advised by Actis's internal legal team, determine which measures are appropriate to manage the conflict. These may include any or all of the following:

- The establishment of an Information barrier (Chinese wall) between Actis teams representing different funds or Pools.
- Independent valuations of affected assets.
- The establishment of transaction specific investment committees, in order to prevent the situation where an individual sits on the investment committee of two funds with potentially differing interests.

Following a decision by the CIO, his recommended conflict management plan will be implemented by Actis. The plan, and adherence to it, will be reported to the Investment Committee, who will take into account the effectiveness of these conflict management measures in deciding whether or not to proceed with the relevant investment.

Second, all actual and potential conflicts of interest between the Fund and another Actis fund, between the Fund and Actis or its associates and between different Pools or partnerships forming part of the Fund must be referred to the Investor Panel and cannot proceed unless the Investor Panel approves the conflict management plan proposed by Actis. Ultimately, Actis adopts a conservative approach to conflicts of interest, involving rigorous management and pre-emptive investor consultation. Where a conflict cannot be managed or resolved to the satisfaction of both Actis and the relevant Investor Panel, Actis will not proceed with the affected investment.

From time to time, conflicts can arise with regards to an individual Partner's or employee's personal interests. Actis has policies in place to cater for these, such as rules regarding personal holdings of shares in investee companies or in companies in which Actis has considered investing. All employees upon joining, and existing employees once a year, must complete a Compliance Declaration, and read and agree to abide by Actis's Compliance Manual. The Compliance Declaration asks employees to disclose any information that may lead to a conflict of interest with their job with Actis, together with other information required by the FCA

☐ No

## Objectives and strategies

**OA 05****Mandatory****Gateway/Core Assessed****General****OA 05.1**

Indicate if your organisation sets objectives for its responsible investment activities.

☒ Yes

**OA 05.2**

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- ☒ At least once per year
- ☐ Less than once per year

**OA 05.3**

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- ☐ Quarterly
- ☐ Biannually
- ☒ Annually
- ☐ Every two years or less
- ☐ It is not reviewed
- ☐ No

OA 06	Voluntary	Descriptive	General
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**OA 06.1**

List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

- ☒ Add responsible investment objective 1

Objective 1	Ensure ESG risks are minimised on red flag investments by working with deal teams and co management, and agreeing/monitoring action plans.
Key performance indicators	ESG risk tracker
Describe the progress achieved	Red flag investments reviewed at twice yearly investment reviews and at the Actis Responsible Investment Committee. Ongoing work with companies flagged as red.

- ☒ Add responsible investment objective 2

Objective 2	Review and refresh internal guidance, policies and procedures governing the RI function
Key performance indicators	Refreshed guidance issued. Possibly revised policies issues if deemed appropriate and necessary
Describe the progress achieved	All underway

- ☐ Add responsible investment objective 3

<b>OA 06.2</b>	List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.
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☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	Build internal ESG capacity and engagement
Key performance indicators	Discussion groups/workshops with key populations within Actis Increased dialogue and comms on RI generally, including case studies

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Develop and launch proprietary Actis Real Estate Impact Model
Key performance indicators	To be launched in 2015

☐ Add responsible investment objective 3 for the next reporting year

## Governance and human resources

<b>OA 07</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
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<b>OA 07.1</b>	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.
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There are two key elements of Actis's Governance structure (i) Exco (the executive management board) (and its Committees) and (ii) the Advisory Board, which has a general guidance and advisory role

Exco has also established Committees in order to provide a focussed approach to the management of particular issues and risks. Each such Committee reports to Exco. In order to introduce an appropriate level of independence and challenge, non-executive members (NED's) of the Advisory Board are members of certain of the Committees.

The Responsible Investing Committee (known as RI Committee) has responsibility for:

- reviewing the Applicant's ESG strategy (and its implementation) including emerging threats and opportunities and new policy initiatives;
- reviewing ESG portfolio data (including an RI Risk Tracker and an Accident Statistics report);
- reviewing the Applicant's ESG performance against plan;
- assisting Exco with general and, if requested, specific guidance on interpretation of Actis's ESG Code and the form of any external reporting (e.g. UNPRI report); and
- recommending to Exco from time to time any desirable updating of Actis's ESG Code.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

<b>OA 08</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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<b>OA 08.1</b>	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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## 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
- ☒ 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
  - ☒ Oversight/accountability for responsible investment
  - ☒ Implementation of responsible investment
  - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ External managers or service providers
- ☐ Other role, specify
- ☐ Other role, specify

**OA 08.2** Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

2

**OA 08.3** Additional information. [Optional]

In addition, other key staff eg Actis Compliance Manager, Actis Acts Director also spend some of their time working on Responsible Investment issues

OA 09	Voluntary	Additional Assessed	General
-------	-----------	---------------------	---------

**OA 09.1** Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

**Board members/Board of trustees**

- ☐ Responsible investment included in personal development and/or training plan
- ☒ None of the above

**Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

**Portfolio managers**

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

**Investment analysts**

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

**Dedicated responsible investment staff**

- ☒ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☒ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☐ None of the above

**OA 09.3**

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Responsible Investment is typically included in goals around our commitment to the Positive Power of Capital (PPC)

**Promoting responsible investment**

**OA 10**

**Mandatory**

**Core Assessed**

**PRI 4,5**

**OA 10.1**

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

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

Actis has led and prepared papers and acted as an active spokesperson for UNPRI

- ☐ Asian Corporate Governance Association  
☒ Association for Sustainable & Responsible Investment in Asia

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]

We review the briefing emails from ASRIA

- ☐ Australian Council of Superannuation Investors
- ☐ CDP Climate Change
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ 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)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☐ 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)

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]

Actis has used the material produced by UNEP FI to assist our Responsible Investment Process

- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify

Transparency International

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]

Actis has attended TI-UK events and applied TI guidance to our investment process

☒ Other collaborative organisation/initiative, specify

Equator Principles

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]

Actis has acted as an active spokesperson to encourage our investee companies to sign up to the Equator Principles. In June 2013 IDFC became the first Indian Financial Institution to join the Equator Principles Association.

☐ Other collaborative organisation/initiative, specify

☐ Other collaborative organisation/initiative, specify

OA 11	Mandatory	Core Assessed	PRI 4
-------	-----------	---------------	-------

OA 11.1

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

☒ Yes

OA 11.2

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  
☐ Other, specify

☐ No

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
-------	-----------	---------------------	-----------



<b>OA 12.1</b>	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.
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☐ Yes  
☒ No

## ESG issues in asset allocation

OA 13	Voluntary	Descriptive	PRI 1
-------	-----------	-------------	-------

<b>OA 13.1</b>	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
----------------	--

☒ Yes
 

- ☐ Allocation between asset classes
- ☐ Determining fixed income duration
- ☐ Allocation of assets between geographic markets
- ☐ Other, specify

<b>OA 13.2</b>	Describe how you apply ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
----------------	---

We consider both the carbon intensity and overall impact of Energy related investments. For Real Estate, we consider the long term sustainability. In PE, we have exclusions in business that have material revenue from gambling, tobacco, pornography, defence and hard liquor. With geography, we ensure no sanctions would be broken by the investee organisation and review carefully various aspects of Government including Human Rights and Security.

☐ No

OA 14	Voluntary	Descriptive	PRI 1
-------	-----------	-------------	-------

<b>OA 14.1</b>	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
----------------	---

☒ Yes

<b>OA 14.3</b>	Please specify which thematic area(s) you invest in and provide a brief description.
----------------	--

	Area
--	------

☒ Clean technology (including renewable energy)

	Asset class invested
--	----------------------

- ☐ Private equity
- ☐ Property
- ☒ Infrastructure
- ☒ Green buildings

	Asset class invested
--	----------------------

- ☐ Private equity
- ☒ Property
- ☐ Infrastructure

	Brief description of investment
--	---------------------------------

Our Real Estate investments has a strong ESG focus (see section on Real Estate)

- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Water
- ☒ Other area, specify

	Asset class invested
--	----------------------

- ☐ Private equity
- ☐ Property
- ☒ Infrastructure

	Brief description of investment
--	---------------------------------

Our energy fund has a significant allocation to renewable energy (see section on infrastructure).

