



LEA 02	Disclosures	Monetary	Principles
<p>By providing investors the most up-to-date and comprehensive information on the company's environmental, social and governance (ESG) performance, the company enables investors to make informed decisions on whether to invest in the company and on the size of their investment. This information also helps investors to assess the company's risk profile and to identify the need for additional information.</p>	<p>LEA 02</p>	<p>Monetary</p>	<p>Principles PRI 1, 2, 3</p>
<p>Type of engagement</p> <p>Individual/internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional information</li> <li><input checked="" type="checkbox"/> To engage internal staff</li> <li><input checked="" type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional information</li> <li><input checked="" type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> <li><input type="checkbox"/> To support investment decision-making in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional information</li> <li><input checked="" type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> </ul>		

# RI TRANSPARENCY REPORT

## 2013/14

Ardian

## 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

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

# 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	✓	Private							✓
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	✓	Private							✓
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	✓	Private							✓
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	✓	Private							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	✓	Public	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	🔒	n/a							✓
SAM 05	ESG incorporation strategies	🔒	n/a	✓	✓					
SAM 06	Selection processes (listed assets)	🔒	n/a	✓						✓
SAM 07	Appointment considerations (listed assets)	🔒	n/a				✓			
SAM 08	Monitoring processes (listed assets)	🔒	n/a	✓						
SAM 09	Percentage of (proxy) votes cast	🔒	n/a		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓						✓
SAM 11	Appointment considerations (non-listed assets)	✓	Private				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓						✓
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓						✓
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓						✓
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Private		✓					
SAM 16	Disclosure of RI considerations	✓	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	✓	Private							✓

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	✓	Private	✓	✓					
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	✓	Private						✓	

# Ardian

## Reported Information

## Public version

## Organisational Overview

### PRI disclaimer

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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

% of assets under management (AUM) in ranges

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

Other, specify

Execution and advisory only services

OO 02

Mandatory

Peering

General

OO 02.1 Select the location of your organisation's headquarters.

France

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

320

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		44	000	000	000
Currency	USD				
Assets in USD		44	000	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	10	0
Private equity	25	55
Property	0	0

Infrastructure	10	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

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

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

OO 09	Voluntary	Descriptive	General
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OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Ardian is a premium private investment company managed by the team who founded the company and majority-owned by its employees. The company invests in a way that responsibly creates enduring value, superior returns and shared outcomes for investors, partners, portfolio companies and their employees. Entrepreneurship lies at the heart of Ardian's culture and its conviction is that a long-term approach to investing delivers sustainable success.

Ardian manages or advises about US\$44 billion of assets in Europe, North America, and Asia. The investment process blends discipline and conviction with a long term philosophy. Ardian maintains a truly global network, with more than 300 employees working through ten offices in Beijing, Frankfurt, Jersey, London, Luxembourg, Milan, New York, Paris, Singapore and Zurich. The company offers its 280 investors a diversified choice of funds covering the full range of asset classes, including Funds of Funds (primary, early secondary, secondary), Direct funds including Infrastructure, Expansion and Mid Cap Buyout, Innovation& Growth, Co-investment and Private Debt.

### Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Private debt
- Private equity
- Infrastructure
- None of the above

OO 11.2

Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

- Private equity
- None of the above

OO 12	Mandatory	Gateway	General
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OO 12.1

The modules and sections that you will be required to complete are listed below. 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
- Infrastructure

**RI implementation via external managers**

Indirect - Selection, Appointment and Monitoring of External Managers

- Private Equity

**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.

# Ardian

## Reported Information

### Public version

### Overarching Approach

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## Responsible investment policy

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

- Yes  
 No

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

- Yes  
 No

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

Ardian strives to build sustainable partnerships with companies and provide them with a strong support in the long term; and its priority is clear: act responsibly and cautiously as guardians of its investors' capital in developing portfolios and companies.

Ardian favors a mainstream approach of responsible investment. ESG criteria is therefore considered in all of its funds and at all stages, from due diligence to ownership and exit. In addition to this mainstream approach, Ardian applies a negative screening approach and strictly avoids investing in companies that operate in sectors it considers unethical, such as Cluster Bombs, Antipersonal Landmines and Tobacco. On a daily basis, investment professionals are responsible for implementing RI-related initiatives within their sphere of operations. The CSR Officer, together with the firm's CSR Committee, monitor progress, provide support and develop implementation tools on RI-related matters.

Ardian's commitment to responsible investment is also reflected by its continuous effort to maintain best-in-class standards. The firm is GIPS certified (quality and transparency of reporting) and SSAE 16 certified (efficiency of internal controls).

Furthermore, Ardian's responsible investment approach is shaped by organizations it is a signatory of (UNPRI, EVCA, AFIC). Ardian is regulated by AMF (France), SEC (United States), FCA (United Kingdom), SMA (Singapore) and conforms to their norms and rules.

