




The image shows two overlapping forms from the PRI LEA (Leadership Engagement Assessment) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms have a header section with 'Type of engagement' and 'Reason for interaction'. The 'Type of engagement' section includes checkboxes for 'Individual/ internal staff engagements', 'Collaborative engagements', and 'Service provider engagements'. The 'Reason for interaction' section includes checkboxes for 'To support investment decision-making in a company's investment portfolio', 'To encourage corporate disclosure', 'To encourage corporate action on climate change', 'To encourage corporate action on human rights', 'To encourage corporate action on labor practices', 'To encourage corporate action on anti-corruption', 'To encourage corporate action on other ESG issues', and 'Other specify'. The forms are designed to be filled out by investors to assess their engagement with companies on ESG issues.

# RI TRANSPARENCY REPORT

2013/14

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 2013-14 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. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly 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.

## PRI disclaimer

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# 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                     | ✓      | n/a        |           |   |   |   |   |   | ✓       |
| 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       | 🔒      | n/a        |           | ✓ |   |   |   |   |         |
| PR 18             | Proportion of property occupiers that were engaged with                              | 🔒      | n/a        |           | ✓ |   |   |   |   |         |
| 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

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## 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 only services

|       |           |         |         |
|-------|-----------|---------|---------|
| OO 02 | Mandatory | Peering | General |
|-------|-----------|---------|---------|

**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

220

**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 |
|-------|-----------|-------------|---------|



**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.

31/12/2013

**OO 04.2**

Indicate your total AUM at the end of your reporting year.

|               | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM     |           | 6        | 800      | 000       | 000      |
| Currency      | USD       |          |          |           |          |
| Assets in USD |           | 6        | 800      | 000       | 000      |

**OO 04.3**

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            | 66                     | 0                      |
| Property                  | 5                      | 0                      |

|                    |    |   |
|--------------------|----|---|
| Infrastructure     | 29 | 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 |
|-------|---|---------|---------|

|         |  |
|---------|--|
| OO 08.1 | Indicate the breakdown of your organisation's AUM by market. |
|---------|--|

| Market breakdown                     | % of AUM   |
|--------------------------------------|--|
| Developed Markets                    | <input type="radio"/> 0%<br><input checked="" type="radio"/> <10%<br><input type="radio"/> 10-50%<br><input type="radio"/> >50 % |
| Emerging, Frontier and Other Markets | <input type="radio"/> 0%<br><input type="radio"/> <10%<br><input type="radio"/> 10-50%<br><input checked="" type="radio"/> >50 % |

|         |                                    |
|---------|------------------------------------|
| OO 08.2 | Additional information. [Optional] |
|---------|------------------------------------|

Actis focusses on investing in the emerging markets - a small percentage of our business have offices in developed markets.

|       |           |             |         |
|-------|-----------|-------------|---------|
| OO 09 | Voluntary | Descriptive | General |
|-------|-----------|-------------|---------|

|         |   |
|---------|---|
| 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. |
|---------|---|

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 its 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 |
|-------|-----------|---------|---------|
|-------|-----------|---------|---------|

|         |  |
|---------|--|
| 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  
☒ Property  
☒ Infrastructure  
☐ None of the above

| OO 12 | Mandatory | Gateway | General |
|-------|-----------|---------|---------|
|-------|-----------|---------|---------|

|         |   |
|---------|---|
| OO 12.1 | The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, 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. Direct - Fixed Income and Infrastructure are always 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
- ☒ Property
- ☒ Infrastructure

**Closing module**

- ☒ Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

Actis

Reported Information

Public version

Overarching Approach

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## Responsible investment policy

| OA 01 | Mandatory | Gateway/Core Assessed | General |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

**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 |
|-------|-----------|---------------|-------|
|-------|-----------|---------------|-------|

**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

|                |   |
|----------------|---|
| <b>OA 02.3</b> | Indicate if your other policies or guidance documents related to responsible investment are publicly available. |
|----------------|---|