☐ No

## Innovation

OA 18	Voluntary	Descriptive	General
-------	-----------	-------------	---------

<b>OA 18.1</b>	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
----------------	--

☒ Yes

<b>OA 18.2</b>	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
----------------	---

Responsible investment is fully integrated into the investment committee process across the pre-investment, post-investment and exit stages of the cycle. Additionally, investee companies are required to formulate and execute a 100 day plan with a specific ESG commitments.

☐ No

### Assurance of responses

<b>OA 19</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>General</b>
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<b>OA 19.1</b>	Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.
----------------	---

☐ Yes

☒ No

<b>OA 19.5</b>	Additional information.
----------------	-------------------------

However, we have mid and end fund reviews carried out by one of our LPs independent assessor which includes a whole section on ESG

Actis

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 01	Mandatory to Report Voluntary to Disclose	Peering	General
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### PE 01.1

Provide a breakdown of your organisation's internally managed private equity investments by investment strategy.

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 checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<div>Other investment strategy, specify</div> Buy-out (no leverage)	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PE 02	Mandatory to Report Voluntary to Disclose	Peering	General
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<b>PE 02.1</b>	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

<b>PE 02.2</b>	Additional information. [Optional]
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Actis's preference is for majority (control) stakes. In terms of equity ownership, we have control in over 56% of Fund 3& 4 portfolio companies and have influence through board seats in 95% of these investee companies.

PE 03	Voluntary	Descriptive	PRI 1-6
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<b>PE 03.1</b>	Provide a brief overview of your organisation's approach to responsible investment in private equity.
----------------	---

Actis approach to Responsible Investment is totally integrated into the investment deal cycle. We have two dedicated specialists to assess Actis ESG issues in each investment. In summary, the following questions are considered:

#### Marketing and Origination

- Is the proposed investment in a sector/country in which Actis invests

#### Screening

- Do we feel comfortable with the investment partners?
- Does the proposed investment have effective controls in place to manage ESG risks?
- How can we add non financial value as part of our approach?

#### Due Diligence

- Will the proposed investment meet the standards set out in Actis's ESG code?
- Can all areas of non-compliance be addressed over time?

#### Portfolio Management

- Is the company meeting the timetable for the ESG action plan (If applicable)?
- Are we adding value from an ESG perspective?

#### Exit

- Do we feel comfortable with the potential buyer?

PE 04	Mandatory	Core Assessed	PRI 2
-------	-----------	---------------	-------

<b>PE 04.1</b>	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].

Each investment manager is issued with a copy of Actis's Guidebook "Responsible Investment - Integration of Environmental, Social and Governance Factors". This document has been designed to assist the Investment Manager in discharging this responsibility at each stage of the investment cycle. This document outlines the policies and procedures that will enable us to deliver our commitment to investing responsibly pre-investment, post investment and at exit.

- ☐ 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****PE 05.1**

Indicate if your 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
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases

**PE 05.3**

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

For our last PE Fund raise the PPM indicated "ESG issues are a key consideration for all investment decisions and Actis's focus on ESG is core to how it add value and mitigates risk within a portfolio. Improving ESG standards is critical to Actis's strategy to position portfolio companies for sale to multinational companies or for an IPO."

- ☐ No
- ☐ Not applicable as our organisation does not fundraise

**PE 06****Voluntary****Additional Assessed****PRI 4**

PE 06.1	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment when requested by clients.
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- ☒ We always make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in private equity

PE 06.2	Additional information.
---------	-------------------------

For example our LPA for our most recent fund 4 includes the following

*Actis' commitment to Responsible Investment (RI) comprises of:*

- *Procedures to deliver our ESG approach*
- *The Investee Company Undertaking*
- *Policies (Environmental, Climate Change, Health and Safety, Business Integrity, Social)*
- *Guiding Principles*

## Pre-investment (selection)

PE 07	Mandatory	Gateway	PRI 1
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PE 07.1	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. [Optional]
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At this stage in the investment cycle, the Investment Manager in consultation with the Actis RI team needs to determine whether the potential investment is aligned with Actis' ESG Policies. There are three sets of key considerations based on Actis' ESG Policies:

- Specific exclusions outlined in Actis's Investment Strategy Policy
- Five policies as follows: Environment, Climate Change, Health& Safety, Business Integrity and Social Policies
- Issue Specific Positions

Under exclusions, Actis requires all of the Funds in which it manages to be governed by policies that prohibit investments in the following businesses:

- Businesses manufacturing equipment (including nuclear products), primarily designed or primarily designated for military purposes.
- Businesses involved in the production, processing or distribution of illegal drugs.



- Investments into businesses for whom the following activities are, or are intended to be in the future, a significant source of revenue: the establishment or operation of casinos or any form of gambling;
- pornography, or the provision of products or services of a substantially similar nature; or
- the manufacture or distribution of tobacco or tobacco related products
- 
- The production and manufacture of hard liquor (excluding beer and wine) unless it can be demonstrated that the production is for health or medicinal purposes.

As part of Actis's Responsible Investment strategy we have developed investment policies in the following areas (that cover all of our investments):

#### *Environmental Policy*

Actis only invests in businesses which:

- consider the environmental impact of their operations (through a formal "environmental assessment" in cases involving loss of biodiversity or habitat, climate change, water or air quality, substantial solid waste and other issues where the negative impact could be significant) and take steps to mitigate any risks;
- are designed and operated in compliance with local law;
- are designed and operated according to relevant World Bank/IFC standards for the activity concerned if these are more stringent than local legislation, unless there is a clear reason for accepting a different standard in which case this will be formally recorded; or
- consider relevant international environmental agreements.

#### *Climate Change Policy*

When identifying suitable prospective investments, Actis:

- seeks investment opportunities that have a positive impact on climate change;
- ensures that for each investment the impact on climate change is taken into consideration by the Investment Committee pre-investment; and
- categorises the carbon impact of each investment that is made by Actis and take appropriate action based on the degree of impact upon the climate.

#### *Health and Safety Policy*

Actis only invests in businesses which:

- comply with local health and safety law as a minimum;
- in the absence of a local health and safety legal framework, act in accordance with the recommendations of the relevant World Bank Standards; and
- assess the specific risks arising from work activities and introduce measures to eliminate or reduce those risks

#### *Business Integrity Policy*

Actis only invests in businesses which:

- uphold high standards of business integrity and honesty and operate in accordance with local and international laws and good practice, including those intended to prevent extortion, bribery and financial crime;
- take a zero tolerance approach to bribery

#### *Social Policy*

Actis only invests in businesses which:

- comply with local law (as a minimum);
- take account of their impact on employees, contractors, the local community and all others affected by their operations (through appropriate consultation, and through a formal Social Impact Assessment in cases involving resettlement, cultural property, indigenous peoples, non-local labour or other issues where the negative impact could be significant) and take steps to mitigate any risks;
- do not employ forced labour of any kind;
- do not allow children to form part of their workforce;
- pay wages which meet or exceed industry or national minima and are sufficient to meet basic needs;
- treat their employees fairly in terms of recruitment, progression, terms and conditions of work and representation, without prejudice to and irrespective of gender, race, colour, disability, political opinion, sexual orientation, age, religion, or social or ethnic origin; and
- allow consultative work-place structures and associations which provide employees with an opportunity to present their views to management

In addition to these five policy areas, positions on specific issues have been developed and are reviewed each time they arise during the investment process. These include issues connected with:

#### Environment

- Biodiversity
- Extractive Industries
- Water Use
- Sustainable Transport
- Use of Genetically Modified Organisms
- Supply Chain management

#### Social

- HIV/AIDS
- Human Rights
- Child Labour
- Resettlement
- Land Rights
- Working Conditions

#### Business Integrity

- See Actis Compliance manual
- Sanctions

#### Ethical

- Animal Welfare
- Animal Testing
- Use of Contract Research Organisations for drug testing

It is recommended that the deal team contact the RI Team at the very early stage of the investment process if any of the above or other potentially controversial issues are likely to arise in connection with the investee company.

