



PUBLIC RI REPORT

2021 PILOT

Nordic Capital

Generated 2022-08-18

About this report

The PRI Reporting Framework helps to build a common language and industry standard for reporting responsible investment activities. **Public RI Reports** provide accountability and transparency on signatories' responsible investment activities and support dialogue within signatories' organisations, as well as with their clients, beneficiaries and other stakeholders.

This **Public RI Report** is an export of the signatory's responses to the PRI Reporting Framework during the 2021 reporting period. It includes the signatory's responses to mandatory indicators, as well as responses to voluntary indicators that the signatory has agreed to make public.

The information is presented exactly as it was reported. Where an indicator offered a multiple-choice response, all options that were available to select from are included for context. While presenting the information verbatim results in lengthy reports, the approach is informed by signatory feedback that signatories prefer that the PRI does not summarise the information.

Context

In consultation with signatories, between 2018 and 2020 the PRI extensively reviewed the Reporting and Assessment processes and set the ambitious objective of launching in 2021 a completely new investor Reporting Framework, together with a new reporting tool.

We ran the new investor Reporting and Assessment process as a pilot in its first year, and such process included providing additional opportunities for signatories to provide feedback on the Reporting Framework, the online reporting tool and the resulting reports. The feedback from this pilot phase has been, and is continuing to be analysed, in order to identify any improvements that can be included in future reporting cycles.

PRI disclaimer

This document presents information reported directly by signatories in the 2021 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

Table of Contents

Module/Indicator	Page
Senior Leadership Statement (SLS)	4
Organisational Overview (OO)	9
Investment and Stewardship Policy (ISP)	15
Private Equity (PE)	57
Sustainability Outcomes (SO)	70

Senior Leadership Statement (SLS)

Senior leadership statement

Our commitment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S1	CORE	N/A	N/A	PUBLIC	Our commitment	GENERAL

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment?
- What are the main differences between your organisation's approach to responsible investment in its ESG practice and in other practices, across asset classes?

Nordic Capital is committed to investing responsibly, with a firm belief that responsible business practice is essential for achieving long-term success and value creation. With a clear commitment to making a positive contribution to society by helping to build strong companies, we drive sustainable development and awareness within our own organisation as well as in the portfolio companies across all asset classes. Nordic Capital's ambition is to help our portfolio companies become successful, sustainable businesses. We seek to do this in a responsible way, with a clear understanding of the environmental and social impacts. As a result, sustainability factors are fully integrated into all stages of our investment and ownership processes from evaluation through to exit. Nordic Capital investment professionals are well placed to address sustainability risks and opportunities with the support of a dedicated in-house Sustainability Team and external advisors. Nordic Capital has a well-established Responsible Investment Policy to ensure high environmental, social, and corporate governance standards from sourcing to exit. Nordic Capital is a signatory to the United Nations-supported Principles for Responsible Investment Initiative (PRI) and are committed to PRI's Six Principles. We are also committed to following the standards of Invest Europe and local Venture Capital Associations to which we are a member. Our Responsible Investment Policy builds on the Ten Principles of the United Nations Global Compact (UNGC) and recognises the UN Sustainable Development Goals (SDGs) as a guideline in our investment process. In our role as a responsible owner, Nordic Capital makes the following commitments to its stakeholders:

- We are committed to complying with applicable laws in the jurisdictions in which we operate.
- We integrate sustainability considerations into our investment process.
- We encourage our portfolio companies to strive for long-term continuous improvement on sustainability matters and expect them to comply with applicable laws.
- We integrate and promote transparency on sustainability matters in our communication to our investors and other stakeholders.

Nordic Capital sets clear expectations with portfolio companies to address material sustainability risks and opportunities throughout their value chains. The Board of Directors is responsible for developing the portfolio company's sustainability strategy and ensuring its implementation. Nordic Capital provides training and support to investment professionals and portfolio companies to help them set and achieve sustainability objectives and meet Nordic Capital's expectations within our sustainability focus areas.