☒ Yes

☐ Yes, all

☒ Yes, some

|                |   |
|----------------|---|
| <b>OA 02.4</b> | 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%20Policy%202013.pdf">http://www.act.is/ActisPDFs/Environmental%20Policy%202013.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

|              |                  |                      |                |
|--------------|------------------|----------------------|----------------|
| <b>OA 03</b> | <b>Mandatory</b> | <b>Core Assessed</b> | <b>PRI 1,2</b> |
|--------------|------------------|----------------------|----------------|

|                |  |
|----------------|--|
| <b>OA 03.1</b> | 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<br><input checked="" type="checkbox"/> Engagement/active ownership policy<br><input checked="" type="checkbox"/> Specific guidelines on corporate governance<br><input checked="" type="checkbox"/> Specific guidelines on environmental issues<br><input checked="" type="checkbox"/> Specific guidelines on social issues<br><input checked="" type="checkbox"/> Asset class-specific guidelines<br><input checked="" type="checkbox"/> Screening/exclusion policy<br><input type="checkbox"/> Other, specify<br><input type="checkbox"/> Other, specify | <input checked="" type="radio"/> Applicable policies cover all AUM<br><input type="radio"/> Applicable policies cover a majority of AUM<br><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



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 |
|-------|-----------|-----------------------|---------|
|-------|-----------|-----------------------|---------|

|                |  |
|----------------|--|
| <b>OA 05.1</b> | Indicate if your organisation sets objectives for its responsible investment activities. |
|----------------|--|

☒ Yes

|                |  |
|----------------|--|
| <b>OA 05.2</b> | Indicate how frequently your organisation sets or revises objectives for responsible investment. |
|----------------|--|

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

|                |   |
|----------------|---|
| <b>OA 05.3</b> | 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

|                |                                    |
|----------------|------------------------------------|
| <b>OA 05.4</b> | Additional information. [Optional] |
|----------------|------------------------------------|

The Annual RI plan typically covers

1. Recap on ESG 2012 (previous year) (What has gone well/What has not gone so well)
2. Potential Positive Power of Capital (PPC) Initiatives 2013 relating to investee companies
3. Provisional ESG visit schedule for 2013
4. RI budget for 2013
5. Links with Actis Investor Development Group/Approach with Investors
6. ESG/PPC Communications (Overall approach, Conferences, UN PRI Report, Publications/Development/Use of Case studies, Academic presentations (Imperial College, CASS))
7. Memberships Transparency International, UNPRI, UNEP FI, other?
8. Other - Recruitment/ Strategic Direction

|              |                  |                    |                |
|--------------|------------------|--------------------|----------------|
| <b>OA 06</b> | <b>Voluntary</b> | <b>Descriptive</b> | <b>General</b> |
|--------------|------------------|--------------------|----------------|

|                |  |
|----------------|--|
| <b>OA 06.1</b> | 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                    | RI Team to lead in at least five ESG due diligence processes with excellent feedback from deal doers. |
| Key performance indicators     | Feedback from Investment Managers as part of the Performance Reviews                                  |
| Describe the progress achieved | Good feedback was received from key investment managers on these deals                                |

☒ Add responsible investment objective 2

|                                |   |
|--------------------------------|---|
| Objective 2                    | Ensure ESG risks are minimised on red flag tracked investments by working closely with IMs and agreeing action plans.                 |
| Key performance indicators     | The key ESG risks, including red flagged investments, are tracked for all investments that Actis makes                                |
| Describe the progress achieved | U.. moved off red flag and E.. ESG risks being reduced. ESG tracker reviewed following Project Boat and communicated with Head of IC. |

☒ Add responsible investment objective 3

|                                |  |
|--------------------------------|--|
| Objective 3                    | Proactively promote Responsible Investment communication through lectures, articles, entry into the FT awards, RI reports.                     |
| Key performance indicators     | Feedback from Stakeholders of this communication   |
| Describe the progress achieved | The RI team received good feedback from CASS, Imperial College, PEI and UNPRI and was shortlisted for the FT/IFC sustainable investment awards |

|                |   |
|----------------|---|
| <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. |
|----------------|---|

- ☐ Add responsible investment objective 1 for the next reporting year
- ☐ Add responsible investment objective 2 for the next reporting year
- ☐ 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> |
|--------------|------------------|--------------------|----------------|

**OA 07.1**

Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.

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)

**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
  - ☒ 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

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

☒ Yes

OA 10.2

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

- ☐ 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
- ☒ 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

- ☐ 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

☐ No

| 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 |
|-------|-----------|---------------------|-----------|
|-------|-----------|---------------------|-----------|

**OA 12.1**

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.

☐ Yes

☒ No

## ESG issues in asset allocation

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

**OA 13.1**

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

☒ Yes

**OA 13.2**

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 |
|-------|-----------|-------------|-------|
|-------|-----------|-------------|-------|

**OA 14.1**

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

**OA 14.3**

Please specify which thematic area(s) you invest in and provide a brief description.

Area

☐ Clean technology

☒ 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

☒ 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 |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

|         |   |  |  |
|---------|---|--|--|
| OA 18.1 | 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.

