



LEA 02	Disclosures	Monetary	Gateway	Principle PRI 1,2,3
<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.</p> <p>The company's ESG performance is disclosed in its annual report, which is available on the company's website. The company also provides information on its ESG performance to its investors through various channels, including investor briefings, analyst briefings and other investor events.</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"> <input checked="" type="checkbox"/> To support investment decision-making in & company's material ESG areas <input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or other support <input type="checkbox"/> To support investment decision-making in & company's material ESG areas <input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support <input type="checkbox"/> We do not engage in internal staff <input type="checkbox"/> To support investment decision-making in & company's material ESG areas <input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decision-making in & company's material ESG areas <input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support <input type="checkbox"/> We do not engage in service provider engagements <input type="checkbox"/> To support investment decision-making in & company's material ESG areas <input type="checkbox"/> To encourage corporate transition or identify the need for additional or other support

RI TRANSPARENCY REPORT

2013/14

EQT

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	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
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	-	n/a							✓
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	-	n/a	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

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

EQT

Reported Information

Public version

Organisational Overview

PRI disclaimer

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

Basic Information

OO 01	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

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

Other, specify

Execution and advisory only services

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

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

Sweden

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

1

2-5

6-10

>10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

300

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		15	200	000	000
Currency	EUR				
Assets in USD		20	021	350	155

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 04.4 Additional information. [Optional]

Total AUM has been defined as a) total fund commitments for active funds still investing in new opportunities and b) for funds with closed commitment period, the sum of (i) remaining investment cost and (ii) remaining commitments to support existing portfolio companies.

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	5	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	5	0
Private equity	70	0
Property	0	0

Infrastructure	20	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 06.2 Additional information. [Optional]

Percentage breakdown of AUM has been rounded to the nearest 5%.

OO 08 Mandatory to Report Voluntary to Disclose Peering General

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

Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <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

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.

EQT is the leading private equity group in Northern Europe with approximately EUR 22 billion in raised capital from over 300 global institutional and professional investors since inception. Today, EQT funds' own portfolio companies in Northern and Eastern Europe, Asia and the US with total sales of more than EUR 25 billion and over 500,000 employees.

EQT invests in good companies across the world with a mission to help them develop into great and sustainable companies. By providing access to ownership skills and operational expertise, EQT can help acquired companies grow and prosper, both under the EQT funds' ownership and with future owners. EQT has four investment strategies - Equity, Mid Market, Infrastructure and Credit - guided by a responsible ownership approach and an industrial growth strategy.

EQT applies a transparent corporate governance model with clear roles and responsibilities. EQT's corporate governance model, which has its roots in the Nordic culture, has been an integral part of EQT's strategy since inception and has been continually refined over almost 20 years. Once a new portfolio company is acquired, EQT appoints a board of directors with a chairman, generally an independent Industrial Advisor from EQT's Industrial Network, supported by other sector/industry specialists from EQT's Industrial Network and an investment advisory partner. The board of directors defines and monitors strategic plans in the portfolio company and ensures that management receives the relevant support and resources to run the company in an efficient, responsible and accountable manner. Portfolio companies are also monitored by around 120 investment advisory professionals from EQT Partners, the exclusive investment advisor to the general partners and managers of the EQT funds.

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
-------	-----------	---------	---------

OO 10.1

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We incorporate ESG issues into investment decisions on our internally managed assets
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

OO 10.2

Indicate if your combined internally and externally managed listed equities are 10% or more of your total AUM.

- Yes, our total listed equities are 10% or more of our total AUM
- No, our total listed equities are less than 10% of our total AUM

OO 10.3 Additional information. [Optional]

EQT funds do not typically make investments in listed equities, but may under certain circumstances, such as during an entry via a public to private transaction or as a step towards an exit via an initial public offering, own listed equities for a limited period of time. EQT's approach to responsible investment, as described in the Responsible Investment Policy for EQT, is applicable to both listed and non-listed investments.

OO 11 **Mandatory** **Gateway** **General**

OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

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

OO 12 **Mandatory** **Gateway** **General**

OO 12.1 The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.