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

- Yes

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

URL

<http://www.ardian-investment.com/>

No

**OA 02.3**

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

Yes

Yes, all

Yes, some

**OA 02.4**

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

Policy or document name	URL
Ardian Private Corporate Responsibility Brochure	<a href="http://www.ardian-investment.com/">http://www.ardian-investment.com/</a>
Ardian Corporate Responsibility's general approach	<a href="http://www.ardian-investment.com/">http://www.ardian-investment.com/</a>
Some of Ardian's concrete CSR	<a href="http://www.ardian-investment.com/">http://www.ardian-investment.com/</a>
Ardian's Charity policy	<a href="http://www.ardian-investment.com/">http://www.ardian-investment.com/</a>
Ardian's Foundation Activity Report	<a href="http://www.ardian-investment.com/">http://www.ardian-investment.com/</a>

No

In September 2013, Ardian completed its spin out from the AXA Group. When finalizing the PRI Reporting framework, Ardian's website was not yet fully operational and most of its RI-related policies and guidance documents were still available through its former website : [www.axaprivateequity.com](http://www.axaprivateequity.com). In the coming months, Ardian will make them available through its new website : [www.ardian-investment.com](http://www.ardian-investment.com)

In addition to its publicly available documents, Ardian has elaborated several RI-related guidance documents that are not publicly available:

**Ardian's Charter for Profit Sharing with Portfolio Companies [A1] [b2]**

This internal document specifically targets investment professionals. It refers to Ardian's commitment to sharing its profit with employees of its portfolio companies at the time of the exit. On its majority buyout deals, Ardian aims at redistributing an average of two months' salary to each company's employees out of the capital gain achieved. The guidelines contained in this Charter are technical, therefore it has only been circulated internally. Ardian's general approach and specific commitment to profit sharing profit are however outlined on its website, which is publicly available.

**Ardian Code of Conduct and Compliance Manuals**

These internal documents specifically target Ardian's employees. They are built upon the following principles: priority of investors' interests, integrity, confidentiality, loyalty, transparency, and security.

**Ardian's "ESG in Practice"**

This internal document specifically targets Ardian's employees. It outlines the firm's RI approach, guidelines and ESG-related initiatives. It aims at increasing employees' RI awareness and strengthening their ESG-related capabilities. It is designed to be a support document for day-to-day operations.

OA 03	Mandatory	Core Assessed	PRI 1,2
OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.		

Select all that apply



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

OA 04	Mandatory	Core Assessed	General
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**OA 04.1** Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

**OA 04.2** Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Ardian provides investors with a broad range of expertise. Each expertise offers specific advantages with a unique risk-reward profile and investment criteria and guidelines specified in its by-laws, thus preventing any conflict of interest in terms of deal allocation: all investments opportunities are attributed to specific investment vehicles according to those criteria.

There is a rigorous process within each Investment Committee to identify, manage and mitigate any potential conflict of interests. Ardian's Compliance Department is actively involved in the policy for managing potential conflicts of interest.

No

## Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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**OA 05.1** Indicate if your organisation sets objectives for its responsible investment activities.

Yes

**OA 05.2** Indicate how frequently your organisation sets or revises objectives for responsible investment.

At least once per year

Less than once per year

**OA 05.3** Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

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

**OA 05.4** Additional information. [Optional]

Ardian's objectives for responsible investment are defined by the CSR Officer and the CSR Committee, under the direct authority of the CEO. They are set on a yearly basis, and may be adjusted during the CSR Committee's meetings, on a quarterly basis.

OA 06	Voluntary	Descriptive	General
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**OA 06.1** List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

Add responsible investment objective 1

Objective 1	Active ownership & engagement with portfolio companies and funds
Key performance indicators	
Describe the progress achieved	Follow up and new ESG reviews

Add responsible investment objective 2

Objective 2	ESG activism within the industry
Key performance indicators	
Describe the progress achieved	Active participation in several collaborative initiatives, involving peers, clients, portfolio companies and funds.

Add responsible investment objective 3

Objective 3	ESG reporting to clients
Key performance indicators	
Describe the progress achieved	ESG section in all direct Annual and Semi-annual Activity Reports

**OA 06.2** 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

Objective 1 for the next reporting year	Active ownership & engagement with portfolio companies and funds
Key performance indicators	

Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	ESG activism within the industry
Key performance indicators	

Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	ESG reporting to clients
Key performance indicators	

**OA 06.3** Additional information.

Ardian's RI policy is progressively implemented throughout the different departments of the firm. Elaboration and comprehensive deployment of RI-initiatives often last more one year.

**Governance and human resources**

<b>OA 07</b>	Voluntary	Descriptive	General
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**OA 07.1**

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

Ardian's governance related to responsible investment has been designed in an attempt to embed ESG issues in the daily activity of all Ardian investment professionals. It relies both on a CSR Committee to provide action plans, guidance and support and, on the commitment of every employee to implement Ardian's ESG policy and objectives.

- The CSR Committee level. Under the responsibility of the CEO and steered by the CSR officer, the CSR Committee brings together a comprehensive range of representatives of the firm's departments, ranging from investment activities - Small and Mid Cap, Infrastructure, Funds of Funds - to support functions including Human Resources, Compliance, Investor Relations, Communications and Middle Offices. It meets every quarter to discuss action plans. It is in charge of monitoring progress, providing support and creating implementation tools.
- The individual level. Each employee at Ardian, within its sphere of activity, is in charge of promoting and implementing on a day-to-day basis RI and ESG initiatives (e.g. investment professionals with the management teams of their portfolio companies and the GPs of the funds they invest in).

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
- 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 08.3 Additional information. [Optional]

Due to our organization around ESG, question OA08.2 is not relevant to Ardian.