## Assurance of responses

| OA 19 | Voluntary | Additional Assessed | General |
|-------|-----------|---------------------|---------|
|-------|-----------|---------------------|---------|

|         |   |  |  |
|---------|---|--|--|
| OA 19.1 | Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties. |  |  |
|---------|---|--|--|

☐ Yes

☒ No

|         |                         |  |  |
|---------|-------------------------|--|--|
| OA 19.4 | 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

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

PE 02

Mandatory to Report Voluntary to Disclose

Peering

General

|                |  |
|----------------|--|
| <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] |
|----------------|------------------------------------|

Actis's preference is for majority (control) stakes. Since 2007, 78% of our investments are full or joint control.

| PE 03 | Voluntary | Descriptive | PRI 1-6 |
|-------|-----------|-------------|---------|
|-------|-----------|-------------|---------|

**PE 03.1**

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****PE 04.1**

Indicate if your organisation's investment guidelines for private equity refer to responsible investment.

- ☒ Our investment guidelines do refer to responsible investment



**PE 04.2**

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

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. IE, 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]

In PPMs (or similar) Actis refers to Responsible Investment as part of our distinctive approach. That is,

*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 its business activities and take an integrated approach to ESG which mitigates risk and enhances exit premiums*

☐ No

**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.

- ☒ 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

## Pre-investment (selection)

**PE 07****Mandatory****Gateway****PRI 1****PE 07.1**

Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

☒ Yes

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 sources of Actis' ESG Policies:

- Specific exclusions outlined in Actis's Investment Strategy Policy
- 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 |
|-------|-----------|-------------|-------|
|-------|-----------|-------------|-------|

|                |  |
|----------------|--|
| <b>PE 08.1</b> | 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

|                |                         |
|----------------|-------------------------|
| <b>PE 08.2</b> | Additional information. |
|----------------|-------------------------|

External resources are typically used at this stage to help on determining whether there are any fatal ESG flaws

|              |                  |                      |                |
|--------------|------------------|----------------------|----------------|
| <b>PE 09</b> | <b>Mandatory</b> | <b>Core Assessed</b> | <b>PRI 1,3</b> |
|--------------|------------------|----------------------|----------------|

|                |  |
|----------------|--|
| <b>PE 09.1</b> | 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 |
|---|

Project Trio (Egypt) - Due diligence Health Safety and Environmental Assessment of a Pharma business was carried out and included a focus on potential contaminated land

Project Firebird (Kenya) - Due diligence covered safe disposal of wastes, ie old batteries, tyres, shock absorbers, exhausts etc.

Project Samba (Egypt) - Due diligence determined that external waste areas should be properly enclosed to prevent ingress and harbourage of pests

- ☒ Social

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

Project Boat (China) - Ensuring a system is improved to ensure every hotel that is opened has been checked for a fire permit

Project Ship (China) - Due diligence covered the assessment of risks around food safety

Project Tango (India) - Due Diligence included the potential exposure of workers to chemicals Safe Occupational Exposure Level's

- ☒ Governance

|  |
|--|
| List up to three typical examples of governance issues |
|--|

Project Firebird (Kenya) - Requirement for enhanced governance and corporatisation of the business, improved governance structures and strengthened management team.

Project Samba (Egypt) - Potential export of food related materials to EU sanctioned countries

Project Boat (China) - Appointment of a compliance officer

|              |                  |                            |                |
|--------------|------------------|----------------------------|----------------|
| <b>PE 10</b> | <b>Voluntary</b> | <b>Additional Assessed</b> | <b>PRI 1,3</b> |
|--------------|------------------|----------------------------|----------------|

|                |  |
|----------------|--|
| <b>PE 10.1</b> | 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

|              |                  |                            |                |
|--------------|------------------|----------------------------|----------------|
| <b>PE 11</b> | <b>Voluntary</b> | <b>Additional Assessed</b> | <b>PRI 1,2</b> |
|--------------|------------------|----------------------------|----------------|

|                |   |
|----------------|---|
| <b>PE 11.1</b> | During deal structuring, indicate if your organisation typically encourages continuous improvements from potential investees with regard to their management of ESG issues. |
|----------------|---|

☒ Yes

**PE 11.2**

Describe the nature of these improvements and their ESG coverage.