Core modules

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

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements

Direct - Other asset classes with dedicated modules

- Private Equity
- Infrastructure

Closing module

Closing module

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

OO 12.2 Additional information. [Optional]

Please refer to the "Overarching Approach" module and indicator OA 15.1 for additional information.

EQT

Reported Information

Public version

Overarching Approach

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.

Responsible investment policy

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

OA 01.1 Indicate if you have a responsible investment policy.

- Yes
 No

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

- Yes
 No

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

EQT's mission is to support the development of portfolio companies to build long-term sustainable value and generate attractive risk adjusted returns for investors. As a significant owner, EQT believes it also has a responsibility towards society to influence portfolio companies to act in a socially responsible manner. EQT is convinced that the best interests of the investors are aligned with those of the companies that the EQT funds own, their customers, their employees and the communities in which they operate. Therefore, while remaining resolutely commercial, EQT always aims to act in a socially responsible manner.

To reflect this, EQT has adopted a Responsible Investment Policy ("RI Policy") according to which EQT undertakes to a) act at all times as a responsible owner promoting appropriate environmental, labor and human rights and ethical standards ("RI Factors") in portfolio companies; and b) when assessing potential investments, to consider RI Factors as part of its due diligence. The RI Policy explicitly gives the boards of directors of EQT's portfolio companies the mandate to define, address and monitor relevant RI Factors during the EQT funds' ownership period and sets a requirement that the board of every portfolio company discusses their company's compliance with RI Factors at least once a year. Those EQT funds which do not typically have control or co-control have adapted an appropriate governance model and their influence on RI Factors may be more limited.

The RI Policy for EQT was adopted in March 2010 to further articulate and formalize what was already implicitly part of both EQT's investment process and ownership model. The most recent version of the RI Policy was released in April 2012 following EQT's decision to manage future funds onshore. A review of the RI Policy is conducted on a yearly basis by EQT's RI Working Group in liaison with the EQT Executive Committee. Any changes to the RI Policy require the approval of the boards of directors of EQT as well as the general partners and managers of the EQT funds.

OA 02	Mandatory	Core Assessed	PRI 6
-------	-----------	---------------	-------

OA 02.1 | Indicate if your responsible investment policy is publicly available.

Yes

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

URL

<http://www.eqt.se/Responsibility/Responsible-Investment-Policy/>

No

OA 02.3 | Indicate if your other policies or guidance documents related to responsible investment are publicly available.

Yes

No

OA 02.5 | Additional information. [Optional]

EQT applies an integrated approach to responsible investment. Hence, the consideration of environmental, social and governance ("ESG") factors, either explicitly or implicitly, permeates all relevant EQT policies or guidance documents such as EQT's Code of Business Conduct, fund procedures manuals, fund investment advisory agreements, investment recommendation and portfolio company periodic review templates, appraisal systems, etc. These documents are often of a commercially sensitive nature and therefore not publicly disclosed.

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 type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2 Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

Those EQT funds which do not typically have control or co-control have adapted an appropriate governance model and their influence on RI Factors may be limited. For more information on how EQT predominantly applies its RI Policy in these situations, please see the response to indicator OA 15.1.

OA 04 **Mandatory** **Core Assessed** **General**

OA 04.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

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

EQT is deeply committed to avoiding conflicts of interest and there are clear policies in place to mitigate any potential conflict that may arise during the course of business. Furthermore, each EQT fund has a clearly differentiated investment strategy and its own investor/limited partner advisory committee to whom conflict questions are presented. Finally, EQT has established a committee to carefully consider any potential conflicts that may arise and which EQT is unable to resolve on its own.

No

Objectives and strategies

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

OA 05.1 | Indicate if your organisation sets objectives for its responsible investment activities.