## 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
- 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
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

**ESG Reporting Framework**

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

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

**AFIC**

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

- Basic
- Moderate
- Advanced

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

No

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

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 11.3** Additional information. [Optional]

Ardian strongly believes that working together with other industry players and stakeholders is critical for efficiently enhancing the implementation of the Principles. It is involved in various formal and informal collaborative initiatives and dialogues. Over the year, the firm actively engaged with other market players and took part in many professional discussions around the industry's working practices.

In 2013, among other initiatives to share tools and best practices, Ardian's CEO participated to a panel discussion on ESG organised by France's AFIC; and Ardian's CSR Officer presented the ESG Disclosure Framework initiative to its peers during AFIC's annual meeting. At some of the industry-based roundtables it participated to, the firm provided specific feedback on the portfolio ESG reviews it conducted. Ardian also organised and hosted an ESG workshop involving its peers, clients, portfolio companies and funds.

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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<b>OA 12.1</b>	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.
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- Yes
  - Yes, individually
  - Yes, in collaboration with others

<b>OA 12.2</b>	Select the methods you have used.
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- Endorsed written submissions to governments, regulators or standard-setters developed by others
- Drafted your own written submissions to governments, regulators or standard-setters
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

<b>OA 12.3</b>	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
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- Yes, publicly available
- No

## ESG issues in asset allocation

<b>OA 13</b>	Voluntary	Descriptive	PRI 1
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<b>OA 13.1</b>	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
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- Yes
- No

<b>OA 13.3</b>	Additional information.
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Ardian avoids investing in countries exhibiting weak guarantees on AML-related issues.

<b>OA 14</b>	Voluntary	Descriptive	PRI 1
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<b>OA 14.1</b>	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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- Yes
- 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.		

Ardian was the first player in France to call for redistribution of a portion of buyout capital gains to employees of portfolio companies and always tries to extend portfolio companies' profit sharing mechanisms when possible. Ardian strongly believes that such alignment of interests is a key lever for long term value creation. For example, at two Italian companies sold in 2013, Ardian distributed a portion of the capital gains to all employees.

Ardian

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

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## Overview

<b>SAM 01</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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<b>SAM 01.1</b>	Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.
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Ardian deploys a mainstream approach to responsible investment, and hence integrates ESG considerations at every stage of the investment process.

Fund of Funds' Investment Memos and Monitoring memos include a formal ESG-section.

For its Primary and Secondary Fund of funds activity, Ardian distinguishes between the pre-investment phase and the post-investment monitoring phase. While ESG due diligence is fully integrated into the Primary investment due diligence process, for Secondary fund of funds it is not always possible to get extrafinancial data during the due diligence phase; in those cases, monitoring practices become critical.

Ardian's Fund of Fund team has developed ESG monitoring tools. Those tools are used to formally assess GPs' ESG approaches and practices. They also contribute to encourage GPs to take ESG criteria into account. The tools consist of:

- a yearly ESG questionnaire.
- an in-house ESG-Screening framework that allows to rate GPs according to specific indicators. Those indicators are inspired by UNPRI and reflect Ardian's ESG-policy.

Ardian primarily invests in funds managed by GPs that benefit from a strong brand value and reputation, therefore which are often already concerned with RI considerations and more inclined to be active at integrating ESG considerations in their own investment practices; 54% of the funds in which it invests are managed by PRI signatories and/or members of the Private Equity Growth Capital Council.

In addition to this mainstream approach, Ardian applies a negative screening approach and strictly avoids investing in companies that operate in sectors it considers unethical, such as Cluster Bombs, Antipersonal Landmines and Tobacco.

<b>SAM 02</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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<b>SAM 02.1</b>	Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.
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Yes

No

<b>SAM 03</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>SAM 03.1</b>	Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring
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Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## Private equity (PE), property (PR) and infrastructure (INF) - non-listed assets

### Selection

<b>SAM 10</b>	Mandatory	Core Assessed	PRI 1-6
<b>SAM 10.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:		
	General		

	PE		
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>		
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input checked="" type="checkbox"/>		
Review the manager's responsible investment disclosure, including PRI reporting	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>		
Other general aspects in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment selection (pre-investment) of underlying holding

	PE		
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>		
Other pre-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment monitoring (post-investment) of underlying holding

	<b>PE</b>		
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>		
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>		
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input checked="" type="checkbox"/>		
Other post-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

## Monitoring

**SAM 12**

**Mandatory**

**Core Assessed**

**PRI 1-6**

**SAM 12.1**

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:

General

	PE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input checked="" type="checkbox"/>		
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" type="checkbox"/>		
Other general aspects of your monitoring, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment selection (pre-investment) of underlying holding

	PE		
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input checked="" type="checkbox"/>		
Other ways ESG issues are incorporated in the pre-investment process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

#### Investment monitoring (post-investment) of underlying holding

	PE		
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input checked="" type="checkbox"/>		
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>		
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>		
Other ways ESG issues are monitored in the post-investment process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

If you select any 'Other' option(s), specify

Ardian's yearly ESG monitoring and assessment survey

## Outputs and outcomes

<b>SAM 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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<b>SAM 14.1</b>	Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.
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%

54

## Communication

<b>SAM 16</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 6</b>
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<b>SAM 16.1</b>	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
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Yes, we disclose information publicly

provide URL

<http://www.ardian-investment.com/>



**SAM 16.2** Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

- Yes
- No

**SAM 16.3** Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

Information	Public	Clients/beneficiaries
How responsible investment considerations are included in manager selection, appointment and monitoring processes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Details of the responsible investment activities carried out by managers on your behalf	<input type="checkbox"/>	<input type="checkbox"/>
E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership	<input type="checkbox"/>	<input type="checkbox"/>
Other, specify below	<input type="checkbox"/>	<input type="checkbox"/>

- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries

**SAM 16.4** Additional information. [Optional]

Transparency and reporting on ESG policies and practices is of great importance for Ardian. Due to legal and confidentiality constraints, information reported to clients (LPs) it is not fully made public.