Annual overview

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S2	CORE	N/A	N/A	PUBLIC	Annual overview	GENERAL

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. This might involve e.g. outlining your single most important achievement, or describing your general progress, on topics such as the following:
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policy makers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Nordic Capital continuously work to improve its integration of sustainability factors into the investment process and to drive sustainable impact in the portfolio. In 2020, we conducted a thorough annual review of our portfolio companies' approach to sustainability risks and opportunities that proves the progress of sustainable progress. During the course of the year, the Sustainability team has worked closely with the investment teams to ensure that sustainability matters are handled in a structured way in each sector. In addition, the team has developed new tools and defined metrics to measure sustainable performance within Nordic Capital and the portfolio.

Examples of key achievements during 2020

- Published its first climate report to disclose carbon footprint and further increase transparency on climate impact for Nordic Capital and its portfolio
- Developed Sustainability playbook and launched a new sustainability portal to support and encourage portfolio companies to implement a sustainability roadmap and drive progress
- Expanded Corporate Compliance Programme to include Supplier Code of Conduct, Modern Slavery Statement Instruction and Tax policy
- Trained 113 attendees in sustainability in three different training modules to increase awareness and share best practices in Nordic Capital and portfolio companies. To date, Nordic Capital has had 650 attendees in sustainability training
- Nordic Capital also engaged in several ESG related roundtables and conferences to support organisations and forums where policy makers, businesses and academic professionals meet to discuss societal impact. During 2020, we spoke on sustainability at events organised by Responsible Investment Forum in Asia and Europe, BVCA, RealDeals, IPEM, Stockholm Chamber of Commerce etc to share best practices with the industry.
- Published a comprehensive sustainability report demonstrating a clear contribution to SDG targets across portfolio

- Taken further initiatives to promote and improve gender equality in Nordic Capital and across portfolio resulting in an increase of female representation in Board of Directors and investment organisation
- Kristoffer Melinder, Managing Partner, was recognised as one of the most influential in European Private Equity by Private Equity news after a strong year for Nordic Capital which raised its EUR 6.1 bn Fund X in six months fully remote, announced four new platform deals and validated its responsible investment strategy with excellent portfolio performance despite the global pandemic

Covid-19 presented an unprecedented situation that needed our full focus. Nordic Capital has a responsibility to its portfolio companies, and we have done, and will continue to do our utmost to support them. We expect and urge our portfolio companies to put safety first, protect the interests of their employees, customers and business contacts and take all necessary precautions to prevent the further spread of the virus. Nordic Capital established a “Covid-19 task force” early to analyse and monitor the direct impact of the pandemic. The Covid-19 crisis has brought the issue of ethical impact and societal contribution into much sharper relief, with the benefits of integrating sustainability becoming even more apparent. Nordic Capital has actively encouraged portfolio companies to play their part in the fight against the pandemic and to utilise their capabilities as a force for good.

Next steps

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S3	CORE	N/A	N/A	PUBLIC	Next steps	GENERAL

What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

Nordic Capital continuously work to improve its integration of sustainability factors into the investment process and to drive sustainable impact in the portfolio. Further commitments have been set to drive progress within three focus areas in Nordic Capital and across its portfolio; Climate Actions, Diversity & Inclusion and promoting transparency on positive contribution to society. Some key steps to advance our commitment to responsible investment in the coming years are

- Establish its first ESG linked Revolving Credit Facility
- Improve gender equality and reduce carbon footprint
- Implement sector specific sustainability roadmaps
- Adopt SFDR and promote transparency on sustainability reporting
- Further develop sustainability training

Endorsement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S4	CORE	N/A	N/A	PUBLIC	Endorsement	GENERAL

The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment.

Name Kristoffer Melinder

Position Managing Partner

Organisation's name Nordic Capital Advisors

● [Free text: Up to 2,000 characters (~300 words)]

Nordic Capital commit to demonstrate a positive contribution to society by building strong companies and driving sustainable development within our own organisation and in our portfolio.

Covid-19 presented an unprecedented situation that needed our full focus. Nordic Capital has a responsibility to its portfolio companies, and we have done, and will continue to do our utmost to support them. We expect and urge our portfolio companies to put safety first, protect the interests of their employees, customers and business contacts and take all necessary precautions to prevent the further spread of the virus. The Covid-19 crisis has brought the issue of ethical impact and societal contribution into much sharper relief, with the benefits of integrating sustainability becoming even more apparent. Nordic Capital has actively encouraged portfolio companies to play their part in the fight against the pandemic and to utilise their capabilities as a force for good.