Yes

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

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

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

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

OA 06	Voluntary	Descriptive	General
-------	-----------	-------------	---------

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	Analysis of RI Factors included in 100% of applicable investment recommendation materials
Key performance indicators	% of applicable investment recommendations
Describe the progress achieved	≥85%

Add responsible investment objective 2

Objective 2	RI Factors raised in 100% of applicable portfolio company boards of directors
Key performance indicators	% of applicable portfolio company boards of directors
Describe the progress achieved	≥85%

Add responsible investment objective 3

Objective 3	100% of applicable portfolio companies to have a CSR/sustainability-related code or policy (or similar guidelines)
Key performance indicators	% of applicable portfolio companies
Describe the progress achieved	≥95%

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	Analysis of RI Factors included in 100% of applicable investment recommendation materials
Key performance indicators	% of applicable investment recommendations

Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	RI Factors raised in 100% of applicable portfolio company boards of directors
Key performance indicators	% of applicable portfolio company boards of directors

Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	100% of applicable portfolio companies to have a CSR/sustainability-related code or policy (or similar guidelines)
Key performance indicators	% of applicable portfolio companies

OA 06.3 Additional information.

In addition to the responsible investment objectives described in indicators OA 06.1 and OA 06.2 above, which were set at the time of adoption of the RI Policy for EQT in 2010, EQT continuously strives to improve the depth and quality of its RI analysis and ongoing monitoring of RI Factors within the EQT funds' portfolio companies. This is achieved through various activities such as raising RI awareness during EQT conferences and offering RI training for employees.

Governance and human resources

OA 07	Voluntary	Descriptive	General
-------	-----------	-------------	---------

OA 07.1	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.
---------	---

An essential part of EQT's value creation model is the governance and management structure that is put in place for each portfolio company. The EQT funds usually make control and co-control equity investments in portfolio companies. This allows EQT to put in place a governance framework and structure that enable alignment of interests of the portfolio company management with the interests of EQT. This framework inherently provides the EQT funds with the ability to exercise its ownership and to assist, primarily through a board of directors which is appointed by EQT, portfolio companies as they address ESG factors. The board of directors of each of EQT's portfolio companies is responsible for defining strategy and policies, and EQT expects their role to include the setting of sound environmental, labor and human rights and ethical standards. The RI Policy explicitly gives the board of directors of every portfolio company the mandate to define, address and monitor relevant RI Factors and it is required that the board of directors discusses its company's compliance with RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board.

The general partners and managers of the EQT funds have engaged its exclusive investment advisor, EQT Partners, to support EQT in the evaluation and monitoring of RI Factors in accordance with the RI Governance model as described in the RI Policy for EQT. It is the EQT Partners investment advisory teams' responsibility to make sure that RI Factors are considered and assessed during investment screening and due diligence. EQT typically engages third party experts during the investment process including, when necessary, but not limited to commercial, legal, technical and environmental advisors and the investment advisory teams should ensure that any due diligence advisor involved is aware of EQT's RI Policy. The outcome of the RI analysis will be documented in the investment recommendation materials presented, enabling the EQT funds' boards of directors to take RI Factors into account when making investment decisions. It is also the investment advisory teams' responsibility to assist the respective general partners and managers of the EQT funds with monitoring and evaluation of RI Factors during the funds' ownership period. As such, the investment advisory teams should ensure that the EQT portfolio companies' boards of directors and management are aware of EQT's RI Policy and hence, can comply with its standards.

To further support the organization in these processes, EQT has established a RI Working Group consisting of the responsible Partner, the Responsible Investment Director, a Legal Manager and a rotating Associate. The RI Working Group promotes RI awareness internally, follows up on the EQT RI Policy as well as engages with external stakeholders on RI/ESG matters. The RI Working Group reports to the EQT Executive Committee once a year or when needed, and semi-annually to the respective general partners and managers of the EQT funds.

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
 - EQT Executive Committee**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - 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
 - Legal & Compliance**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify

OA 08.2

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

Number

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

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

Actively engaged in the Infrastructure and Private Equity Implementation Support work streams, more specifically the Infrastructure Best Practice Working Group and the ESG in PE Due Diligence/GP Guide Working Group.