Annual Activity Reports to Investors include a formal dedicated ESG section that describes how ESG criteria are integrated in the funds' investment process.

Ardian has a team of 26 people dedicated to clients relations that, in connection with the CSR Officer and other teams, can respond to any specific demand related to ESG policies and practices.

For the general public, Ardian publishes an Annual Report that systematically includes information on ESG initiatives

Ardian

Reported Information

Public version

Direct – Private Equity

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## 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% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
(Leveraged) buy-out	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<div style="background-color: #cccccc; padding: 2px;">Other investment strategy, specify</div> Co-Investment	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
<b>Total</b>	<b>100%</b>

PE 02

Mandatory to Report Voluntary to Disclose

Peering

General

**PE 02.1**

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

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

**PE 02.2**

Additional information. [Optional]

Ardian always seeks to secure an ownership and governance model that favours alignment of interests between management performance and long-term shareholder value.

Ardian's direct investments comprise a wide range of funds that cover multiple asset classes attached to varying investment strategies. Shareholding and level of control necessarily differ between activities. In the Small and Mid Cap Buyout activities, teams target either active controlling or non-controlling stakes depending on the features of the companies. Ardian always secures adequate governance rights allowing investments professionals to participate to all major decisions of the company. In the Innovation& Growth activity, management teams and founders usually hold a majority stake; and in Co-investments deals, which usually involve both industrial and financial shareholders, Ardian has an active role but non-controlling interests.

It is critical for Ardian to seat on the Board of its portfolio companies in order to closely monitor progresses, provide adequate support and efficiently influence management's deployment of the firm's value creation strategy. In its direct activity, Ardian seats on 72 portfolio companies.

**PE 03**

Voluntary

Descriptive

PRI 1-6

<b>PE 03.1</b>	Provide a brief overview of your organisation's approach to responsible investment in private equity.
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The integration of ESG factors into operations has always been of key importance to Ardian's CEO and Board Members. The firm has formalised a "mainstream approach" that integrates ESG at every stage of the investment process, and whereby each investment professional is responsible for including ESG considerations within its sphere of activity.

The list of ESG criteria teams take into account is not defined a priori - it varies depending on size, operational specifics and sectors in which the companies operate.

In connection with environmental aspects, Ardian's teams pay particular attention to energy consumption, industrial waste processing, management of pollution risks and safety policies.

In connection with social aspects, Ardian's teams pay particular attention to management of human resources, safety, and compensation policy.

In connection with aspects of governance, Ardian's teams pay close attention to the functioning of governance bodies: when a dual structure does not exist it strives to implement it, in the form of an Executive Board and a Supervisory Board, on which external qualified members sit. Ardian systematically strives to secure a seat on the Supervisory Board. As far as possible Ardian's team always attempts to create Remuneration Committees and Audit Committees when these structures do not yet exist, in a bid to boost transparency policies. Furthermore, Ardian's teams also pay close attention to the company's relations with its external partners, such as its suppliers's policy.

In addition to this mainstream approach, Ardian also applies a negative screening approach and strictly avoids investing in companies that operates in sectors it considers unethical, such as Cluster Bombs, Antipersonal Landmines and Tobacco.

<b>PE 04</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>PE 04.1</b>	Indicate if your organisation's investment guidelines for private equity refer to responsible investment.
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- Our investment guidelines do refer to responsible investment
- Our investment guidelines do not refer to responsible investment
- We do not have investment guidelines

## Fundraising of private equity funds

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

**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]

Placement documents referring to responsible investment focus on implementation of ESG throughout the investment process. Typically, fund's PPM indicates that teams shall consider ESG criteria in their due diligence efforts. Then, at the time of the investment, it refers to the importance of installing best-practice corporate governance, such as a Supervisory Board and a Board of Directors (or comparable structures). The fund's PPM recommends that the fund be represented on portfolio companies's Supervisory Board and that the Supervisory Board opens to qualified external board members. When appropriate, specific committees shall be set up to deal with accounting audit, management remuneration, or strategic issues. During the ownership period, the PPM states that the funds commits to actively monitor the implementation of value creation drivers, including ESG-related drivers. The monitoring process shall rely on monthly internal meetings to discuss deal flow, share information on portfolio, challenge the different project teams on the performance of portfolio companies and discuss specific topics, among which ESG-related issues. The fund's PPM also refers to extra-financial reviews to follow achievements and identify opportunities for improvement.