☐ No

PE 08	Voluntary	Descriptive	PRI 1
-------	-----------	-------------	-------

PE 08.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the private equity investment selection process.
---------	--

☒ Internal staff

	Specify role
--	--------------

Clarifying Exclusions

	Specify role
--	--------------

Determining materiality on an issue

	Specify role
--	--------------

Determining approach to challenging issue

☒ External resources

- ☒ Environmental advisors
- ☒ Social advisors
- ☐ Corporate governance advisors
- ☐ Regulatory and/or legal advisors
- ☐ Other, specify type of advisors/roles

☐ No use of internal or external advice on ESG issues

PE 08.2	Additional information.
---------	-------------------------

External resources are typically used at this stage to help with determining whether there are any fatal ESG flaws and more detailed ESG due diligence. On occasion, where there is need for deep technical expertise on a specific ESG issue, we retain services from specialist advisers at this stage (eg food hygiene, animal welfare etc).

PE 09	Mandatory	Core Assessed	PRI 1,3
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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
--	---

Tyre recycling in a tyre and auto-parts wholesaler and retailer

Use of palm oil in a biscuit manufacturer

## Hazardous waste management at pharma company facilities

☒ Social

List up to three typical examples of social issues

Acceptability of different alcohol content drinks in a drinks manufacturer

Security around cash in transit in a company that restocks cash points

Working hours/Overtime

☒ Governance

List up to three typical examples of governance issues

Compliance systems in healthcare companies

Information security in a credit bureau

Business integrity in relation to shareholder of a potential food retail acquisition

PE 10	Voluntary	Additional Assessed	PRI 1,3
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PE 10.1	Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.
---------	--

- ☒ 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 11	Voluntary	Additional Assessed	PRI 1,2
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PE 11.1	During deal structuring, indicate if your organisation typically encourages continuous improvements from potential investees with regard to their management of ESG issues.
---------	---

- ☒ Yes
  - ☒ In writing
  - ☒ Verbally/through dialogue
  - ☐ Other, specify

**PE 11.2**

Describe the nature of these improvements and their ESG coverage.

The commitment in the shareholder agreement to the Actis ESG code and the incorporation of ESG issues into the wider 100 day plan results in the encouragement of investee companies to better manage their ESG issues.

☐ No

**PE 12****Voluntary****Additional Assessed****PRI 1****PE 12.1**

Indicate if ESG issues impacted your private equity investment selection processes during the reporting year.

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☒ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

### 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

Electricity saved in a power saving project.

Supply chain – switch to sustainably sourced cotton as raw material which is farmed in environmentally sensitive manner

Launch waste management initiative at tyre plant so old/defunct tyres and batteries can be safely disposed

☒ Social

List up to three example targets of social issues

Measurement of fatal accidents/road accidents.

Implementation of OHSAS 18001.

Financial inclusion indicators eg #unbanked reached

☒ Governance

List up to three example targets of governance issues

Development and Implementation of a code of conduct.

Install whistle-blower mechanism

Conduct 3rd party audit of internal compliance/business integrity systems (with satisfactory outcome)

☐ We do not set and/or monitor against targets

☐ No

PE 13.4

Additional information. [Optional]

Each Investment Manager is responsible for ensuring ESG risks are minimised and opportunities for adding ESG value are implemented in their investment(s).

PE 14

Mandatory

Core Assessed

PRI 2

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

PE 14.3	Additional information. [Optional]
---------	------------------------------------

Nearly all of our investee companies are required to sign up to our investee company undertaking (usually in the shareholder agreement) which has 9 mandatory ESG/sustainability commitments

PE 15	Voluntary	Additional Assessed	PRI 2
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PE 15.1	Indicate the types of actions taken by your portfolio companies to incorporate ESG issues into operations and what proportion of your portfolio companies have implemented these actions.
---------	---

#### Types of actions taken by portfolio companies

- ☒ Allocate responsibility for ESG issues to board/senior management

#### Implemented by percentage of portfolio companies

- ☐ >90% of portfolio companies  
☐ 51-90% of portfolio companies  
☐ 10-50% of portfolio companies  
☐ <10% of portfolio companies  
☒ We do not track this information

(in terms of total number of portfolio companies)

- ☐ Composition of board ensure ESG expertise  
☒ Consider ESG issues in risk management processes

#### Implemented by percentage of portfolio companies

- ☐ >90% of portfolio companies  
☐ 51-90% of portfolio companies  
☐ 10-50% of portfolio companies  
☐ <10% of portfolio companies  
☒ We do not track this information

(in terms of total number of portfolio companies)

- ☒ Define performance targets for applicable ESG issues in operations

#### Implemented by percentage of portfolio companies

- ☐ >90% of portfolio companies  
☐ 51-90% of portfolio companies  
☐ 10-50% of portfolio companies  
☐ <10% of portfolio companies  
☒ We do not track this information

(in terms of total number of portfolio companies)

- ☐ Define when engagements with stakeholders should be carried out to discuss ESG issues
- ☐ Other actions, specify
- ☐ None of the above

<b>PE 15.2</b>	Describe how your organisation contributes to the portfolio's management of ESG issues.
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We typically work with the management of the portfolio company on a 100 day plan (with ESG issues being integral to this plan). Post investment we typically take 2 board seats and ensure ESG aspects of this plan are being implemented. The RI team also provides operational help on ESG issues to investee companies on a case by case basis

<b>PE 16</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2,3</b>
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<b>PE 16.1</b>	Indicate the type and frequency of reports you request and/or receive from portfolio companies covering ESG issues.
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#### Type of reporting

- ☒ Overarching portfolio company reports (or similar) where management disclosure, financial and ESG data are integrated

#### Typical reporting frequency

- ☐ Quarterly or more frequent
- ☒ Semi annually
- ☐ Annually
- ☐ Every two years or less
- ☐ Ad-hoc, specify
- ☒ Standalone reports highlighting targets and/or KPIs covering ESG issues

#### Typical reporting frequency

- ☐ Quarterly or more frequent
- ☐ Semi annually
- ☐ Annually
- ☐ Every two years or less
- ☒ Ad-hoc, specify
- Adhoc on various ESG issues such as paperwork for ESG committees of the Board
- ☐ Other, specify
- ☐ No reporting on ESG issues requested and/or provided by portfolio companies

<b>PE 16.2</b>	Additional information.
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Key ESG issues are tracked by both the Investment Review members and the Responsible Investment Committee with reference to our ESG tracking system.

<b>PE 17</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>PE 17.1</b>	Indicate whether your organisation discloses information on ESG issues to potential buyers prior to exit for private equity investments.
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- ☒ We always include ESG issues in pre-exit information
- ☐ We include ESG issues in pre-exit information in the majority of cases
- ☐ We include ESG issues in pre-exit information in the minority of cases
- ☐ We do not include ESG issues in pre-exit information

<b>PE 17.2</b>	Apart from disclosure, describe how your organisation considers ESG issues at exit.
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ESG information is typically a standard part of the vendor information request.

## Outputs and outcomes

<b>PE 18</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1,2</b>
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<b>PE 18.1</b>	Indicate if your organisation measures whether your approach to ESG issues in Private Equity investments has affected financial and/or ESG performance.
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- ☐ We measure whether our approach to ESG issues impacts funds' financial performance
- ☒ We measure whether our approach to ESG issues impacts funds' ESG performance

Describe the impact on:	Impact
Funds' ESG performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

☐ None of the above

<b>PE 18.2</b>	Describe how you are able to determine these outcomes.
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We have been able to attract additional potential buyers into a sales process

<b>PE 19</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1,3</b>
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<b>PE 19.1</b>	Provide examples of ESG issues that affected your private equity investments during the reporting year.
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- ☒ Add Example 1

ESG issues	Ebola impacting investments
Sector(s)	All companies with operations near or with affected countries/regions
Impact (or potential impact) on the investment	<ul style="list-style-type: none"> <li>Workers/Customers could be impacted/catch the ebola virus</li> <li>Supply chains can be weekend</li> <li>Worse case scenario - companies left unable to operate according to BAU due to compounded issues</li> </ul>
Activities undertaken to influence the investment and its response	<ul style="list-style-type: none"> <li>Creation of an Actis Ebola Risk Committee, chaired by Actis partner and Exco member</li> <li>Development of crisis management plans for investee companies directly effected</li> </ul>

☒ Add Example 2

ESG issues	Food Safety
Sector(s)	Consumer - Food producer
Impact (or potential impact) on investment	Poor floor installation leading to potential cross contamination of food product
Activities undertaken to influence the investment and its response	Edita - The E7 factory ceramic tile flooring has been completely taken out and replaced by industry gold standard Acryliccon flooring (this was an Actis ESG finding in DD). The new flooring is also being installed at the new E7 factory unit which is due to open in Q1 2015.