In the vast majority of our investments we have obtained an undertaking, usually in the shareholder agreement, from the investee company that the business of such company will be carried out in a manner that:

- encourages the efficient use of natural resources and promotes the protection of the environment;
- ensures investee companies (in high carbon intensity sectors) determine their greenhouse gas footprint and make this data available on an annual basis to Actis;
- provides safe and healthy working conditions for its employees and contractors;
- 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;
- allows consultative work-place structures and associations which provide employees with an opportunity to present their views to management;
- 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;
- 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
- 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;
- implements a social and environmental management system which enables effective identification, management and monitoring of any risks and provides a framework for action.

☐ 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 |
|--|

Key ESG information (confidential) is tracked through both the Investment Review process (2x/year) and by the Responsible Investment Committee (2x/year)

☒ Social

|   |
|---|
| List up to three example targets of social issues |
|---|

Key ESG information (confidential) is tracked through both the Investment Review process (2x/year) and by the Responsible Investment Committee (2x/year)

☒ Governance

|   |
|---|
| List up to three example targets of governance issues |
|---|

Key ESG information (confidential) is tracked through both the Investment Review process (2x/year) and by the Responsible Investment Committee (2x/year)

☐ 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****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

#### 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)

- ☒ 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

|                |   |
|----------------|---|
| <b>PE 15.2</b> | Describe how your organisation contributes to the portfolio's management of ESG issues. |
|----------------|---|

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 helps 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> |
|--------------|------------------|--------------------|----------------|

|                |   |
|----------------|---|
| <b>PE 16.1</b> | Indicate the type and frequency of reports you request and/or receive from portfolio companies covering ESG issues. |
|----------------|---|

**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
- ☐ Other, specify
- ☐ No reporting on ESG issues requested and/or provided by portfolio companies

|                |                         |
|----------------|-------------------------|
| <b>PE 16.2</b> | Additional information. |
|----------------|-------------------------|

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> | Voluntary | Additional Assessed | <b>PRI 2</b> |
|--------------|-----------|---------------------|--------------|

|                |  |
|----------------|--|
| <b>PE 17.1</b> | Indicate whether your organisation discloses information on ESG issues to potential buyers prior to exit for private equity investments. |
|----------------|--|

- ☒ 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. |
|----------------|---|

ESG information is typically a standard part of the vendor information request.

## Outputs and outcomes

|              |           |                     |                |
|--------------|-----------|---------------------|----------------|
| <b>PE 18</b> | Voluntary | Additional Assessed | <b>PRI 1,2</b> |
|--------------|-----------|---------------------|----------------|

|                |  |
|----------------|--|
| <b>PE 18.1</b> | Indicate whether your organisation measures how your approach to ESG issues in private equity investments has affected financial and/or ESG performance. |
|----------------|--|

|  |                       |
|--|-----------------------|
|  | Financial performance |
|--|-----------------------|

- ☐ We measure how ESG issues affect financial performance
- ☒ We do not measure how ESG issues affect financial performance

|  |                 |
|--|-----------------|
|  | ESG performance |
|--|-----------------|

- ☒ We measure changes in ESG performance

|                |   |
|----------------|---|
| <b>PE 18.3</b> | Describe the measures your organisation uses to assess the impact of your activities on your private equity investments' ESG performance. |
|----------------|---|

We have carried out some pilot ESG performance measurement by using a non financial factors/metric framework. The idea is to identify, measure and track key factors and metrics over the investment period with a view to assessing impacts on market value at exit. These can then be benchmarked against best in class multinational companies.

- ☐ We do not measure changes in ESG performance

|              |                  |                    |                |
|--------------|------------------|--------------------|----------------|
| <b>PE 19</b> | <b>Voluntary</b> | <b>Descriptive</b> | <b>PRI 1,3</b> |
|--------------|------------------|--------------------|----------------|

|                |   |
|----------------|---|
| <b>PE 19.1</b> | Provide examples of ESG issues that affected your private equity investments during the reporting year. |
|----------------|---|

☒ Add Example 1

|  |  |
|--|--|
| ESG issues   | The Rana Plaza factory collapse  |
| Sector(s) of the investment affected                               | Investments which have large manufacturing workforce and or long supply chain                          |
| Impact (or potential impact) on the investment                     | This disaster again reiterated the need to ensure building standards are maintained.                   |
| Activities undertaken to influence the investment and its response | External consultant employed to check process for fire/building permits for hotel investment in China. |

☒ Add Example 2

|  |   |
|--|---|
| ESG issues   | GSK bribery accusations in China  |
| Sector(s) of the investment affected                               | Healthcare  |
| Impact (or potential impact) on investment                         | The need to ensure robust Anti-Bribery and Corruption procedures in investee companies  |
| Activities undertaken to influence the investment and its response | Review/plan to strengthen ABC policies and procedures particularly in relation to South Asia/South East Asia Healthcare investments |