No

<b>PE 06</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 4</b>
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<b>PE 06.1</b>	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment when requested by clients.
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- We always make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a majority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a minority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- Our clients do not request us to make formal commitments to responsible investment in private equity

**Pre-investment (selection)**

<b>PE 07</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1</b>
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<b>PE 07.1</b>	Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
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- Yes

<b>PE 07.2</b>	Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]
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**During the pre-due diligence phase:**

Preliminary screening ensures that the prospect company does not operate in sectors which are deemed to be unethical and are therefore banned. Due diligence is discontinued immediately in the case of companies operating in banned sectors.

**During the due-diligence phase:**

Due diligence systematically includes extensive informal dialogue with management teams and on the field visits that, among other considerations, aim at assessing ESG-related issues.

Depending on the area of business and initial discussions with management, the investment team decides to appoint external consultants to carry out additional environmental and/or social audits where necessary.

**The Investment decision:**

The investment memorandums presented at the Investment Committee include an ESG section setting out the main risks, opportunities and recommendations in connection with the company's ESG issues. To produce these memorandums the teams use the data collected and the analysis performed during the due diligence phase, from all sources (external consultants, documents supplied by the company and informal discussions with management). The teams issue a performance rating from 1 - 4 for each of the three parameters (environment, social and governance). The company's level of ESG performance is factored into the final investment decision. Depending on the materiality of ESG risks identified in the due diligence phase, corrective actions may be embedded into a post-acquisition plan as appropriate.

No

<b>PE 08</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<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
--	--------------

**Investment Team**

- External resources
  - Environmental advisors
  - Social advisors
  - Corporate governance advisors
  - Regulatory and/or legal advisors
  - Other, specify type of advisors/roles
- No use of internal or external advice on ESG issues



PE 09	Mandatory	Core Assessed	PRI 1,3
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**PE 09.1** Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.

**ESG issues**

- Environmental

List up to three typical examples of environmental issues

Water and Energy consumption practices/policy.

Waste management practices/policies.

Pollution risks

- Social

List up to three typical examples of social issues

Health and Security.

Training and career development.

Alignment of interests and compensation practices/policy (incentives, profit sharing schemes, etc.).

- Governance

List up to three typical examples of governance issues

Presence of independent Board members at Supervisory Board.

Presence of Compensation and Audit Committees.

Employee shareholding policy and proportion of employees holding the company's capital.

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

- Raw data from target company
- Benchmarks against other companies
- Sector level data/benchmarks
- Country level data/benchmarks
- Reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Engagements with stakeholders (e.g. customers and suppliers)
- Advice from external resources
- Other, specify
- We do not track this information

PE 11	Voluntary	Additional Assessed	PRI 1,2
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<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.
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Yes

<b>PE 11.2</b>	Describe the nature of these improvements and their ESG coverage.
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During deal structuring, Ardian seeks to establish conditions that will improve management of ESG-related issues. Some of the most relevant ESG-related recommendations stressed during due diligence are put into practice through shareholders' agreements, control schemes and asset management processes. They may address governance structure's adjustments to secure avoidance of potential conflict of interests. Ardian always favours the establishment of a dual governance model with a Board of Directors and a Supervisory Board in which qualified external members seat, as well as the creation of Remuneration and Audit Committees in a bid to boost transparency policies. ESG-related considerations may also refer to compensation policy, to the quality of health and security management systems, or to the strengthening of security processes to circumvent pollution risks.

No

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

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

<b>PE 13</b>	Mandatory	Gateway/Core Assessed	PRI 2
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<b>PE 13.1</b>	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

Water and Energy consumption practices/policy.  
Waste management practices/policies.  
Pollution risks.

- Social

List up to three example targets of social issues

Health and Security.  
Training and career development  
Alignment of interests and compensation practices/policy (incentives, profit sharing schemes, etc.).

- Governance

List up to three example targets of governance issues

Presence of independent Board members at Supervisory Board.  
Presence of Compensation and Audit Committees.  
Employee shareholding policy and proportion of employees holding the company's capital.

- We do not set and/or monitor against targets

- No

<b>PE 13.4</b>	Additional information. [Optional]
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At the beginning of the holding period, Ardian's teams define a post-acquisition plan which, when appropriate, includes ESG-related initiatives. Throughout the holding period, teams monitor companies' ESG criteria as part of normal supervision of corporate holdings. Such monitoring relies on ongoing dialogue with portfolio management and regular reports. Ardian regularly performs ESG reviews which analyses and recommendations serve as a basis for the deployment of targeted initiatives. In the case of companies for which successive audits have been conducted, Ardian's teams use a number of KPIs (Key Performance Indicators) to monitor improvements in their ESG performances.

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

<b>PE 14.2</b>	Indicate what percentage of your portfolio companies has an ESG/sustainability policy (or similar guidelines).
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- >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

<b>PE 15</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>PE 15.1</b>	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.
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**Types of actions taken by portfolio companies**

Allocate responsibility for ESG issues to board/senior management

**Implemented by percentage of portfolio companies**

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

(in terms of total number of portfolio companies)

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

**Implemented by percentage of portfolio companies**

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

(in terms of total number of portfolio companies)

- Define performance targets for applicable ESG issues in operations
- 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.
----------------	---

Ardian's teams contribute to the portfolio's management of ESG issues through ongoing dialogue with portfolio managers and regular reports. Ardian also mandates external consultants to regularly perform reviews on portfolio companies.