- 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

European Private Equity and Venture Capital Association (EVCA)

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

- Basic
- Moderate
- Advanced

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

Active member of the EVCA with a representative on the EVCA Professional Standards Committee and EVCA Responsible Investment Roundtable (Chair since January 2013). Specific activities and engagements during 2013 include review of the EVCA Handbook of Professional Standards for the Private Equity and Venture Capital Industry, participation in the creation of the ESG Disclosure Framework for Private Equity, running the EVCA Academy Integrating Responsible Investment course, etc.

- Other collaborative organisation/initiative, specify

National Private Equity and Venture Capital Associations, e.g. SVCA (Sweden), NVCA (Norway), etc.

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

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]

EQT is a strong promoter of responsible investment practices and increased transparency in the private equity industry. In June 2013, EQT took a lead in moving towards increased transparency and accountability by implementing a new corporate structure. Going forward, operations and investments in general partners will be brought together under EQT Holdings AB, a company based in Stockholm, Sweden. During the year, EQT also spoke at a number of events including the EVCA Responsible Investment Summit in Brussels (January) and SuperInvestor in Paris (November) addressing good corporate governance, responsible ownership and transparency. Moreover, EQT's RI Working Group frequently engages in bilateral discussions with investors, peers and advisors, sharing views regarding the implementation of responsible investment principles and practices as well as helps organize and/or participates in various conferences and seminars related to RI/ESG matters. EQT is a sponsor of the Research Institute of Industrial Economics ("IFN") and Centre for Business and Policy Studies ("SNS") and their joint research program, "From Welfare State to Welfare Society", which studies how the Swedish system for the production of welfare services can be improved. All of these activities seek to promote awareness and greater effectiveness in implementing responsible investment practices within the private equity and financial industry and society.

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

OA 12.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.
----------------	---

- Yes
 - Yes, individually
 - Yes, in collaboration with others

OA 12.2	Select the methods you have used.
----------------	-----------------------------------

- 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

OA 12.3	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
----------------	--

- Yes, publicly available
 - No
- No

ESG issues in asset allocation

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

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

- Yes

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

EQT invests in companies, sectors and regions where there is an opportunity to make a genuine difference through a consistent application of an industrial approach, access to specialist expertise and a strategy geared towards growth and development. The ownership mission is to invest to create strong and sustainable businesses, bringing great companies to future owners. This investment approach requires strong acceptance by all stakeholders. Since inception, EQT has had a "local with locals" mindset and always pursued a strong local presence to be able to thoroughly analyze companies, their value chains and the markets in which they operate. When evaluating new business opportunities, EQT considers various factors, including ESG issues, to avoid markets or sectors with for example expected high technology, commodity or political risks.

- No

Asset class implementation not reported in other modules

OA 15	Voluntary	Descriptive	General
-------	-----------	-------------	---------

OA 15.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
---------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - ESG incorporation	EQT funds do not typically make investments in listed equities, but may under certain circumstances, such as during an entry via a public to private transaction or as a step towards an exit via an initial public offering, own listed equities for a limited period of time. EQT's approach to responsible investment, as described in the RI Policy for EQT, is applicable to both listed and non-listed investments.
Listed equities - engagement	Please see the response above.
Private debt	The EQT Credit funds do not typically have control or co-control and are thus usually neither able to appoint the board of directors nor able to influence the board of directors during ordinary course of business. The EQT Credit funds' influence on RI Factors is thus typically more limited. Nonetheless, EQT considers and identifies performance on relevant RI Factors as part of the investment analysis for debt investments and also aims at adapting an appropriate governance model to manage and monitor RI Factors throughout the investment period.
Infrastructure	When making control or co-control equity investments in infrastructure assets/companies, the EQT Infrastructure funds are able to put in place EQT's governance framework and apply EQT's approach to responsible investment as described in the RI Policy for EQT. Please refer to the "Direct - Private equity" module for more detailed information on how ESG matters are addressed according to EQT's RI Policy.