☒ Add Example 3

ESG issues	Development of synergistic local SME'
Sector(s)	Textile
Impact (or potential impact) on investment	<p>Develops local community SME's, stimulates economic growth in local/domestic markets, with associated socio-economic benefits for all SMEs and individuals across the supply chainEnvironmental benefits from sourcing regionally v, importing from China - leads to cost savings</p> <ul style="list-style-type: none"> <li>• Switching to sustainably sourced cotton but at market rate prices provides value for money and high quality product</li> <li>• Training academy established to train local individuals as seamstresses/tailors providing them a source of livelihood and income, as well as developing a talent pool for the company to potentially recruit from in the future</li> </ul>
Activities undertaken to influence the investment and its response	<p>Vlisco Group (An Actis investment) has</p> <ul style="list-style-type: none"> <li>• Partnered with the Cotton Made in Africa initiative to source regionally produced cotton which is farmed sustainably (environmentally sensitive, free of child labour, pays farmer fair wages etc)</li> <li>• Chosen to partner with Kinabuti Fashion Initiative as they share the same drive of facilitating and empowering women through the '3 L's': learning, labour and leadership. In September 2014, 15 motivated and talented tailors started a masterclass at Kinabuti's premises in Lagos, Nigeria. The scope of the project is to create a pool of ambitious and highly qualified tailors that can produce tailor-made outfits for Vlisco Group. The aim of the training is to acquire high level tailoring skills and education in business administration and runs for 4 months. At the end of the training the best students will be retained and offered to work with Vlisco Group and produce a fashion capsule collection. This collection will be sold with all profits being given back to the Academy students as a start-up capital.</li> </ul>

☒ Add Example 4

ESG issues	Access to affordable healthcare
Sector(s)	Healthcare
Impact (or potential impact) on investment	
Activities undertaken to influence the investment and its response	Asiri Surgical Hospitals commenced performing free heart surgeries for underprivileged children in 2011, and since then has successfully conducted 55 such surgeries to date. The patients are referred to Asiri Surgical by the Lady Ridgeway Hospital, and enables children from low-income households to obtain life-saving surgeries and related services free of charge. On August 28 2014, this initiative was recognised at the Annual Hospital Management Asia awards when Asiri was presented with an Excellence in CSR award

☐ Add Example 5

## Communication

PE 20	Mandatory	Core Assessed	PRI 6
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<b>PE 20.1</b>	Indicate whether your organisation proactively discloses ESG information on your private equity investments.
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- ☐ Disclose publicly
- ☒ Disclose to investor clients (LPs)/beneficiaries only

<b>PE 20.5</b>	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

<b>PE 20.6</b>	Indicate your organisation's typical frequency of disclosing ESG information to your clients(LP)s/beneficiaries.
----------------	--

- ☒ Quarterly or more frequently
- ☐ Semi annually
- ☐ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify

**PE 20.7**

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

Each quarter, an ESG management update is reported for each portfolio company to Limited Partners

Annually, the following ESG information is provided for each portfolio company to Limited Partners :

- Five ESG inherent risk ratings (Health and Safety, Environment, Climate change, Social and Business Integrity)
- Taxes paid
- Employee numbers and demographic data

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

**PE 21****Voluntary****Descriptive****PRI 6****PE 21.1**

Describe your organisation's approach to disclosing ESG incidents in private equity investments to your investor clients (LPs).

Material ESG incidents are reported quarterly in the ESG section of the LP quarterly reports.

Actis

Reported Information

Public version

Direct - Property

## 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

PR 01	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	General
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### PR 01.1

Provide a breakdown of your organisation's internally managed property investments by equity and debt.

#### Property investments instruments

☒ Equity investments

Property investment instruments	Percentage of your internally managed property investments (in terms of AUM)
Equity investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10%

### PR 01.2

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

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

☐ Debt investments

#### Total 100%

☐ N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity or debt in property on their behalf

PR 02	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	General
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### PR 02.1

Provide a breakdown of your organisation's property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed via third-party property managers appointed by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors or their property managers	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by tenant(s) with operational control	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> < 10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PR 03	Voluntary	Descriptive	General
PR 03.1	Indicate up to three of your largest property types by AUM.		



Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input checked="" type="radio"/> Mixed use <input type="radio"/> Other, specify

PR 04	Voluntary	Descriptive	PRI 1-6
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PR 04.1	Provide a brief overview of your organisation's approach to responsible investment in property where you have equity stakes.
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Sustainability lies at the core of Actis's real estate investment strategy. The resource pressures in the developing markets of Africa mean that we must understand the water, energy and sustainability profile of our investments to create value.

In 2007, before Actis's Real Estate fund had been deployed, we established sustainability guidance to govern all Actis real estate investments. This guidance provides co-investors, architects, designers and builders with measures for building design and construction. Over the last five years we have updated and refined the guidance so that our buildings can be certified by an internationally recognised rating scheme.

The guidance is as follows:

#### *Sustainable Site Planning and Development*

- Preservation of green spaces
- Provision of public spaces
- Maintenance of existing utility lines and infrastructure where possible
- Construction planning using site-generated waste
- Landscaping that reduces the consumption of potable water, promotes the growth of site-specific species, and encourages groundwater recharge

#### *Building Design and Construction*

- Energy conservation
- Integrated design including insulation levels for walls and roofs, criteria tables for glazing U-value, efficient shading and visual transmittance
- Encouraging the use of renewable energy for electricity
- Natural light and natural ventilation Building Materials
- Low embodied energy
- Locally produced

#### *Occupant Health*

- Comfort and well-being of occupants
- Volatile organic content of interior finishes including natural lighting

#### *Water and Solid Waste Management*

- Reducing waste through rainwater harvesting and on-site processing of grey and black water
- Conserving water by reducing demand, installing low flow fixtures, non potable water for flushing

#### *Building Systems*

- Energy use through heating and cooling systems
- American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) standards for equipment efficiency
- 'Whole building commissioning'- considering the whole building rather than individual parts in isolation

#### *Health and Safety*

- On-site safety practices
- Specific measures for different trades

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
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☒ Yes

PR 05.2	Provide a URL if your RPI policy is publicly available. [Optional]
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[http://www.act.is/ActisPDFs/01271\\_Actis\\_ESG\\_Code.pdf](http://www.act.is/ActisPDFs/01271_Actis_ESG_Code.pdf)

☐ No

### Fundraising of property funds

PR 06	Mandatory	Core Assessed	PRI 1,4,6
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PR 06.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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☒ Yes

**PR 06.2**

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
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in pre-investment processes
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases
- ☒ Approach to ESG issues in post-investment processes
  - ☐ Always
  - ☒ In a majority of cases
  - ☐ In a minority of cases

**PR 06.3**

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

The Actis Africa Real Estate Fund 2 PPM contained the following:

#### Our social standards

We believe that our investments benefit their local communities socially and economically. Socially, we seek to ensure that broader community interests are considered in our building plans, such as by the inclusion of crèches, recreation and play areas in our retail developments. Economically, we believe that our investments provide quality local employment both in their construction phase and when operational, and provide economic benefits throughout the supply chain and to local service providers. These benefits are exemplified in the Accra Mall case study.

We also believe that health and safety is a key part of a socially responsible real estate development. In November 2008, in conjunction with ComPrac Holdings (Pty) Ltd (a professional health and safety service provider based in South Africa), we issued guidelines for managers, developers and construction workers on the health and safety systems to be implemented on all Actis developments. The guidelines include general on-site safety practices for pre-construction and construction phases, as well as specific measures for different trades. These guidelines are included in the contractual arrangements we make for each of our investments.