Committed to responsible investment Nordic Capital has an unwavering commitment to responsible investment and sustainability has been embedded throughout the investment process for many years. This commitment has been formed by the conviction that a responsible investment strategy not only supports maximised economic returns for investors but can also deliver a net benefit for society and the environment.

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practice. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. During this past year there were many examples of ESG efforts coming to realisation across the Nordic Capital Funds' portfolio and I am very pleased to see these initiatives delivering real benefit and receiving strong management support.

As in broader society, the awareness of the importance of climate action is growing rapidly. We aim to assess and measure climate related risks and environmental impact during our ownership and take active measures to reduce climate impact. Another key focus area for us is to advance in inclusion and diversity since we have the conviction that a broadly diverse work environment leads to better performance both within Nordic Capital as well as within the portfolio. Nordic Capital recently reinforced its inclusion and diversity efforts with new mandatory D&I training and collaboration with organisations and experts to support portfolio companies in this work.

We want to be at the forefront of the sustainability agenda for the long term – not only because it is the right thing to do, but because it ensures we meet our stakeholders' priorities. Our trusted relationships, combined with our sustainability expertise, give us a competitive advantage in securing new investment opportunities, aiming to make a positive impact in society through all our investments. Nordic Capital is committed to drive transformative sustainable change as an investor, owner and employer.

Organisational Overview (OO)

Organisational information

Categorisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	Signatory category	Multiple, see guidance	PUBLIC	Categorisation	GENERAL

Select the type that best describes your organisation or the services you provide.

(O) Fund management

(1) This is our only (or primary) type

Subsidiary information

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries that are also PRI signatories in their own right?

☐ (A) Yes

☒ (B) No

Reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 3	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

Indicate the year-end date for your reporting year.

	Month	Day	Year
Reporting year end date:	December	31	2020

Assets under management

All asset classes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 4.1, OO 4.2	N/A	PUBLIC	All asset classes	GENERAL

What were your total assets under management (AUM) at the end of the indicated reporting year? Provide the amount in USD.

(A) AUM of your organisation, including subsidiaries	US\$ 24,000,000,000.00
--	------------------------

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission	US\$ 0.00
---	-----------

(C) AUM subject to execution, advisory, custody, or research advisory only	US\$ 0.00
--	-----------

Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total assets under management at the end of your indicated reporting year.

Percentage of AUM	
(A) Listed equity – internal	0.0%
(B) Listed equity – external	0.0%
(C) Fixed income – internal	0.0%
(D) Fixed income – external	0.0%
(E) Private equity – internal	100.0%
(F) Private equity – external	0.0%
(G) Real estate – internal	0.0%
(H) Real estate – external	0.0%
(I) Infrastructure – internal	0.0%
(J) Infrastructure – external	0.0%
(K) Hedge funds – internal	0.0%
(L) Hedge funds – external	0.0%
(M) Forestry – internal	0.0%
(N) Forestry – external	0.0%
(O) Farmland – internal	0.0%

(P) Farmland – external	0.0%
-------------------------	------

(Q) Other – internal, please specify:	0.0%
---------------------------------------	------

(R) Other – external, please specify:	0.0%
---------------------------------------	------

(S) Off-balance sheet – internal	0.0%
----------------------------------	------

(T) Off-balance sheet – external	0.0%
----------------------------------	------

Stewardship

Private equity, real estate and infrastructure

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 ALT	CORE	OO 5	Multiple, see guidance	PUBLIC	Private equity, real estate and infrastructure	2

Does your organisation conduct stewardship activities in the following asset classes?

(1) Private equity

(A) Through service providers	<input type="checkbox"/>
-------------------------------	--------------------------

(C) Through internal staff	<input checked="" type="checkbox"/>
----------------------------	-------------------------------------

(D) Collaboratively	<input type="checkbox"/>
---------------------	--------------------------

(E) We did not conduct stewardship activities for this asset class	<input type="checkbox"/>
--	--------------------------

ESG incorporation

Internally managed assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Internally managed assets	1

For each internally managed asset class, select whether or not you incorporate ESG into your investment decisions.