PE 16	Voluntary	Descriptive	PRI 2,3
<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
- Standalone reports highlighting targets and/or KPIs covering ESG issues

**Typical reporting frequency**

- Quarterly or more frequent
- Semi annually
- Annually
- Every two years or less
- Ad-hoc, specify
- Other, specify
- No reporting on ESG issues requested and/or provided by portfolio companies

<b>PE 16.2</b>	<b>Additional information.</b>
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In addition to annual company reports, as a base for every monthly investment meeting, the companies' management teams prepare a Monthly Report. Next to the traditional financial update, this document includes business-related information as well as ESG-related information when appropriate.

Depending on the company, Monthly Reports may focus on the development of "green products", on its R&D strategy, on investments to strengthen environment-friendly industrial processes, on the hiring of CSR executives, on turnover figures, on Health & Safety policy, etc.

The company's management teams also prepare a Quarterly Report that serves as a base for the Supervisory Board's meetings. Next to the traditional financial update, this document also includes business-related information as well as ESG-related information when appropriate.

Investment teams may also refer to Corporate Responsibility Reports (or similar documents) whenever companies publish them.

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

<b>PE 17.2</b>	<b>Apart from disclosure, describe how your organisation considers ESG issues at exit.</b>
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In divestment operations, Ardian's teams focus systematically on the company's long-term interests. The potential impact of the operation on ESG issues is assessed in the evaluation of offers made by buyers, in addition to financial considerations. Among other considerations, Ardian's teams concentrate particularly on social issues, employment and human resources. As a general rule, exit processes are planned and implemented in agreement with management at the companies. Ardian strives whenever possible to implement profit sharing schemes whereby value created at exit is shared with employees.

As an attempt to further embed ESG consideration in divestment process, Ardian has started mandating specialized consultants to perform ESG analysis as part of the vendors due diligence.

## Outputs and outcomes

<b>PE 18</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1,2</b>
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**PE 18.1** 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

**PE 18.3** Describe the measures your organisation uses to assess the impact of your activities on your private equity investments' ESG performance.

ESG reviews allow Ardian's teams to assess the impact of their activities and engagement practices on portfolio companies' ESG performance. In the case of companies for which successive ESG reviews have been conducted, Ardian's teams use a number of KPIs (Key Performance Indicators) to monitor improvements in their ESG performances.

- We do not measure changes in ESG performance

**PE 19** Voluntary Descriptive **PRI 1,3**

**PE 19.1** Provide examples of ESG issues that affected your private equity investments during the reporting year.

Add Example 1

ESG issues	Social
Sector(s) of the investment affected	High technology
Impact (or potential impact) on the investment	Social risks, competitiveness (quality and productivity)
Activities undertaken to influence the investment and its response	Upgrade of the health& safety policy and of the training program resulting in lower accident rate and greater employees satisfaction rates.

Add Example 2

ESG issues	Social
Sector(s) of the investment affected	Industry
Impact (or potential impact) on investment	Employees' satisfaction and commitment.
Activities undertaken to influence the investment and its response	Value created at the exit was shared with all employees

Add Example 3

ESG issues	Environment
Sector(s) of the investment affected	Medical
Impact (or potential impact) on investment	Weak environmental standards affecting the long term development of the firm.
Activities undertaken to influence the investment and its response	Investments were made to upgrade the environmental standards of two production sites

Add Example 4

ESG issues	Environment
Sector(s) of the investment affected	Industry
Impact (or potential impact) on investment	Operational and reputation risks due to negative impact on the environment
Activities undertaken to influence the investment and its response	Moved towards ISO 14001 accreditation

Add Example 5



ESG issues	Social
Sector(s) of the investment affected	Industry
Impact (or potential impact) on investment	Employees' satisfaction and commitment. Attractiveness and long term development of the firm.
Activities undertaken to influence the investment and its response	Deployment of a workforce management plan of action leading to increase the proportion of women at executive positions, disability employment, and senior employment

## Communication

PE 20	Mandatory	Core Assessed	PRI 6
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**PE 20.1** Indicate whether your organisation proactively discloses ESG information on your private equity investments.

Disclose publicly

provide URL

<http://www.ardian-investment.com/>

**PE 20.2** Indicate whether the type of ESG information you proactively provide to the public is the same as that you provide to your clients (LPs)/beneficiaries.

Yes

No

**PE 20.3** Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients (LPs)/beneficiaries.

Public	Clients (LPs)/beneficiaries
<input type="checkbox"/> ESG information in relation to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relation to our post-investment monitoring and ownership activities <input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other, specify	<input checked="" type="checkbox"/> ESG information in relation to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relation to our post-investment monitoring and ownership activities <input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other, specify

<b>PE 20.4</b>	Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients (LPs)/beneficiaries.
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Public	Clients (LPs)/Beneficiaries
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Semi annually <input checked="" type="radio"/> Annually <input type="radio"/> Every two years or less frequently <input type="radio"/> Ad-hoc, specify	<input type="radio"/> Quarterly or more frequently <input checked="" type="radio"/> Semi annually <input type="radio"/> Annually <input type="radio"/> Every two years or less frequently <input type="radio"/> Ad-hoc, specify

<b>PE 20.5</b>	Describe the ESG information and how your organisation proactively discloses it to the public and/or clients (LPs)/beneficiaries. [Optional]
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Transparency and reporting on ESG policies and practices is of great importance to Ardian. Due to legal and confidentiality constraints, information reported to clients (LPs) it is not fully made public.