#### Our environmental standards

The Fund will continue our pioneering work in the establishment of sustainable real estate development and governance standards in Africa. The Team, together with Actis's global ESG specialists, has undertaken a number of initiatives to promote a strong environmental agenda both across its own investments and throughout the broader African real estate industry. These initiatives include:

- Developing guidelines for green buildings: in June 2008, we issued sustainability guidelines for architects, designers and builders working on Actis development projects. The guidelines include measures to increase energy efficiency, encourage quality and decrease the environmental impact of developments throughout their life cycle, while optimising project, equipment and operational costs. In September 2009, the Team, with support from Actis's ESG experts and the South African Green Building Council, conducted a two-day workshop to assist African investment professionals, architects and designers in the implementation of green building guidelines.
- Introducing international market standards: application of the sustainability measures described above enables a building to be rated against global green building rating standards (e.g. LEED, CASBEE, BREEAM, Green Star). Certification to any of these rating standards adds market value, and is central to ongoing ESG accountability, benchmarking and improvement. Reflecting the special geographical and climatic conditions of West Africa, the Team will lead a new initiative together with the newly formed West African development platform and international rating organisations, to adapt existing green rating systems for the West African market.

#### Our governance standards

We focus closely on mitigating business integrity and governance risks, especially in dealings associated with land acquisition, permits and contract management. In addition, thorough due diligence is undertaken on all parties that we engage with. Partners and promoters are required to sign up to Actis's ESG polices, which

include undertakings related to governance, business integrity and ethics.

- ☐ No
- ☐ Not applicable as our organisation does not fundraise

PR 07	Voluntary	Additional Assessed	PRI 4
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<b>PR 07.1</b>	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.
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- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in property

## Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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<b>PR 08.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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- ☒ Yes

<b>PR 08.2</b>	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]
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We focus closely on mitigating business integrity and governance risks, especially in dealings associated with land acquisition, permits and contract management. In addition, thorough due diligence is undertaken on all parties that we engage with. Partners and promoters are required to sign up to Actis's ESG policies, which include undertakings related to governance, business integrity and ethics.

We have developed sustainability guidelines for architects, designers and builders working on Actis development projects. The guidelines include measures to increase energy efficiency, encourage quality and decrease the environmental impact of developments throughout their life cycle, while optimising project, equipment and operational costs. In September 2009, the Team, with support from Actis's ESG experts and the South African Green Building Council, conducted a two-day workshop to assist African investment professionals, architects and designers in the implementation of green building guidelines.

- ☐ No

PR 09	Voluntary	Descriptive	PRI 1,4
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<b>PR 09.1</b>	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process.
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- ☒ Internal staff
  - ☒ Specify role
    - Work on ESG deal issues
  - ☒ Specify role
    - Specify TORs for consultants
  - ☒ Specify role
    - Interpret ESG data for IC
- ☐ External resources
- ☐ No use of internal or external advice on ESG issues

<b>PR 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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<b>PR 10.1</b>	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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#### ESG issues

- ☒ Environmental

	List up to three typical examples of environmental issues
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Potential for Green Energy

Access to water

- ☒ Social

	List up to three typical examples of social issues
--	--

Impact of development on surrounding area/local community

Security of the area

Safety of road layout around the potential development

- ☒ Governance

	List up to three typical examples of governance issues
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Appropriate organisation/management of the property development platform

Land has proper land title/Business integrity in relation to the land purchase

<b>PR 11</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1,3</b>
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<b>PR 11.1</b>	Indicate what type of ESG information your organisation typically considers during your property investment selection process.
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- ☒ Raw data from the target property asset/company
- ☒ Appraisals/audits
- ☒ Benchmarks/ratings against similar property asset
- ☒ Country level data/benchmarks
- ☒ Data aligned with established property reporting standards, industry codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Data from engagements with stakeholders (e.g. tenants and local community surveys)
- ☒ Information from external advisers
- ☐ Other, specify
- ☐ We do not track this information

<b>PR 12</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>PR 12.1</b>	Indicate if ESG issues impacted your property investment selection process during the reporting year.
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- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

### Selection, appointment and monitoring third-party property managers

<b>PR 13</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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<b>PR 13.1</b>	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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- ☒ Yes

**PR 13.2**

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☒ Selection process of property managers incorporated ESG issues
  - ☒ For all third party property managers
  - ☐ For a majority of property managers
  - ☐ For a minority of property managers
- ☒ Contractual requirements when appointing property managers includes ESG issues
  - ☒ For all third party property managers
  - ☐ For a majority of property managers
  - ☐ For a minority of property managers
- ☒ Monitoring of property managers covers ESG responsibilities and implementation
  - ☒ For all third party property managers
  - ☐ For a majority of property managers
  - ☐ For a minority of property managers

**PR 13.3**

Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]

To address the development challenge, we have established regionally focused development management companies, led by world class real estate professionals. These are Actis's preferred development managers for their respective regions and provide the Fund with preferred access to key enablers of execution. We believe that, by deploying this strategy, we are introducing the international capabilities necessary to address the African execution challenge for the long term, while also supporting a skills transfer from developed markets to local African markets to hasten market expansion. We also employ international property managers who have to sign up to our ESG guidelines.

☐ No

## Post-investment (monitoring and active ownership)

### Overview

**PR 14**

**Mandatory**

**Gateway**

**PRI 2**

**PR 14.1**

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

☒ Yes

**PR 14.2**

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☒ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☐ We consider ESG issues in other post-investment activities, specify

☐ No

## Property monitoring and management

**PR 15****Mandatory****Core Assessed****PRI 2,3****PR 15.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☒ >90% of property assets
- ☐ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

**PR 15.2**

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

**ESG issues**

- ☒ Environmental

List up to three example targets per issue

Energy Efficiency - % more energy efficiency than nearest competitor

Environmental Management Systems - Qualitative score based on the level of environmental management system in place

Infrastructure failures - Kwh's of diesel generation per year

Infrastructure failures - Kwh's of diesel generation per year

- ☒ Social

List up to three example targets per issue

Employment Created - Estimation of direct and indirect jobs

Health and Safety - Number of Lost Time Accidents

Community Relations - Qualitative scale measure used

- ☒ Governance



List up to three example targets per issue

Organisational Structure - Qualitative score based on Board effectiveness

Tenant Leasing - Qualitative score based on compliance with Actis's ESG principles as part of tenant's agreement

Corporate Social Responsibility - % of the total building costs is spent on CSR?

☐ We do not set and/or monitor against targets

PR 16	Voluntary	Descriptive	PRI 2
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PR 16.1	Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks
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☒ Yes

PR 16.2	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.
---------	--

☒ Add certification scheme, rating and benchmark 1

Specify	Greenstar, LEED or other
Proportion of property assets these apply to	<input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets  (in terms of number of property assets)

☐ Add certification scheme, rating and benchmark 2

☐ Add certification scheme, rating and benchmark 3

☐ No

PR 16.3	Additional information.
---------	-------------------------

- Garden City - Residential (Kenya) - The development is on track for Green Star Certification - a first in the region
- Garden City Retail (Kenya) - The development is on track for Silver LEED certification, the first in East and Central Africa
- One Airport Square (Ghana) - The building achieved a 4 star Greenstar rating - the first building in Ghana to be certified
- The Exchange (Ghana) - Actis's sustainable design measures are being incorporated, including energy efficient and sustainable buildings, and the creation of public and green spaces. The team is focused on the inclusion of the local community and relevant stakeholders - Ghanaian architects, local consultants and retailers - in addition to the substantial direct employment in construction, and the local procurement of building materials.
- Heritage Place (Nigeria) - Project is registered with the Green Building Council in the US. The plan is to also apply for construction to be LEED certified

- Jabi Lake (Nigeria) - The project is being developed in accordance with Actis's real estate sustainability and health and safety guidelines.
- York Commercial Park (Zambia) - The development is targeting a Bronze LEED certification as a minimum.

## Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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**PR 17.1** Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- ☒ >90% of active developments and refurbishments
- ☐ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

**PR 17.2** Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☒ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☐ Minimum energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☐ Other, specify

## Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
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**PR 18.1**

Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.