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.
----------------	---

Having a long-term, responsible and sustainable approach to ownership is EQT's way of creating value, for investors, in portfolio companies and society at large. Hence, it is important to EQT that knowledge and understanding of the responsible investment agenda is firmly integrated into the organization. As such, EQT assigns, on a rotational basis, an associate to its RI Working Group, which also consists of the responsible Partner, the Responsible Investment Director and a Legal Manager. After a year or two, he or she makes room for a replacement, who will then be more deeply introduced to RI/ESG and its relevance to the private equity industry, investment and operations. The ultimate outcome being that RI/ESG knowledge and experience becomes even more integrated into the firm's culture.

Assurance of responses

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

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

Yes

OA 19.2	Indicate who has reviewed, validated and/or assured your reported information.
----------------	--

- Reviewed by Board, CEO, CIO or Investment Committee
- Validated by internal audit or compliance function
- Assured by an external independent provider, specify name

OA 19.3	Describe the steps you have taken to review, validate and/or assure the content of your reported information.
----------------	---

The preparation of EQT's response to the PRI Reporting Framework 2013 has involved various parties within EQT. The work has been led by EQT's RI Working Group with input being solicited from the general partners/managers of the EQT funds, EQT's Executive Committee, which consists of CEO/Managing Partner, COO, Head of Talent Management/HR and investment strategy heads, and other corporate functions such as communications, investor relations and legal.

The complete final report submitted by EQT has also been subject to validation by EQT's Compliance Manager. The validation process included verification of statements through the request of back-up information to ensure accuracy and completeness.

Review and sign-off has been obtained from the CEO/Managing Partner and the general partners/managers of the EQT funds. The boards of directors of EQT have been informed.

No

EQT

Reported Information

Public version

Direct – Private Equity

PRI disclaimer

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

Overview

PE 01

Mandatory to Report Voluntary to Disclose

Peering

General

PE 01.1

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

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" 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%
	<input type="radio"/> >50% <input 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%
Total	100%

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 03	Voluntary	Descriptive	PRI 1-6
-------	-----------	-------------	---------

PE 03.1	Provide a brief overview of your organisation's approach to responsible investment in private equity.
---------	---

EQT strives to be the most successful investment organization in the markets in which it operates by supporting entrepreneurship, an industrial approach and financial discipline. As a growth-oriented investor, EQT's goal is to support the development of good companies into great and sustainable companies through professional ownership, industrial acceleration, implementation of growth initiatives, strategic repositioning, participation in industry consolidation and trust-building stakeholder management.

Genuine management of environmental, social and governance ("ESG") factors is fundamental to business success and strong investment performance. The integration and analysis of ESG factors in the investment process and during the ownership period is equally as important as managing any other material financial or non-financial aspects of a business. By considering ESG management as an integral part of its business model, and by aspiring to apply best practice, EQT, as well as the EQT funds' portfolio companies, can mitigate risks and capture opportunities for long-term value creation and competitiveness.

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

PE 04.1	Indicate if your organisation's investment guidelines for private equity refer to responsible investment.
---------	---

- Our investment guidelines do refer to responsible investment

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

EQT aims to promote sound ethical and sustainable practices in the portfolio companies that the EQT funds own or in which such EQT funds have an interest, including: (i) promoting awareness and compliance with relevant laws and regulations; (ii) avoiding corruption and unethical business practices; and (iii) seeking positive involvement with stakeholders and community. In 2010, to formalize what was already implicitly part of both EQT's investment process and ownership model, EQT adopted a Responsible Investment Policy ("RI Policy") according to which EQT undertakes to a) act at all times as a responsible owner promoting appropriate environmental, labor and human rights and ethical standards ("RI Factors") in portfolio companies; and b) when assessing potential investments, to consider RI Factors as part of its due diligence. The RI Policy explicitly gives the boards of directors of EQT's portfolio companies the mandate to define, address and monitor relevant RI Factors during the EQT funds' ownership period and sets a requirement that the board of every portfolio company discusses their company's compliance with RI Factors at least once a year. In those investments where the EQT funds do not have control or co-control, an appropriate governance model is adapted and influence on RI Factors may be more limited.

The general partners and managers of the EQT funds have engaged its exclusive investment advisor, EQT Partners, to support EQT in the monitoring and evaluation of RI Factors in accordance with the RI Governance model as described in the RI Policy.