☐ Add Example 3

☐ Add Example 4

☐ Add Example 5

## Communication

PE 20

Mandatory

Core Assessed

PRI 6

PE 20.1

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

☐ Disclose publicly

☒ Disclose to investor clients (LPs)/beneficiaries only

PE 20.3

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

☐ ESG information in relation to our pre-investment activities

☒ ESG information in relation to our post-investment monitoring and ownership activities

☒ Information on our portfolio companies' ESG performance

☐ Other, specify

PE 20.4

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 20.5**

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 :

- 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 quarterley 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

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%<br><input type="radio"/> 10-50%<br><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

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%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% |
| Managed via third-party property managers appointed by you | <input checked="" type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% |
| Managed by other investors or their property managers      | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><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<br><input checked="" type="radio"/> Retail<br><input type="radio"/> Office<br><input type="radio"/> Residential<br><input type="radio"/> Leisure/Hotel<br><input type="radio"/> Mixed use<br><input type="radio"/> Other, specify |
| Second largest property type | <input type="radio"/> Industrial<br><input type="radio"/> Retail<br><input checked="" type="radio"/> Office<br><input type="radio"/> Residential<br><input type="radio"/> Leisure/Hotel<br><input type="radio"/> Mixed use<br><input type="radio"/> Other, specify |
| Third largest property type  | <input type="radio"/> Industrial<br><input type="radio"/> Retail<br><input type="radio"/> Office<br><input type="radio"/> Residential<br><input type="radio"/> Leisure/Hotel<br><input checked="" type="radio"/> Mixed use<br><input type="radio"/> Other, specify |

|       |           |             |         |
|-------|-----------|-------------|---------|
| PR 04 | Voluntary | Descriptive | PRI 1-6 |
|-------|-----------|-------------|---------|

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 |
|-------|-----------|---------------|---------|

|         |   |
|---------|---|
| PR 05.1 | Indicate if your organisation has a Responsible Property Investment (RPI) policy. |
|---------|---|

☒ Yes

|         |  |
|---------|--|
| PR 05.2 | Provide a URL if your RPI 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

## Fundraising of property funds

|       |           |               |           |
|-------|-----------|---------------|-----------|
| PR 06 | Mandatory | Core Assessed | PRI 1,4,6 |
|-------|-----------|---------------|-----------|

|         |   |
|---------|---|
| PR 06.1 | Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation. |
|---------|---|

☒ 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

☐ No

|       |           |                     |       |
|-------|-----------|---------------------|-------|
| PR 07 | Voluntary | Additional Assessed | PRI 4 |
|-------|-----------|---------------------|-------|

|                |   |
|----------------|---|
| <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. |
|----------------|---|

- ☒ 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)

|              |                  |                |              |
|--------------|------------------|----------------|--------------|
| <b>PR 08</b> | <b>Mandatory</b> | <b>Gateway</b> | <b>PRI 1</b> |
|--------------|------------------|----------------|--------------|

|                |  |
|----------------|--|
| <b>PR 08.1</b> | Indicate if your organisation typically incorporates ESG issues when selecting property investments. |
|----------------|--|

- ☒ Yes

|                |  |
|----------------|--|
| <b>PR 08.2</b> | Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional] |
|----------------|--|

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

|              |                  |                    |                |
|--------------|------------------|--------------------|----------------|
| <b>PR 09</b> | <b>Voluntary</b> | <b>Descriptive</b> | <b>PRI 1,4</b> |
|--------------|------------------|--------------------|----------------|

|                |  |
|----------------|--|
| <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. |
|----------------|--|

- ☒ 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

|       |           |               |         |
|-------|-----------|---------------|---------|
| PR 10 | Mandatory | Core Assessed | PRI 1,3 |
|-------|-----------|---------------|---------|

|         |   |
|---------|---|
| PR 10.1 | 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. |
|---------|---|

#### ESG issues

☒ Environmental

List up to three typical examples of environmental issues

Project Tusker (Kenya) - Quality designs with strong sustainability emphasis

Heritage Place (Nigeria) - The project design has attained LEED certification

One Airport Square (Ghana) - Registered with Green Star for 4 star Greenstar certification

☒ Social

List up to three typical examples of social issues

Project Tusker (Kenya) - Substantial direct employment in construction and local procurement of building materials

Heritage Place (Nigeria) - Partnering of local and international consultants for the key disciplines to allow for skills transfer.