- ☒ >90% of occupiers  
☐ 51-90% of occupiers  
☐ 10-50% of occupiers  
☐ <10% of occupiers

(in terms of number of occupiers)

**PR 18.2**

Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- ☐ Distribute a sustainability guide to occupiers  
☐ Organise occupier events focused on increasing sustainability awareness  
☐ Deliver training on energy and water efficiency  
☐ Deliver training on waste minimisation  
☐ Provide feedback on energy and water consumption and/or waste generation  
☐ Provide feedback on waste generation  
☒ Carry out occupier satisfaction surveys  
☐ Other, specify

## Outputs and outcomes

**PR 21****Voluntary****Additional Assessed****PRI 1,2****PR 21.1**

Indicate if your organisation measures whether your approach to ESG issues in property investments has affected financial and/or ESG performance.

- ☐ We measure whether our approach to ESG issues impacts funds' financial performance  
☒ We measure whether our approach to ESG issues impacts funds' ESG performance

Describe the impact on:	Impact
Funds' ESG performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

- ☐ None of the above

**PR 21.2**

Describe how you are able to determine these outcomes.

We monitor a range of ESG indicators across our assets. These might include:

- which Green Building Standards are obtained (LEED, Green Star etc). Often our buildings are the first properties in the cities where they are based to achieve best-in-class accreditations. We estimate that a LEED rating can contribute to a 5% uplift to enterprise value. Buildings with leading sustainability credentials confer cost savings to tenants and provide a quality environment for work/home/leisure, both of which helps to attract quality tenants (corporates or retail companies) willing to pay premium for these benefits.

- specific environmental improvements are achieved eg energy efficiency measures, on-site renewable power generation (eg solar panels on roof), rainwater harvesting etc
- number jobs created, and what % are local workers
- % of construction materials that are locally sourced

PR 22	Voluntary	Descriptive	PRI 1,3
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PR 22.1	Provide examples of ESG issues that affected your property investments during the reporting year.
---------	---

☒ Add Example 1

ESG issue	Security (After Westgate September 2013)
Types of properties affected	All types but particularly shopping malls
Impact (or potential impact) on investment	Potential for Actis's properties to have a security incident
Activities undertaken to influence the investment and the outcomes	Improvements in security arrangements in all Real Estate projects

☒ Add Example 2

ESG issue	Ebola Outbreak in West Africa
Types of properties affected	All
Impact (or potential impact) on investment	Possible employee or customer could potentially contract ebola virus
Activities undertaken to influence the investment and the outcomes	Actis set up an Ebola Risk Committee, chaired by an Exco member and Actis partner, designed to support Actis and its assets in addressing risks arising from the ebola epidemic. The ERC helped develop ebola management plans/crisis management plans and issued these to assets. The ERC also participated in a crisis simulation exercise to strengthen its ability to respond effectively.

☒ Add Example 3

ESG issue	Increased use of renewable energy
Types of properties affected	All
Impact (or potential impact) on investment	Potential long term savings on energy costs
Activities undertaken to influence the investment and the outcomes	Garden city shopping mall in Kenya is installing 3,300 solar panels on their carports will generate 1256 MWh per year, and cut carbon emissions by around 745 tonnes per year.

☐ Add Example 4

☐ Add Example 5

## Communication

PR 23	Mandatory	Core Assessed	PRI 6
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**PR 23.1** Indicate if your organisation proactively discloses ESG information on your property investments.

- ☐ Disclose publicly
- ☒ Disclose to clients/beneficiaries only

**PR 23.2** Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- ☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- ☐ Other property reporting standards, specify
- ☒ No property specific reporting standards are used

**PR 23.6** Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.

- ☒ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

**PR 23.7**

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

- ☐ Quarterly or more frequently
- ☒ Semi annually
- ☐ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc, specify

**PR 23.8**

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

Each quarter, an ESG management update is reported for each portfolio company to Limited Partners

Annually, the following ESG information is provided for each portfolio company to Limited Partners :

- ESG inherent risk ratings (Health and Safety, Environment, Climate change, Social and Business Integrity)
- Taxes paid
- Employee numbers and demographic data

☐ No proactive disclosure to the public or to clients/beneficiaries

**PR 23.9**

Additional information. [Optional]

We are in the process of developing Real Estate impact metrics to enable us to focus our ESG initiatives in Real Estate and also be able to demonstrate good impact to LPs and other stakeholders

Actis

Reported Information

Public version

Direct - Infrastructure

## 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

INF 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	General
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### INF 01.1

Provide a breakdown of your organisation's internally managed infrastructure investments by equity and debt.

Infrastructure investment instruments	Percentage of your internally managed infrastructure investments (in terms of AUM)
Equity investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Debt investments	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

### INF 01.2

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

- ☒ a majority stake (>50%)
- ☐ a 50% stake
- ☐ a significant minority stake (between 10-50%)
- ☐ a minority stake (<10%)
- ☐ a mix of ownership stakes
- ☐ N/A, we hold 100% debt investments

INF 02	Mandatory to Report Voluntary to Disclose	Gateway/Peering	General
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### INF 02.1

Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.



Infrastructure assets managed by	Breakdown of your infrastructure assets (by number)
Managed directly by your organisation/companies owned by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party operators appointed by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by other investors/their third-party operators	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

INF 03	Voluntary	Descriptive	General
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INF 03.1	Indicate up to three of your largest infrastructure sectors by AUM.
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Sector	Main infrastructure sectors (by AUM)
Largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input checked="" type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Second largest infrastructure sector	<input type="radio"/> Transportation <input checked="" type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify
Third largest infrastructure sector	<input type="radio"/> Transportation <input type="radio"/> Energy infrastructure <input type="radio"/> Conventional energy <input checked="" type="radio"/> Renewable energy <input type="radio"/> Water management <input type="radio"/> Waste management <input type="radio"/> Communication <input type="radio"/> Social infrastructure <input type="radio"/> Other, specify

### INF 03.2

Additional information.

Actis's Energy portfolio is

[Company name (Market - Sector) Type ]

- Aela Energia (Chile - Wind/Solar Platform) Buy and build comprising of ~ 500MW wind projects: Negrete, Alena, San Manuel, Sarco, Ckani and Llanquihue and 100MW+ solar PV project: Pedernales
- Atlantic (Brazil - Wind) Buy and Build
- Energuate (Guatemala - Electrical Distribution) Buy-out capital
- Globeleq Africa: Azito (Côte d'Ivoire - Conventional Energy), Tsavo (Kenya - Conventional Energy) Greenfield, Songas (Tanzania - Conventional Energy) Greenfield, De Aar Solar Power (Solar - (South Africa) 48MW Solar, Droogfontein Solar Power (South Africa) 48 MW Solar and Jeffreys Bay Wind Farm (South Africa) 138 MW Wind

- Globeleq Central America: Cerro de Hula (Honduras - Wind Energy) Greenfield, Eolo (Nicaragua - Wind Energy) Greenfield, Plantas Eolicas SRL (Costa Rica - Wind Energy) Growth capital
- GVK Energy (India - Generation) Expansion
- Umeme (Uganda - Electrical Distribution) Replacement
- Eneo (Cameroon - Electricity integrated utility comprising of distribution, transmission, generation) Replacement
- 

INF 04	Voluntary	Descriptive	PRI 1-6
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INF 04.1	Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.
----------	--

Actis approach to Responsible Investment is totally integrated into the investment deal cycle. In summary, the following questions are considered:

#### Marketing and Origination

- Is the proposed investment in a sector/country in which Actis invests?

#### Screening

- Do we feel comfortable with the investment partners?
- Does the proposed investment have effective controls in place to manage ESG risks?
- How can we add non financial value as part of our approach?

#### Due Diligence

- Will the proposed investment meet the standards set out in Actis's ESG code?
- Can all areas of non-compliance be addressed over time?

#### Portfolio Management

- Is the company meeting the timetable for the ESG action plan (If applicable)?
- Are we adding value from an ESG perspective?

#### Exit

- Do we feel comfortable with the potential buyer?