(1) ESG incorporated into investment decisions

(2) ESG not incorporated into investment decisions

(J) Private equity



Voluntary reporting

Voluntary modules

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Voluntary modules	GENERAL

The following modules are mandatory to report on as they account for 10% or more of your total AUM or are over USD 10 billion. The ISP (Investment and Stewardship Policy) module is always applicable for reporting.

(1) Yes, report on the module

ISP: Investment and Stewardship Policy



(F) Private equity



ESG/sustainability funds and products

Labelling and marketing

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Labelling and marketing	GENERAL

What percentage of your assets under management in each asset class are ESG/sustainability marketed funds or products, and/or ESG/RI certified or labelled assets? Percentage figures can be rounded to the nearest 5% and should combine internally and externally managed assets.

Percentage

(E) Private equity

100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16.1	CORE	OO 16	ISP 52	PUBLIC	Labelling and marketing	GENERAL

What percentage of your total assets (per asset class) carry a formal ESG/RI certification or label? Percentage figures can be rounded to the nearest 5%.

Coverage of ESG/RI certification or label:

(C) Private equity

100.0%

Climate investments

Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17	CORE	N/A	N/A	PUBLIC	Asset breakdown	GENERAL

What percentage of your assets under management is in targeted low-carbon or climate-resilient investments?

100.0%

Investment and Stewardship Policy (ISP)

Responsible investment policy & governance

Responsible investment policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1	CORE	N/A	ISP 1.1, ISP 1.2	PUBLIC	Responsible investment policy	1

Does your organisation have a formal policy or policies covering your approach to responsible investment? Your approach to responsible investment may be set out in a standalone guideline, covered in multiple standalone guidelines or be part of a broader investment policy. Your policy may cover various responsible investment elements such as stewardship, ESG guidelines, sustainability outcomes, specific climate-related guidelines, RI governance and similar.

- (A) Yes, we do have a policy covering our approach to responsible investment
- (B) No, we do not have a policy covering our approach to responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.1	CORE	ISP 1	Multiple, see guidance	PUBLIC	Responsible investment policy	1

What elements does your responsible investment policy cover? The responsible investment elements may be set out in one or multiple standalone guidelines, or they may be part of a broader investment policy.

- ☒ (A) Overall approach to responsible investment
- ☒ (B) Guidelines on environmental factors
- ☒ (C) Guidelines on social factors
- ☒ (D) Guidelines on governance factors
- ☒ (E) Approach to stewardship
- ☒ (F) Approach to sustainability outcomes
- ☒ (G) Approach to exclusions
- ☒ (H) Asset class-specific guidelines that describe how ESG incorporation is implemented
- ☐ (I) Definition of responsible investment and how it relates to our fiduciary duty
- ☒ (J) Definition of responsible investment and how it relates to our investment objectives
- ☒ (K) Responsible investment governance structure
- ☒ (L) Internal reporting and verification related to responsible investment
- ☒ (M) External reporting related to responsible investment
- ☐ (N) Managing conflicts of interest related to responsible investment
- ☐ (O) Other responsible investment aspects not listed here, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.2	PLUS	ISP 1	N/A	PUBLIC	Responsible investment policy	1

What mechanisms do you have in place to ensure that your policies are implemented in an aligned and consistent way across the organisation?

Nordic Capital's ambition is to help our portfolio companies become successful, sustainable businesses. We seek to do this in a responsible way, with a clear understanding of the environmental and social impacts. As a result, sustainability factors are fully integrated into all stages of our investment and ownership processes from evaluation through to exit. Nordic Capital investment professionals are well placed to address sustainability risks and opportunities with the support of a dedicated in-house Sustainability Team and external advisors.

To accomplish this, Nordic Capital utilises a variety of tools and processes. During the pre-investment phase, the Nordic Capital toolbox includes a clear responsible investment checklist and supporting DDQs to address sustainability (including climate related) factors. This helps us better understand the current and potential impact that sustainability factors have on the investment's financial performance, operations and reputation. Nordic Capital includes a mandatory assessment of sustainability risk and opportunity in all final investment recommendation material that is presented to the GP Board. Nordic Capital provides sector specific training for its investment teams which is informed by the work of the Sustainability Accounting Standards Board (SASB), of which Nordic Capital is a member.