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

Fundraising of private equity funds

PE 05	Mandatory	Core Assessed	PRI 1,4,6
--------------	------------------	----------------------	------------------

PE 05.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.
----------------	---

- Yes

PE 05.2

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

- Policy and commitment to responsible investment
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in pre-investment processes
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in post-investment processes
 - Always
 - In a majority of cases
 - In a minority of cases

PE 05.3

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

Responsible investment and ESG matters are integrated in various materials which EQT makes available for prospective investors when it is attempting to raise capital through a fund offering. For example, a section dedicated to responsible investment is typically included in a due diligence questionnaire that forms part of the dataroom available to all prospective investors. This section usually covers answers to frequently asked questions on the topic, such as a high-level summary of EQT's RI Policy, where the RI Policy can be found on EQT's website, if EQT is a signatory to the United Nations-supported Principles for Responsible Investment, how ESG factors are assessed and managed pre-investment and throughout the ownership period as well as how information regarding ESG matters is disclosed to investors.

No

PE 06	Voluntary	Additional Assessed	PRI 4
-------	-----------	---------------------	-------

PE 06.1

Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment when requested by clients.

- We always make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a majority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- In a minority of cases we make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters
- Our clients do not request us to make formal commitments to responsible investment in private equity

Pre-investment (selection)

PE 07	Mandatory	Gateway	PRI 1
-------	-----------	---------	-------

PE 07.1 Indicate if your organisation typically incorporates ESG issues when selecting private equity investments.

Yes

PE 07.2 Describe your organisation's approach to incorporating ESG issues in private equity investment selection. [Optional]

When considering the attractiveness and value creation potential of any investment opportunity, EQT conducts a comprehensive investment analysis. As part of that analysis, EQT considers and identifies performance on relevant RI Factors. EQT's approach is not simply to assess the potential to mitigate risks, but also to find opportunities to support value creation by enhanced management, such as reducing waste or controlling energy usage, for example.

The outcome of the RI analysis will be documented in the investment recommendation materials presented to the general partners and managers of the various EQT funds, which then considers the analysis in its overall review of the investment opportunity.

No

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

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

Internal staff

Specify role

Firm management

Specify role

Investor Relations

Specify role

RI Working Group

External resources

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

For example commercial and financial advisors

No use of internal or external advice on ESG issues

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

EQT seeks to evaluate all material risks and opportunities associated with a potential investment opportunity. To support EQT in these processes, EQT relies on a combination of the experience of members of the boards of the general partners and managers of the EQT funds, investment advisory professional experience, input from EQT's independent Industrial Advisors and transaction advisors, including, when necessary, but not limited to commercial, legal, technical and environmental advisors.

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

PE 09.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
----------------	---

ESG issues

Environmental

List up to three typical examples of environmental issues
--

Environmental liabilities / exposure

Regulation

Resource efficiency

Social

List up to three typical examples of social issues

Human & labor rights

Health & safety

Relationship with labor/trade unions

Governance

List up to three typical examples of governance issues

Corporate culture

Policy & standards

Corruption

PE 10	Voluntary	Additional Assessed	PRI 1,3
--------------	------------------	----------------------------	----------------

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 10.2	Additional information.
----------------	-------------------------

EQT follows a thorough due diligence process in order to identify opportunities and any potential risks that could be deemed material to the success of an investment. As part of that analysis, EQT considers and identifies performance on relevant RI Factors. EQT supports universally recognized human rights and are accountable for ethical and environmental issues within the business. However, the more detailed, specific RI Factors considered will often vary between potential investments based on the target company's operations, sector and market(s). The types of ESG information listed in indicator PE 10.1 above should therefore not be seen as a checklist applicable to every potential investment, but rather as examples of types of information used by EQT from time to time.