One Airport Square (Ghana) - Construction contract awarded to local contractor employing ± 150 local construction workers.

☒ Governance

List up to three typical examples of governance issues

Ensuring land title confirmation and appropriate land zoning is a key part of all Real Estate investments

|       |           |                     |         |
|-------|-----------|---------------------|---------|
| PR 11 | Voluntary | Additional Assessed | PRI 1,3 |
|-------|-----------|---------------------|---------|

|                |  |
|----------------|--|
| <b>PR 11.1</b> | Indicate what type of ESG information your organisation typically considers during your property investment selection process. |
|----------------|--|

- ☒ 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> |
|--------------|------------------|----------------------------|--------------|

|                |   |
|----------------|---|
| <b>PR 12.1</b> | Indicate if ESG issues impacted your property investment selection process 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

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

|              |                  |                      |              |
|--------------|------------------|----------------------|--------------|
| <b>PR 13</b> | <b>Mandatory</b> | <b>Core Assessed</b> | <b>PRI 4</b> |
|--------------|------------------|----------------------|--------------|

|                |  |
|----------------|--|
| <b>PR 13.1</b> | Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers. |
|----------------|--|

- ☒ 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

Meeting of Green Building standards such as LEED and Greenstar

- ☐ Social
- ☐ Governance
- ☐ We do not set and/or monitor against targets

**PR 16****Voluntary****Additional Assessed****PRI 2****PR 16.1**

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<br><input type="radio"/> 51-90% of property assets<br><input type="radio"/> 10-50% of property assets<br><input type="radio"/> <10% of property assets<br><br>(in terms of number of property assets) |

☐ Add certification scheme, rating and benchmark 2

☐ Add certification scheme, rating and benchmark 3

**PR 16.2** Additional information.

\*The Real Estate fund has a strong ESG focus that is attractive to both local and international buyers on exit

## Outputs and outcomes

| PR 21 | Voluntary | Additional Assessed | PRI 1,2 |
|-------|-----------|---------------------|---------|
|-------|-----------|---------------------|---------|

**PR 21.1** Indicate whether your organisation measures how your approach to ESG issues in property investments has affected financial and/or ESG performance.

Financial performance

☒ We measure how ESG issues affect financial performance

**PR 21.2** Describe the measures your organisation uses to assess the impact of your approach to ESG issues on your property investments' financial performance.

We measure the operating cost of a few ESG issues such as waste, consumption of water and energy

☐ We do not measure how ESG issues affect financial performance

ESG performance

☒ We measure changes in ESG performance

**PR 21.3**

Describe the measures your organisation uses to assess the impact of your activities on your property investments' ESG performance.

We track ESG performance through our quarterly investment review process

☐ We do not measure changes in ESG performance

**PR 22****Voluntary****Descriptive****PRI 1,3****PR 22.1**

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

☒ Add Example 1

|  |   |
|--|---|
| ESG issue  | Kenya Westgate shopping mall attack   |
| Types of properties affected                                       | Real Estate Africa - particularly Shopping Malls  |
| Impact (or potential impact) on investment                         | The potential for security related incidents increased  |
| Activities undertaken to influence the investment and the outcomes | A full review of security arrangements at all of our Real Estate properties was carried out and strengthened. |

☐ Add Example 2

☐ Add Example 3

☐ Add Example 4

☐ Add Example 5

## Communication

**PR 23****Mandatory****Core Assessed****PRI 6****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 23.4**

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 23.5**

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 23.6**

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

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

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%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% |
| Debt investments                      | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><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

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%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input type="radio"/> 0% |
| Managed via third-party operators appointed by your organisation/companies owned by you | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% |
| Managed by other investors/their third-party operators                                  | <input type="radio"/> >50%<br><input type="radio"/> 10-50%<br><input type="radio"/> <10%<br><input checked="" type="radio"/> 0% |
| <b>Total</b>  | <b>100%</b>   |

|        |           |             |         |
|--------|-----------|-------------|---------|
| INF 03 | Voluntary | Descriptive | General |
|--------|-----------|-------------|---------|

|          |   |
|----------|---|
| INF 03.1 | Indicate up to three of your largest infrastructure sectors by AUM. |
|----------|---|