Annual and Semi-Annual Activity Reports to Investors include a formal dedicated ESG section that describes how ESG considerations are integrated in the funds' investment and monitoring processes.

Ardian has a team of 26 people dedicated to clients relations that, in connection with the CSR Officer and other teams, can respond to any specific demand related to ESG policies and practices.

For the general public, Ardian publishes an Annual Report that systematically includes information on ESG initiatives and its website has an ESG section.

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

# Ardian

## 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% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Debt investments	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
<b>Total</b>	<b>100%</b>

INF 01.2

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

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

INF 01.3

Additional information. [Optional]

Ardian always seeks to secure an ownership and governance model that favours alignment of interests between management performance and long term shareholder value. For its Infrastructure deals, which usually involve both industrial and financial shareholders, Ardian has an active role but often non-controlling interests. It is critical for Ardian to seat on the Board of its portfolio companies in order to closely monitor progresses, provide adequate support and efficiently influence management's deployment of the firm's value creation strategy. In its direct activity, Ardian seats on 72 portfolio companies

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

**INF 03**

Voluntary

Descriptive

General

**INF 03.1**

Indicate up to three of your largest infrastructure sectors by AUM.

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

INF 04	Voluntary	Descriptive	PRI 1-6
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**INF 04.1**

Provide a brief overview of your organisation's approach to responsible investment in infrastructure where you have equity stakes.

The integration of ESG factors into operations has always been of key importance to Ardian's CEO and Board Members. The firm has formalised a "mainstream approach" that integrates ESG at every stage of the investment process, and whereby each investment professional is responsible for including ESG considerations within its sphere of activity.

The list of ESG criteria teams take into account is not defined a priori - it varies depending on size, operational specifics and sectors in which the companies operate.

- In connection with environmental aspects, Ardian's teams pay particular attention to energy consumption, industrial waste processing, management of pollution risks and safety policies.
- In connection with social aspects, Ardian's teams pay particular attention to management of human resources, safety, and compensation policy.
- In connection with aspects of governance, Ardian's teams pay close attention to the functioning of governance bodies: when a dual structure does not exist it strives to implement it, in the form of an Executive Board and a Supervisory Board, on which external qualified members sit. Ardian systematically strives to secure a seat on the Supervisory Board. As far as possible Ardian's teams always attempt to create Remuneration Committees and Audit Committees when these structures do not yet exist, in a bid to boost transparency policies. Furthermore, Ardian's teams also pay close attention to the company's relations with its external partners, such as its suppliers' policy.

In addition to this mainstream approach, Ardian also applies a negative screening approach and strictly avoids investing in companies that operate in sectors it considers unethical, in particular Cluster Bombs, Antipersonal Landmines and Tobacco.

**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.ardian-investment.com/>

No

## Fundraising of infrastructure funds

**INF 06****Mandatory****Core Assessed****PRI  
1,4,6**

<b>INF 06.1</b>	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
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- Yes
- No

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

### Pre-investment (selection)

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



<b>INF 08.2</b>	Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]
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**During the pre-due diligence phase :**

Preliminary screening ensures that the prospect company does not operate in sectors which are deemed to be unethical and are therefore banned. Due diligence is discontinued immediately in the case of companies operating in banned sectors.

**During the due diligence phase :**

Due diligence systematically includes extensive informal dialogue with management teams and on the field visits that, among other considerations, aim at assessing ESG-related issues. Depending on the area of business and initial discussions with management, the investment team decides to appoint external consultants to carry out additional environmental and/or social audits where necessary.

**The Investment decision :**

The investment memorandums presented at the Investment Committee include an ESG section setting out the main risks, opportunities and recommendations in connection with the company's ESG issues. To produce these memorandums the teams use the data collected and the analysis performed during the due diligence phase, from all sources (external consultants, documents supplied by the company and informal discussions with management). The teams issue a performance rating from 1 - 4 for each of the three parameters (environment, social and governance). The company's level of ESG performance is factored into the final investment decision. Depending on the materiality of ESG risks identified in the due diligence phase, corrective actions may be embedded into a post-acquisition plan when appropriate.

No

<b>INF 09</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1,4</b>
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<b>INF 09.1</b>	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.
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- Internal staff
  - Specify role
    - Investment team**
    - Specify role
    - Specify role
- 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>INF 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
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**INF 10.1**

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

**ESG issues**

Environmental

List up to three typical examples of environmental issues

Water and Energy consumption practices/policy.

Waste management practices/policies.

Pollution risks.

Social

List up to three typical examples of social issues

Health and Security.

Training and career development.

Alignment of interests and compensation practices/policy (incentives, profit sharing schemes, etc.).

Governance

List up to three typical examples of governance issues

Presence of independent Board members at Supervisory Board.

Presence of Compensation and Audit Committees.

Employee shareholding policy and proportion of employees holding the company's capital.

**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**

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

## Post-investment (monitoring and active ownership)

### Overview

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

<b>INF 14.2</b>	Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.
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- 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

<b>INF 14.3</b>	Describe how your organisation, and/or operators, considers ESG issues in post-investment activities related to your infrastructure investments. [Optional]
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At the beginning of the holding period, Ardian's teams define a post-acquisition plan which, when appropriate, includes ESG-related initiatives. Throughout the holding period, team monitor companies' ESG criteria as part of normal supervision of corporate holdings. Such monitoring relies on ongoing dialogue with portfolio management and regular reports. Ardian performs ESG reviews which analyses and recommendations serve as a basis for the deployment of targeted initiatives.