PE 11	Voluntary	Additional Assessed	PRI 1,2
--------------	------------------	----------------------------	----------------

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

- Yes

PE 11.2	Describe the nature of these improvements and their ESG coverage.
----------------	---

An essential part of EQT's value creation model is the governance and management structure that is put in place for each portfolio company. The EQT funds usually make control and co-control equity investments in portfolio companies. This allows EQT to put in place a governance framework and structure that enable alignment of interests of the portfolio company management with the interests of EQT. This framework inherently provides the EQT funds with the ability to exercise its ownership and to assist, primarily through a board of directors which is appointed by EQT, portfolio companies as they address ESG factors. The board of directors of each of EQT's portfolio companies is responsible for defining strategy and policies, and EQT expects their role to include the setting of sound environmental, labor and human rights and ethical standards. The RI Policy explicitly gives the board of directors of every portfolio company the mandate to define, address and monitor relevant RI Factors and it is required that the board of directors discusses its company's compliance with RI Factors at least once a year. Each portfolio company's CEO and management team are responsible for executing the strategy and running the daily operations of the company according to the policies established by the board. EQT supports management to promote a culture of compliance with the EQT RI Policy by providing best practice information and tools.

No

PE 12	Voluntary	Additional Assessed	PRI 1
--------------	-----------	---------------------	-------

PE 12.1	Indicate if ESG issues impacted your private equity investment selection processes during the reporting year.
----------------	---

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

Post-investment (monitoring and active ownership)

PE 13	Mandatory	Gateway/Core Assessed	PRI 2
--------------	-----------	-----------------------	-------

PE 13.1	Indicate whether your organisation incorporates ESG issues in investment monitoring of portfolio companies.
----------------	---

Yes

PE 13.2

Indicate the proportion of portfolio companies where your organisation included ESG performance in investment monitoring during the reporting year.

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies

(in terms of total number of portfolio companies)

PE 13.3

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

ESG issues

- Environmental
- Social
- Governance

List up to three example targets of governance issues

RI Factors raised in 100% of applicable portfolio company boards of directors

Annual appraisal of chairman, the overall board of directors and the responsible investment advisory professional

Periodic review of portfolio company policies and standards

- We do not set and/or monitor against targets

No

PE 13.4

Additional information. [Optional]

EQT does not currently require portfolio-wide reporting on a standard set of environmental or social key performance indicators ("KPIs") from its portfolio companies, as the boards of directors and management of EQT's portfolio companies are expected to define, address and monitor relevant RI Factors under EQT's value creation/corporate governance model. Examples of environmental and social matters monitored in a number of portfolio companies, however, include energy and water consumption, CO2 emissions, waste, environmental permits, conduct of suppliers, employee satisfaction, staff turnover and relationship with labor/trade unions.

On a governance level, however, a portfolio-wide KPI which EQT tracks is that the board of every portfolio company is required to discuss its company's compliance with RI Factors at least once a year. Furthermore, continuous performance evaluation is a crucial part of EQT's corporate governance model. The performance of the chairman, the overall board of directors and the responsible investment advisory professional is assessed once a year in a comprehensive appraisal process. This process ensures that relevant competencies are represented on the board and that the governance works in accordance with EQT's objectives and principles. The results of this evaluation can lead to changes in the board composition of EQT's portfolio companies.

PE 14

Mandatory

Core Assessed

PRI 2

PE 14.1	Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).
----------------	---

Yes

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

- >90% of portfolio companies
- 51-90% of portfolio companies
- 10-50% of portfolio companies
- <10% of portfolio companies
- 0% of portfolio companies

(in terms of total number of portfolio companies)

No

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

EQT conducts a follow-up on its RI Policy once a year. Integrated with this follow-up is a collection of relevant ESG/sustainability policies for each portfolio company. As relevant ESG/sustainability policies or guidelines can vary in their nature dependent on the respective portfolio company's operations, sector and market(s), a rather broad definition is applied in this assessment.

For new investments, if a formal code of conduct, ESG/sustainability policy or similar guidelines is not in place at acquisition, EQT expects and encourages development of such policy or guidelines, typically during the first year of ownership.