| Sector                               | Main infrastructure sectors (by AUM)  |
|--------------------------------------|---|
| Largest infrastructure sector        | <input type="radio"/> Transportation<br><input type="radio"/> Energy infrastructure<br><input checked="" type="radio"/> Conventional energy<br><input type="radio"/> Renewable energy<br><input type="radio"/> Water management<br><input type="radio"/> Waste management<br><input type="radio"/> Communication<br><input type="radio"/> Social infrastructure<br><input type="radio"/> Other, specify |
| Second largest infrastructure sector | <input type="radio"/> Transportation<br><input checked="" type="radio"/> Energy infrastructure<br><input type="radio"/> Conventional energy<br><input type="radio"/> Renewable energy<br><input type="radio"/> Water management<br><input type="radio"/> Waste management<br><input type="radio"/> Communication<br><input type="radio"/> Social infrastructure<br><input type="radio"/> Other, specify |
| Third largest infrastructure sector  | <input type="radio"/> Transportation<br><input type="radio"/> Energy infrastructure<br><input type="radio"/> Conventional energy<br><input checked="" type="radio"/> Renewable energy<br><input type="radio"/> Water management<br><input type="radio"/> Waste management<br><input type="radio"/> Communication<br><input type="radio"/> Social infrastructure<br><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

**INF 04****Voluntary****Descriptive****PRI 1-6**

**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****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]

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<br>1,4,6 |
|--------|-----------|---------------|--------------|

|          |   |
|----------|---|
| 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
  - ☒ 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]

The following extract is taken from the Energy 3 ppm -

*The positive power of capital*

The markets in which Actis invests have huge needs and opportunities. Actis believes its capital should be transformational. The Firm is committed to its ethos, 'the positive power of

capital'.

The key principles behind this approach are:

- A recognition that both financial and non-financial activities are fundamental to generating superior investment returns and mitigating risk
- An insistence that the highest standards of ethics and governance are applied across all portfolio companies
- A belief that improving and then maintaining high environmental standards and good working conditions play a crucial role in creating successful businesses
- A conviction that sustainable value is best created by ensuring that Actis's portfolio companies are good corporate citizens in their communities.

Over 60 years in emerging markets, Actis has seen no contradiction between responsible investment and excellent returns.

Actis has developed an over-arching value-creation tool for investment in the sector, the Energy Impact Model. It aims to improve the performance of portfolio companies by systematically assessing the financial and non-financial drivers of value creation across six specific areas of activity, identifying short-term and long-term targets against each, and evaluating progress towards these as a fundamental part of the investment management process.

*Environmental, social and governance standards*

Actis believes that a responsible approach to environmental, social and governance ("ESG") standards enhances investment performance by mitigating risk and creating opportunities. 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.

Since April 2009, Actis has been a signatory to the United Nations Principles for Responsible Investment ("UNPRI") agreement, which promotes responsible private markets investment, and an active member of the UNPRI Steering Committee. The Firm's investment managers, and the non-executive directors whom it appoints, are key to ensuring that sound corporate governance practices and transparent accounting systems are implemented in all portfolio companies. In addition, Actis develops strong stakeholder relationships with portfolio company managers, regulators and local communities.

☐ No

**INF 07**

**Voluntary**

**Additional Assessed**

**PRI 4**

|                 |   |
|-----------------|---|
| <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. |
|-----------------|---|

- ☒ 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

## Pre-investment (selection)

|               |                  |                |              |
|---------------|------------------|----------------|--------------|
| <b>INF 08</b> | <b>Mandatory</b> | <b>Gateway</b> | <b>PRI 1</b> |
|---------------|------------------|----------------|--------------|

|                 |  |
|-----------------|--|
| <b>INF 08.1</b> | Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments. |
|-----------------|--|

- ☒ Yes

|                 |  |
|-----------------|--|
| <b>INF 08.2</b> | 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 inhouse 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****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**

Sonel (Cameroon) - DD in relation to developing a remediation plan for PCB contaminated oils/ Contaminated land

Amendis/Redal (Morocco) - DD in relation to ensuring best practice for wastewater disposal is implemented post investment

Aela Energia (Chile) - Ensuring cumulative impacts are considered as part of the EIA



☒ Social

List up to three typical examples of social issues

Aela Energia (Chile) - Ensuring we will meet the requirements of ILO Convention No.169

Project Hidalgo (Mexico) - DD in relation to the safety and security issues related to the potential investment

Sonol (Cameroon) - Due diligence on the safety issues that impact the public

☒ Governance

List up to three typical examples of governance issues

Atlantic (Brazil) - Creating the Terms of Reference for the ESG subcommittee of the Board

Aela Energia (Chile) - Sourcing a specialist Head of ESG role for the new buy and Build company