No

## Infrastructure monitoring and operations

<b>INF 15</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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**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

Water and Energy consumption practices/policy.  
 Waste management practices/policies.  
 Pollution risks.

Social

List up to three example targets per issue

Health and Security.  
 Training and career development.  
 Alignment of interests and compensation practices/policy (incentives, profit sharing schemes, etc.).

Governance

List up to three example targets per issue

Presence of independent Board members at Supervisory Board.  
 Presence of Compensation and Audit Committees.  
 Employee shareholding policy and proportion of employees holding the company's capital.

We do not set and/or monitor against targets

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

Yes

**INF 16.2**

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

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

(in terms of number of infrastructure investees)

**INF 16.3**

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

Ardian's teams contribute to the portfolio's management of ESG issues through ongoing dialogue with portfolio managers and regular reports. Ardian also mandates external consultants to perform ESG reviews on portfolio companies.

No

<b>INF 17</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2,3</b>
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**INF 17.1**

Indicate the type and frequency of reports you request and/or receive from infrastructure investees covering ESG issues.

Type of reporting

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

Typical reporting frequency

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

Typical reporting frequency

- Quarterly or more frequent
- Semi annually
- Annually
- Every two years or less
- Ad-hoc, specify
- Other, specify
- No reporting on ESG issues requested and/or provided by infrastructure investees

**Infrastructure maintenance**

<b>INF 18</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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**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)

**Stakeholder engagement**

<b>INF 19</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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**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

Portfolio companies' employees

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

Portfolio companies' business partners

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)

**Outputs and outcomes**

INF 21	Voluntary	Descriptive	PRI 1,3
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INF 21.1	Provide examples of ESG issues that affected your infrastructure investments during the reporting year.
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Add Example 1

ESG issue	Environment
Types of infrastructure affected	Wind farm
Impact (or potential impact) on investment	Reputation risks due to potential negative impact on the environment. Long term and sustainable development of the firm.
Activities undertaken to influence the investment and the outcomes	Ongoing biodiversity impact studies (flora and fauna).

Add Example 2

ESG issue	Social
Types of infrastructure affected	Renewable energy
Impact (or potential impact) on investment	Employees' satisfaction and commitment. Attractiveness and long term development of the firm.
Activities undertaken to influence the investment and the outcomes	Implementation of an employees' incentive program.

Add Example 3

ESG issue	Social
Types of infrastructure affected	Gas
Impact (or potential impact) on investment	Employees' satisfaction and commitment. Attractiveness and long term development of the firm.
Activities undertaken to influence the investment and the outcomes	Implementation of an employees' incentive program.

Add Example 4



ESG issue	Change in regulation
Types of infrastructure affected	Solar energy
Impact (or potential impact) on investment	Business risks
Activities undertaken to influence the investment and the outcomes	Negotiation of an adjustment mechanism protecting the Fund against decrease in subsidies

Add Example 5

ESG issue	Communities
Types of infrastructure affected	Wind farm
Impact (or potential impact) on investment	Image and reputation
Activities undertaken to influence the investment and the outcomes	Launch of a collaborative program with local communities and schools centred around field visits.

## Communication

**INF 22**

**Mandatory**

**Core Assessed**

**PRI 6**

**INF 22.1**

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

Disclose publicly

please provide URL

<http://www.ardian-investment.com/>

**INF 22.2**

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

Yes

No

**INF 22.3**

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

Public	Clients/beneficiaries
<input type="checkbox"/> ESG information on how you select infrastructure investments <input checked="" type="checkbox"/> ESG information on how you monitor and manage infrastructure investments <input checked="" type="checkbox"/> Information on your infrastructure investments' ESG performance <input type="checkbox"/> Other; specify	<input checked="" type="checkbox"/> ESG information on how you select infrastructure investments <input checked="" type="checkbox"/> ESG information on how you monitor and manage infrastructure investments <input checked="" type="checkbox"/> Information on your infrastructure investments' ESG performance <input type="checkbox"/> Other; specify

**INF 22.4** Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

Public	Clients/Beneficiaries
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Semi annually <input checked="" type="radio"/> Annually <input type="radio"/> Every two years or less frequently <input type="radio"/> Ad-hoc; specify	<input type="radio"/> Quarterly or more frequently <input type="radio"/> Semi annually <input checked="" type="radio"/> Annually <input type="radio"/> Every two years or less frequently <input type="radio"/> Ad-hoc; specify

**INF 22.5** Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

Transparency and reporting on ESG policies and practices is of great importance to Ardian. Due to legal and confidentiality constraints, information reported to clients (LPs) it is not fully made public. Annual and Semi-Annual Activity Reports to Investors include a formal dedicated ESG section that describes how ESG considerations are integrated in the funds' investment and monitoring processes. Ardian has a team of 26 people dedicated to clients relations that, in connection with the CSR Officer and other teams, can respond to any specific demand related to ESG policies and practices. For the general public, Ardian publishes an Annual Report that systematically includes information on ESG initiatives and its website has an ESG section.

- Disclose to clients/beneficiaries only
- No proactive disclosure to the public or to clients/beneficiaries