



LEA 02	Disclosure: Mandatory	Reason for interaction
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in & company's material ESG issues <input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify	<input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify
Collaborative engagements	<input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify	<input type="checkbox"/> We do not engage via collaborative engagements <input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify
Service provider engagements	<input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify	<input type="checkbox"/> We do not engage via service providers <input type="checkbox"/> To support investment decision-making in & company's material ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments <input type="checkbox"/> Other: specify

# RI TRANSPARENCY REPORT

## 2014/15

Private Equity Partners SGR S.p.A.

## 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	✓	Private							✓
OO 09	Additional information about organisation	-	n/a							✓
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	🔒	n/a							✓
OA 07	Governance, management structures and RI processes	-	n/a							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	-	n/a							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	-	n/a				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	-	n/a	✓						
OA 14	Allocation of assets to environmental and social themed areas	-	n/a	✓						
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	-	n/a							✓
OA 19	Internal and external review and assurance of responses	-	n/a							✓

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

# Private Equity Partners SGR S.p.A.

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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

## Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

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

Other, specify

Execution and advisory services

OO 01.2

Additional information. [Optional]

Private Equity Partners (PEP) is a primary independent financial company, founded and controlled by Fabio Sattin and Giovanni Campolo. It has been operating in Italy for more than 20 years. PEP's core business is to invest equity capital in unlisted companies, either directly or through funds managed by the fully controlled PEP SGR, with the objective of supporting their development at national and above all international level, maximising their value in order to obtain a premium return on the investment. PEP's team has more than twenty years' experience in private equity investments in Italy, with more than 60 operations and several listings carried out both in Italy and abroad.

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Italy

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

11

OO 03

Mandatory

Descriptive

General

OO 03.1

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

- Yes
- 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			300	000	000
Currency	EUR				
Assets in USD			393	447	353

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	100	0



Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

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)

### 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.

- Private equity
- None of the above

**OO 11.3** Additional information. [Optional]

Private Equity Partners is a private equity investor in expansion financing (primarily minority / Pre IPO) and MBO transactions in Italy which has the clear belief that its necessary and convenient to include ESG factors in the investment evaluation and due diligence process and in the post investment active management policies in order to maximise returns for investors.

As a consequence of this assumption, notwithstanding the limited number of resources (the team only includes 11 people), Pep is currently trying to gradually improve its level of incorporation of ESG factors and RI policies into its entire investment activity.

OO 12	Mandatory	Gateway	General
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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**

Direct - Other asset classes with dedicated modules

- Private Equity

**Closing module**

- Closing module

# Private Equity Partners SGR S.p.A.

## Reported Information

### Public version

### Overarching Approach

## PRI disclaimer

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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]

Private Equity Partners recognizes that there is a direct link between ESG practices and investment performance. We believe it is in our interest (and in our investors' interest) to promote high standards of corporate governance and social and environmental responsibilities in the companies in which we invest.

As a consequence of this, RI policies are responsibility of the entire investment team including directors and investment managers, both in the investment decision phase (and object of special due diligences) and in the monitoring and management of participations phase.

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.privateequitypartners.com/responsible.php>

- No

**OA 02.5** Additional information. [Optional]

Potential conflict of interests in the investment process and ESG factors are object of discussion and scrutiny by our Funds' Advisory Committees including main investors' representatives.

OA 03	Mandatory	Core Assessed	PRI 1,2
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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 type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input 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 03.3

Additional information. [Optional]

Private Equity Partners is an active investor which acquires majority or minority stakes in mid-cap Italian companies. During the implementation of its investment strategy, Pep also seeks to help participated companies to manage their ESG issues in order to achieve sustainable value creation.

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]

Potential conflict of interests that could be arising in the investment process are declared and discussed at Advisory Committee level of the Fund, including representatives of the fund's Investors.

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

No

**OA 05.4**

Additional information. [Optional]

PEP objective is to increase the level of incorporation of the principles in the entire investment, management, and divestment activity. In addition our goal is to bring our entrepreneurs and managers to gradually understand the link existing between high level ESG policies and practises and the financial performance achievable on the long term by the company.

## Governance and human resources

**OA 08**

**Mandatory**

**Gateway/Core Assessed**

**General**

**OA 08.1**

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

## Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

## 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
- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- 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)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- 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

# Private Equity Partners SGR S.p.A.

## Reported Information

### Public version

### Direct – Private Equity

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## Overview

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

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

## Fundraising of private equity funds

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

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

**PE 05.5** Additional information. [Optional]

Our last fund was Private Equity Partners Fund IV which was raised in 2007.

## 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]

When we analyse a potential investment opportunity we perform a deep analysis of all the aspects related to the company including social factors / quality of business relationships, environmental issues, post deal applicable governance, alignment of interests between shareholders and management team. Such aspects are both objects of our internally performed due diligence, and, in selective cases (primarily in case issues arise from the general internally performed due diligence) also object of special due diligence performed by external advisors.

No

PE 09

Mandatory

Core Assessed

PRI 1,3

PE 09.1

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

**ESG issues**

Environmental

List up to three typical examples of environmental issues

potential environmental liabilities linked to the business activity performed  
sensitivity of the company profit margins to energy costs trends  
level of efficiency in the management and consumption of energetic resources

Social

List up to three typical examples of social issues

quality of industrial relationships held by the Company  
relationships with labour force / litigations in place / employees turnover  
quality and identification of main suppliers, in particular if sourcing from emerging countries

Governance

List up to three typical examples of governance issues

separation between shareholders role and management responsibilities  
alignment of interests of the management team / management incentives  
separation between the company and the entrepreneur private wealth

**Post-investment (monitoring and active ownership)**

PE 13

Mandatory

Gateway/Core Assessed

PRI 2

<b>PE 13.1</b>	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
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- Yes
- No

<b>PE 13.4</b>	Additional information. [Optional]
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For each of our participated companies, ESG issues arising or identified at the time of initial investment are discussed and monitored at board meeting. For the time being we do not have a regular monitoring of all ESG factors based on identified KPIs.

## Communication

<b>PE 20</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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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
- No proactive disclosure to the public or to clients (LPs)/beneficiaries