During the ownership stage, Nordic Capital actively engages with its portfolio companies to promote the importance of sustainability and share best practices. NC sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. Our portfolio companies have been required to perform a sustainability status review each year-end. Since 2016, we have used a sustainability software platform for non-financial information to systemise and improve the reporting processes. This platform was developed and is maintained by an external provider. The software is of great use to both Nordic Capital and its portfolio companies in the process of collecting, aggregating and analysing status, data and progress in different areas of sustainability, and in total we collect and analyse around 50 different data points. The reporting tool has been further developed in order to improve insights within new relevant areas and to link company reporting to GRI Standards and Sustainable Development Goals. The software also supports portfolio companies in the collection and analysis of sustainability data in order to meet increasing regulatory requirements on non-financial reporting.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 2	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	6

Indicate which of your responsible investment policy elements are publicly available and provide links.

☒ (A) Overall approach to responsible investment. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (B) Guidelines on environmental factors. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (C) Guidelines on social factors. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (D) Guidelines on governance factors. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (E) Approach to stewardship. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (F) Approach to sustainability outcomes. Add link(s):

<https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf>

☒ (G) Approach to exclusions. Add link(s):

https://www.nordiccapital.com/about/our-focus/

☒ (H) Asset class-specific guidelines that describe how ESG incorporation is implemented. Add link(s):

https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf

☒ (J) Definition of responsible investment and how it relates to our investment objectives. Add link(s):

https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf

☒ (K) Responsible investment governance structure. Add link(s):

https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf

☒ (L) Internal reporting and verification related to responsible investment. Add link(s):

https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf

☒ (M) External reporting related to responsible investment. Add link(s):

https://www.nordiccapital.com/media/1974/nordic-capital-responsible-investment-policy-2020.pdf

☐ (P) Our responsible investment policy elements are not publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 3	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your policy elements on overall approach to responsible investment and/or guidelines on environmental, social and governance factors?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors

AUM coverage of all policy elements in total:

100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 4	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

Which elements does your exclusion policy include?

- ☒ (A) Legally required exclusions (e.g. those required by domestic/international law, bans, treaties or embargoes)
- ☒ (B) Exclusions based on our organisation's values or beliefs (e.g. regarding weapons, alcohol, tobacco and/or avoiding other particular sectors, products, services or regions)
- ☐ (C) Exclusions based on screening against minimum standards of business practice based on international norms (e.g. OECD guidelines, the UN Human Rights Declaration, Security Council sanctions or the UN Global Compact)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 5	CORE	Multiple, see guidance	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your asset class-specific guidelines that describe how ESG incorporation is implemented?

AUM Coverage:

(C) Private Equity 100.0%

Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 6	CORE	N/A	ISP 8	PUBLIC	Governance	1

Do your organisation's board, chief-level staff, investment committee and/or head of department have formal oversight and accountability for responsible investment?

- ☒ (A) Board and/or trustees
- ☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- ☒ (C) Investment committee
- ☐ (D) Other chief-level staff, please specify:
- ☐ (E) Head of department, please specify department:
- ☐ (F) None of the above roles have oversight and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 7	CORE	N/A	ISP 8	PUBLIC	Governance	1

In your organisation, which internal or external roles have responsibility for implementing responsible investment?

- ☒ (A) Board and/or trustees
☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
☒ (C) Investment committee
☐ (D) Other chief-level staff [as specified]
☐ (E) Head of department [as specified]
☒ (F) Portfolio managers
☒ (G) Investment analysts
☒ (H) Dedicated responsible investment staff
☒ (I) Investor relations
☐ (J) External managers or service providers
☒ (K) Other role, please specify:
 Legal advisory team
☐ (L) Other role, please specify:
☐ (M) We do not have roles with responsibility for implementing responsible investment.

People and capabilities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8	CORE	ISP 6, ISP 7	ISP 8.1, ISP 8.2	PUBLIC	People and capabilities	General

What formal objectives for responsible investment do the roles in your organisation have?