INF 05	Mandatory	Core Assessed	PRI 1-6
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INF 05.1	Indicate if your organisation has a responsible investment policy for infrastructure.
----------	---

☒ Yes

INF 05.2	Provide a URL if your policy is publicly available. [Optional]
----------	--

[http://www.act.is/ActisPDFs/01271\\_Actis\\_ESG\\_Code.pdf](http://www.act.is/ActisPDFs/01271_Actis_ESG_Code.pdf)

☐ No

INF 05.3	Additional information. [Optional]
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In addition to meeting Actis's general Responsible Investment Policies, each infrastructure investment commits to meeting the IFC performance standards

## Fundraising of infrastructure funds

INF 06	Mandatory	Core Assessed	PRI 1,4,6
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INF 06.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
----------	---

☒ Yes

INF 06.2	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

☐ Always

☒ In a majority of cases

☐ In a minority of cases

☒ Approach to ESG issues in pre-investment processes

☐ Always

☒ In a majority of cases

☐ In a minority of cases

☒ Approach to ESG issues in post-investment processes

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

☐ Always

☒ In a majority of cases

☐ In a minority of cases

INF 06.3	Describe how your organisation refers to responsible investment for infrastructure funds in fund placement documents (PPMs or similar). [Optional]
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Marketing materials include five pillars to our Energy Funds Investment thesis - one of these is to "Implement world class corporate governance through Actis' Positive Power of Capital (ESG) program"

☐ No

☐ Not applicable as our organisation does not fundraise

INF 07	Voluntary	Additional Assessed	PRI 4
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<b>INF 07.1</b>	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in infrastructure when requested by clients.
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- ☒ We always make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a majority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ In a minority of cases we make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ We do not make formal commitment to responsible investment in fund formation contracts, LPAs or side letters
- ☐ Our clients do not request us to make formal commitments to responsible investment in infrastructure

<b>INF 07.3</b>	Additional information.
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In our Energy 3 LP Agreement "Actis asks every potential investee company to undertake that the business of the Company [and each member of the Group] will be carried on in a way that:

- a) encourages the efficient use of natural resources and promotes the protection of the environment;
- b) ensures investee companies (in high carbon intensity sectors) determine their greenhouse gas footprint and make this data available on an annual basis to Actis;
- c) provides safe and healthy working conditions for its employees and contractors;
- d) treats all employees fairly in terms of recruitment, progression, remuneration and conditions of work, irrespective of gender, race, colour, language, disability, political opinion, age, religion, or national/social origin;
- e) allows consultative work-place structures and associations which provide employees with an opportunity to present their views to management;
- f) upholds high standards of business integrity and honesty, complies with local laws and international good practice and does not directly or indirectly offer, pay, solicit or accept bribes in any form\*;
- g) takes account of the impact of its operations on the local community and seeks to ensure that potentially harmful occupational health and safety, environmental and social effects are properly assessed, addressed and monitored; and
- h) provides for the reporting as soon as practicably possible to Actis of any incident involving the Company [or any member of the Group] that results in any loss of life or any material effect on the environment; and ii) the reporting of the Company's [and each member of the Group's] compliance with the ESG Principles in an annual report by the Company to its Board in a manner which allows a reader to make an informed assessment of the Company and, to the extent relevant, each member of the Group as against the requirements of the ESG Principles;
- i) implements a social and environmental management system which enables effective identification, management and monitoring of any risks and provides a framework for action."

## Pre-investment (selection)

<b>INF 08</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>INF 08.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.
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- ☒ Yes

**INF 08.2**

Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]

The ESG part of Actis's Energy Team's investment approach can be summarised as follows:

- Create value through an intensive focus on improving existing operations with the help of the in-house developed Actis Energy Impact Model
- Implement international ESG standards

☐ No

**INF 08.3**

Additional information. [Optional]

The Energy Team has developed the Actis Energy Impact Model to assess systematically financial and non-financial drivers of value within each portfolio company. The Energy Team assesses the progress of an investment in six areas of operation (Governance, Finance, People, Social& Community, Infrastructure and Environment).

Actis has developed a series of universally applied metrics and measurements against which to assess progress in each area. By reviewing performance against these metrics, the Energy Team can pinpoint where action is required, incorporate targets into the 100-day, one-year and five-year plans, and monitor improvement over time. The Energy Team collaborates with management to address issues arising from the analysis created by the Energy Impact Model. Actis believes that this co-operative approach to value creation in portfolio companies is likely to generate a higher return at exit.

**INF 09**

Voluntary

Descriptive

PRI 1,4

**INF 09.1**

Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the infrastructure investment selection process.

- ☒ Internal staff
- ☒ Specify role
    - Work on ESG deal issues
  - ☒ Specify role
    - Specify TORs for consultants
  - ☒ Specify role
    - Interpret ESG data for IC
- ☒ External resources
- ☒ Environmental advisors
  - ☒ Social advisors
  - ☐ Corporate governance advisors
  - ☒ Regulatory and/or legal advisors
  - ☐ Other, specify type of advisors/roles
- ☐ No use of internal or external advice on ESG issues

**INF 09.2**

Additional information.

Each ESG area might require specific ESG assessment, for example for:

## Health& Safety/ Labour standards

If the investment is in a sector or country with generally poor labour standards, consultants should be used to give assurance on the performance of the company in terms of health and safety and social issues. Typical ESG consultants in this area include local specialists, ERM, SGS, DNV Technica (H&S), Bureau Veritas.

## Environmental

All deals with a high environmental risk require a formal environmental assessment by a qualified consultant and a formal environmental management plan. Typical ESG consultants in this area include local specialists, ERM, Antea

## Social

Any deal involving an area of key social impact (resettlement, cultural property, indigenous peoples, long-term non-local labour) will require a Social Impact Assessment by a qualified consultant and a formal plan for managing the impact. Typical ESG consultants in this area include ERM, local specialists.

## Business integrity

Enhanced due diligence in respect to business integrity is required if significant business integrity concerns have arisen relating to the potential investee company or key individuals involved in the deal. Typical ESG consultants in this area include Kroll, Control Risks, Hakluyt, Veracity World-wide, Accounting firms (Systems& Controls), Approved law firms (legal dd to address board issues).

INF 10	Mandatory	Core Assessed	PRI 1,3
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INF 10.1	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

Eneo (Cameroonian Electricity Utility) - Potentially Contaminated Land

Eneo (Cameroonian Electricity Utility) - Long term responsible disposal of PCB contaminated equipment

Project Shu (Egypt - Wind) - Potential Impact of wind turbines on bird migratory routes

#### ☒ Social

List up to three typical examples of social issues

Project Shu (Egypt - Wind) - Potential use of land by Bedouins of the land to potentially be developed for a windfarm

Project Zuma (Mexico - Wind) - Potential for security issues to impact the investment

Project Orosi (India -Wind) - Need for an ESG specialist as part of the platform

#### ☒ Governance

List up to three typical examples of governance issues

Eneo (Cameroonian Electricity Utility) - Determining how compliance would be structured in the new organisation

Zuma (Mexico - Wind) - Potential for business integrity issues to impact the investment

Orosi (India -Wind) - Need for an ESG committee as part of the board structure

INF 11	Voluntary	Additional Assessed	PRI 1,3
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INF 11.1	Indicate what type of ESG information your organisation typically considers during your infrastructure investment selection process.
----------	--

- ☒ Raw data from the target infrastructure asset/company
- ☐ Benchmarks/ratings against similar infrastructure asset
- ☒ Sector level data/benchmarks
- ☒ Country level data/benchmarks
- ☒ Reporting standards, infrastructure sector codes and certifications
- ☒ International initiatives, declarations or standards
- ☒ Engagements with stakeholders (e.g. contractors and suppliers)
- ☒ Advice from external sources
- ☐ Other, specify
- ☐ We do not track this information

INF 12	Voluntary	Additional Assessed	PRI 1
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INF 12.1	Indicate if ESG issues impacted your infrastructure investment selection processes during the reporting year.
----------	---

- ☒ ESG issues helped identify risks and/or opportunities for value creation
- ☒ ESG issues led to the abandonment of potential investments
- ☒ ESG issues impacted the investment in terms of price offered and/or paid
- ☒ ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ☐ ESG issues were considered but did not have an impact on the investment selection process
- ☐ Other, specify
- ☐ We do not track this potential impact

## Post-investment (monitoring and active ownership)

### Overview

INF 14	Mandatory	Gateway	PRI 2
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INF 14.1	Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.
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- ☒ Yes



**INF 14.2**

Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.

- ☒ We consider ESG issues in the monitoring and operation of infrastructure
- ☒ We consider ESG issues in infrastructure maintenance
- ☒ We consider ESG issues in stakeholder engagements related to our infrastructure
- ☐ We consider ESG issues in other post-investment activities, specify

☐ No

## Infrastructure monitoring and operations

**INF 15****Mandatory****Core Assessed****PRI 2****INF 15.1**

Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.