Sonol (Cameroon) - Agreeing with investors/lenders how the ESG action plan will be closed out

| INF 11 | Voluntary | Additional Assessed | PRI 1,3 |
|--------|-----------|---------------------|---------|
|--------|-----------|---------------------|---------|

**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 |
|--------|-----------|---------------------|-------|
|--------|-----------|---------------------|-------|

**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 |
|--------|-----------|---------|-------|

|          |  |
|----------|--|
| INF 14.1 | Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets. |
|----------|--|

☒ 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 |
|--|

We track each energy investment using the in-house developed impact model - metrics tracked can be found in the handbook  
<http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20Handbook.pdf>

Metrics tracked on environment include EMS, GHG emissions, Water use, Impact on land, Air quality, Ecosystems

☒ Social

|  |
|--|
| List up to three example targets per issue |
|--|

We track each energy investment using the in-house developed impact model - metrics tracked can be found in the handbook  
<http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20Handbook.pdf>

Metrics tracked on social include CSR, Community sustainable development, Contribution to the local economy, Community disruption, corruption, health and relationships with stakeholders

☒ Governance

List up to three example targets per issue

We track each energy investment using the in-house developed impact model - metrics tracked can be found in the handbook  
<http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20Handbook.pdf>

Metrics tracked on Governance include Structure and Composition of Board, Board Culture and Communication, Board Information, Board Process and Code of Conduct

☐ We do not set and/or monitor against targets

| INF 16 | Mandatory | Additional Assessed | PRI 2 |
|--------|-----------|---------------------|-------|
|--------|-----------|---------------------|-------|

**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 |
|--------|-----------|-------------|---------|
|--------|-----------|-------------|---------|

**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

|          |                         |
|----------|-------------------------|
| INF 17.2 | Additional information. |
|----------|-------------------------|

Annually, we require each of our Energy investments to report using the IFC performance standards as a framework

## Infrastructure maintenance

| INF 18 | Mandatory | Core Assessed | PRI 2 |
|--------|-----------|---------------|-------|
|--------|-----------|---------------|-------|

|          |  |
|----------|--|
| INF 18.1 | 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)

|          |  |
|----------|--|
| INF 18.2 | 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

|        |           |                     |       |
|--------|-----------|---------------------|-------|
| INF 19 | Voluntary | Additional Assessed | PRI 2 |
|--------|-----------|---------------------|-------|

|          |  |
|----------|--|
| INF 19.1 | 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

## Outputs and outcomes

|        |           |                     |         |
|--------|-----------|---------------------|---------|
| INF 20 | Voluntary | Additional Assessed | PRI 1,2 |
|--------|-----------|---------------------|---------|

|  |                       |
|--|-----------------------|
|  | Financial performance |
|--|-----------------------|

- ☐ We measure how ESG issues affect financial performance
- ☐ We do not measure how ESG issues affect financial performance

|  |                 |
|--|-----------------|
|  | ESG performance |
|--|-----------------|

- ☒ We measure changes in ESG performance

|                 |   |
|-----------------|---|
| <b>INF 20.3</b> | Describe the measures your organisation uses to assess the impact of your activities on your infrastructure investments' ESG performance. |
|-----------------|---|

We use our in-house developed Energy Impact model

<http://www.act.is/ActisPDFs/Actis%20Energy%20Impact%20Model%20explanatory%20powerpoint.pdf>

- ☐ We do not measure changes in ESG performance

|               |                  |                    |                |
|---------------|------------------|--------------------|----------------|
| <b>INF 21</b> | <b>Voluntary</b> | <b>Descriptive</b> | <b>PRI 1,3</b> |
|---------------|------------------|--------------------|----------------|

|                 |   |
|-----------------|---|
| <b>INF 21.1</b> | Provide examples of ESG issues that affected your infrastructure investments during the reporting year. |
|-----------------|---|

- ☒ Add Example 1

|  |  |
|--|--|
| ESG issue  | Low CER price  |
| Types of infrastructure affected                                   | Investments potentially seeking to be CDM projects   |
| Impact (or potential impact) on investment                         | We stopped out retainer for specialist in carbon credits                                       |
| Activities undertaken to influence the investment and the outcomes | We continue to invest heavily in renewable energy but do not push the need to be a CDM project |

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5

## Communication

|               |                  |                      |              |
|---------------|------------------|----------------------|--------------|
| <b>INF 22</b> | <b>Mandatory</b> | <b>Core Assessed</b> | <b>PRI 6</b> |
|---------------|------------------|----------------------|--------------|

**INF 22.1**

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

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

**INF 22.3**

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 22.4**

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 22.5**

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"