PE 16	Voluntary	Descriptive	PRI 2,3
--------------	-----------	-------------	---------

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

Type of reporting

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

Typical reporting frequency

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

PE 16.2	Additional information.
----------------	-------------------------

EQT applies an integrated approach to responsible investment and as such is in favor of integrating material ESG information into the regular reporting cycle. Hence, information on ESG matters, either explicitly or implicitly, is gathered through EQT's regular monitoring or reporting activities. Certain information is collected on a yearly, quarterly or monthly basis while other information is gathered on a more ad-hoc basis.

PE 17	Voluntary	Additional Assessed	PRI 2
--------------	------------------	----------------------------	--------------

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

- We always include ESG issues in pre-exit information
- We include ESG issues in pre-exit information in the majority of cases
- We include ESG issues in pre-exit information in the minority of cases
- We do not include ESG issues in pre-exit information

Outputs and outcomes

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	Regulatory & supply chain risks
Sector(s) of the investment affected	TMT
Impact (or potential impact) on the investment	Multiple ESG-related risks, including regulatory and supply chain risks stemming from value chain exposure to socially sensitive products and countries with high corruption risk, were identified during the initial screening/due diligence phase with potential negative financial and reputational impact, e.g. lost revenues.
Activities undertaken to influence the investment and its response	Refrained from further due diligence and investment.

Add Example 2

ESG issues	Regulatory & reputational risks
Sector(s) of the investment affected	Services
Impact (or potential impact) on investment	ESG-related risks, with respect to the private ownership model for a portfolio company providing services to the welfare sector, were identified as a key concern during the due diligence phase and have accordingly been monitored during the ownership phase and appropriate measures have been applied. The associated risks include regulatory risk, as potential changes in the political and regulatory environment might have negative financial impact, and reputational risk, as the private ownership model in this sector is under constant debate in media.
Activities undertaken to influence the investment and its response	Firm support of overarching goal to continuously improve and measure service quality and active stakeholder management with involvement in public debates and participation in political forums.

Add Example 3

ESG issues	Reporting & transparency
Sector(s) of the investment affected	Consumer Goods & Retail
Impact (or potential impact) on investment	Accurate disclosure and transparency, including ESG disclosure, during an initial public offering ("IPO") process is of vital importance for potential investors to understand and fully appreciate a company's value proposition including ESG risks and opportunities.
Activities undertaken to influence the investment and its response	Actively engaged in the IPO prospectus drafting and strong promoter of transparency including ESG disclosure.

Add Example 4

Add Example 5

Communication

PE 20

Mandatory

Core Assessed

PRI 6

PE 20.1

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

Disclose publicly

provide URL

<http://www.eqt.se/Responsibility/Responsible-Investment-Policy/>

provide URL

<http://www.eqt.se/Portfolio-Companies/Current-Portfolio/>

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

PE 20.4 Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients (LPs)/beneficiaries.

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

PE 20.5	Describe the ESG information and how your organisation proactively discloses it to the public and/or clients (LPs)/beneficiaries. [Optional]
--------------------	--

EQT aims to promote the acceptance and implementation of responsible investment principles and practices within the private equity and financial industry. For this purpose, EQT openly publishes its RI Policy on its website as well as a summary in the EQT Annual Review, which is also publicly available on the EQT website. In EQT's RI Policy, stakeholders can find information on how EQT has integrated RI in its investment selection activities as well as in its monitoring activities. Other examples of ESG related information, which EQT makes available on its website, is portfolio company data such as employee growth, ownership information and names of the portfolio company board directors and management as well as general news or key events about EQT and its portfolio companies.

Investors in the EQT funds receive more detailed reporting through quarterly fund reports. Apart from a financial report for the relevant fund, the quarterly fund reports contain narrative and summary information describing the fund's investments, including potential material ESG activities/events.

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

PE 21	Voluntary	Descriptive	PRI 6
PE 21.1	Describe your organisation's approach to disclosing ESG incidents in private equity investments to your investor clients (LPs).		

ESG disclosure on a portfolio company level occurs on a case-by-case basis. For example, the EQT funds provide quarterly reports to its investors on relevant aspects of investments such as key events, including potential material ESG activities. Additionally, if information is material and significant to an investment or to EQT, this information will be shared with the investors of that EQT fund.