- ☒ >90% of infrastructure assets
- ☐ 51-90% of infrastructure assets
- ☐ 10-50% of infrastructure assets
- ☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

**INF 15.2**

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

- ☒ Environmental

List up to three example targets per issue

Carbon - A carbon intensity target has been set for the fund.

Environmental Events - Significant Environmental Events are tracked by the management team of each asset and report to the board

Spills - Reportable oil spills at our generation assets

- ☒ Social

List up to three example targets per issue

Electrical distribution investment (Energuate, Umeme, Eneo) - KPI of the time it takes to make a line safe after notification of a downed electricity cable.

Road Traffic Accidents (All investments in Energy)

Electrical distribution investment (Energuate, Umeme, Eneo) - Schools sensitised to the dangers of electricity

- ☒ Governance

List up to three example targets per issue

Operational permits in place (Target 100%)

Field visits by senior management

Contractor training

☐ We do not set and/or monitor against targets

INF 16	Mandatory	Additional Assessed	PRI 2
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INF 16.1	Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
----------	---

☒ Yes

INF 16.2	Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).
----------	--

- ☒ >90% of infrastructure investees
- ☐ 51-90% of infrastructure investees
- ☐ 10-50% of infrastructure investees
- ☐ <10% of infrastructure investees
- ☐ 0% of infrastructure investees

(in terms of number of infrastructure investees)

INF 16.3	Describe how your organisation, and/or your operators, contribute to the infrastructure investees' management of ESG issues. [Optional]
----------	---

Actis has a specialist team dedicated to ESG issues. These professionals work closely with the investment teams to help portfolio companies meet international standards for ESG and are actively involved throughout the investment, portfolio management and exit phases.

☐ No

INF 17	Voluntary	Descriptive	PRI 2,3
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INF 17.1	Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues.
----------	--

#### Type of Reporting

☒ Overarching portfolio asset/company reports or similar where management disclosure, financial and ESG data are integrated

	Typical reporting frequency
--	-----------------------------

- ☐ Quarterly or more frequent
- ☐ Semi annually
- ☒ Annually
- ☐ Every two years or less
- ☐ Ad-hoc, specify
- ☐ Standalone reports highlighting targets and/or KPIs covering ESG issues
- ☐ Other, specify
- ☐ No reporting on ESG issues requested and/or provided by infrastructure investees

<b>INF 17.2</b>	Additional information.
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Annually, we require each of our Energy investments to report using the IFC performance standards as a framework

## Infrastructure maintenance

<b>INF 18</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>INF 18.1</b>	Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.
-----------------	--

- ☒ >90% of active maintenance projects
- ☐ 51-90% of active maintenance projects
- ☐ 10-50% of active maintenance projects
- ☐ <10% of active maintenance projects
- ☐ N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

<b>INF 18.2</b>	Describe your approach to ESG considerations for infrastructure maintenance projects. [Optional]
-----------------	---

ESG issues of operational Energy investments are tracked by the Board of the investee company. We also use the Actis Energy Impact Model to track the performance of a company over time against ESG focus areas, and to develop new targets as initial action points are progressed

## Stakeholder engagement

<b>INF 19</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>INF 19.1</b>	Indicate which stakeholders your organisation, and/or operators, engaged with on ESG issues in relation to your infrastructure assets during the reporting year and what proportion of your investments they apply to.
-----------------	--

	Stakeholders engaged
--	----------------------

☒ Regulators

	Percentage of infrastructure assets these apply to
--	--

- ☒ >90% of infrastructure assets  
☐ 51-90% of infrastructure assets  
☐ 10-50% of infrastructure assets  
☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

☒ Communities

	Percentage of infrastructure assets these apply to
--	--

- ☒ >90% of infrastructure assets  
☐ 51-90% of infrastructure assets  
☐ 10-50% of infrastructure assets  
☐ <10% of infrastructure assets

(in terms of number of infrastructure assets)

- ☐ Other stakeholder, specify  
☐ Other stakeholder, specify

<b>INF 19.2</b>	Describe your approach to stakeholder engagements in relation to your infrastructure assets.
-----------------	--

Eneo - The Board and each Board Committee includes a Govt representative

## Outputs and outcomes

<b>INF 20</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1,2</b>
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<b>INF 20.1</b>	Indicate if your organisation measures whether your approach to ESG issues in Infrastructure investments has affected financial and/or ESG performance.
-----------------	---

- ☐ We measure whether our approach to ESG issues impacts funds' financial performance  
☒ We measure whether our approach to ESG issues impacts funds' ESG performance

Describe the impact on:	Impact
Funds' ESG performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

☐ None of the above

#### INF 20.2

Describe how you are able to determine these outcomes.

On a twice yearly basis, the Senior Management team review each of our investments. These reviews include an assessment of ESG performance.

#### INF 21

Voluntary

Descriptive

PRI 1,3

#### INF 21.1

Provide examples of ESG issues that affected your infrastructure investments during the reporting year.

☒ Add Example 1

ESG issue	Potential PCB contaminated land
Types of infrastructure affected	Electrical Distribution
Impact (or potential impact) on investment	Potential hazard to human health and/or Environment
Activities undertaken to influence the investment and the outcomes	A long term disposal programme is being developed with the Cameroonian Govt and the Global Environment Facility

☒ Add Example 2

ESG issue	River blindness due to blackfly
Types of infrastructure affected	Hydro Generation plants that impact the flow of water near community settlements
Impact (or potential impact) on investment	Long term exposure to blackfly can lead to river blindness
Activities undertaken to influence the investment and the outcomes	A World Bank (MIGA)/ Japanese development grant has been used to scope out a strategy for tackling this issue.

☒ Add Example 3

ESG issue	Potential Contamination of Energy Sites
Types of infrastructure affected	Generation assets, storage sites
Impact (or potential impact) on investment	Oil contaminated land
Activities undertaken to influence the investment and the outcomes	ERM have been engaged to develop site conceptual models at four key sites. These will be used to develop further testing/remediation as appropriate.

☒ Add Example 4

ESG issue	Noise
Types of infrastructure affected	Wind farms
Impact (or potential impact) on investment	Potential noise nuisance at receptors eg houses
Activities undertaken to influence the investment and the outcomes	Programme to implement home improvements eg better insulation

☒ Add Example 5

ESG issue	Ebola
Types of infrastructure affected	Investments in West Africa
Impact (or potential impact) on investment	Potential risk to workforce and business interruption
Activities undertaken to influence the investment and the outcomes	Development and Implementation of Management and Crisis Management Plans for Ebola in our West African Energy investments. Creation of an Ebola Risk Committee at Actis.

## Communication

INF 22	Mandatory	Core Assessed	PRI 6
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**INF 22.1**

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- ☐ Disclose publicly
- ☒ Disclose to clients/beneficiaries only

**INF 22.5**

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

- ☒ ESG information on how you select infrastructure investments
- ☒ ESG information on how you monitor and manage infrastructure investments
- ☒ Information on your infrastructure investments' ESG performance
- ☐ Other; specify

**INF 22.6**

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

- ☐ Quarterly or more frequently
- ☒ Semi annually
- ☐ Annually
- ☐ Every two years or less frequently
- ☐ Ad-hoc; specify

**INF 22.7**

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

Each quarter, an ESG management update is reported for each portfolio company to Limited Partners  
Annually, the following ESG information is provided for each portfolio company to Limited Partners :

- ESG inherent risk ratings (Health and Safety, Environment, Climate change, Social and Business Integrity)
- Taxes paid
- Employee numbers

- ☐ No proactive disclosure to the public or to clients/beneficiaries

**INF 23****Voluntary****Descriptive****PRI 6****INF 23.1**

Describe your organisation's approach to disclosing ESG incidents in infrastructure investments to your investor clients.

Actis requires the management of all potential investments to commit to operating their company to:

- provide for the reporting as soon as practicably possible to Actis of any incident involving the Company [or any member of the Group] that results in any loss of life or any material effect on the environment;
- ensure investee companies in the energy fund determine their greenhouse gas footprint and make this data available on an annual basis to Actis

This information is made public in our annual hardcopy "UNPRI report"