	(1) Board and/or trustees	(2) Chief-level staff	(3) Investment committee	(6) Portfolio managers
(A) Objective for ESG incorporation in investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Objective for ESG performance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	(7) Investment analysts	(8) Dedicated responsible investment staff	(9) Investor relations	(11) Other role
(A) Objective for ESG incorporation in investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) Objective for ESG performance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--	--------------------------	--------------------------	--------------------------	--------------------------

(G) No formal objectives for responsible investment exist for this role	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
---	--------------------------	--------------------------	--------------------------	--------------------------

Please specify for "(E) Other objective related to responsible investment".

The inhouse responsible investment team is also responsible to develop and offer relevant ESG trainings for all employees, board members in the portfolio companies and executive management teams.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.1	PLUS	ISP 8	N/A	PUBLIC	People and capabilities	General

Describe the key responsible investment performance indicators (KPIs) or benchmarks that your organisation uses to compare and assess the performance of your professionals in relation to their responsible investment objectives.

All investment professionals are reviewed at least annually in our Performance Review Process, during which skills, development areas and potential issues are discussed with each individual. ESG factors form an integral part of reviewing performance in areas of ownership and value creation, board meeting contribution and leveraging NC ownership excellence toolbox. Following the Performance Review Process, training/coaching sessions are planned to address the areas for individual development.

Sustainability is an important part of Nordic Capital's talent assessment and development program. The learning agenda includes an intensive introduction program for all new recruits and "responsible investing" is part of it. All staff at Nordic Capital are required to attend ESG training containing important elements of corporate governance, basic sustainability, performing sustainability risk and opportunity assessments and building sustainable strategies.

Specific KPIs for staff performance regarding sustainability are developed for each individual as part of our talent development program, key focus areas are climate action, diversity and contribution to the SDGs. The KPIs are confidential but typically cover relevant sustainability metrics for the individual's function, such as a continuous development of the ESG performance of portfolio companies.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.2	CORE	ISP 8	N/A	PUBLIC	People and capabilities	General

Which responsible investment objectives are linked to variable compensation for roles in your organisation?

RI objectives linked to variable compensation for roles in your organisation:

(1) Board and/or trustees

(A) Objective for ESG incorporation in investment activities ☐

(2) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(D) Objective for ESG performance ☐

(3) Investment committee

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☐

(D) Objective for ESG performance ☐

(6) Portfolio managers

(A) Objective on ESG incorporation in investment activities ☐

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☐

(D) Objective for ESG performance ☐

(7) Investment analysts

(A) Objective for ESG incorporation in investment activities ☐

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☐

(8) Dedicated responsible investment staff

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(D) Objective for ESG performance ☒

(E) Other objective related to responsible investment (as specified in ISP 8 option E) ☐

(9) Investor relations

(A) Objective on ESG incorporation in investment activities ☐

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☐

(11) Other role

(A) Objective for ESG incorporation in investment activities ☐

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(G) We have not linked any RI objectives to variable compensation ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 9	CORE	N/A	N/A	PUBLIC	People and capabilities	General

How frequently does your organisation assess the responsible investment capabilities and training needs among your investment professionals?

- ☐ (A) Quarterly or more frequently
- ☒ (B) **Bi-annually**
- ☐ (C) Annually
- ☐ (D) Less frequently than annually
- ☐ (E) On an ad hoc basis
- ☐ (F) We do not have a process for assessing the responsible investment capabilities and training needs among our investment professionals

Strategic asset allocation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 10	CORE	N/A	ISP 10.1	PUBLIC	Strategic asset allocation	1

Does your organisation incorporate ESG factors into your strategic asset allocation?

- ☒ (A) **We incorporate ESG factors into calculations for expected risks and returns of asset classes**
- ☐ (B) We specifically incorporate physical, transition and regulatory changes related to climate change into calculations for expected risks and returns of asset classes
- ☐ (C) No, we do not incorporate ESG considerations into our strategic asset allocation
- ☐ (D) Not applicable, we do not have a strategic asset allocation process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 10.1	CORE	ISP 10	N/A	PUBLIC	Strategic asset allocation	1

For what proportion of assets do you incorporate ESG factors into your strategic asset allocation process?

(A) We incorporate ESG factors into calculations for expected risks and returns of asset classes (1) for all of our assets

Stewardship

Stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 11	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship policy	2

What percentage of your assets under management does your stewardship policy cover?

(C) Private equity 100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12	CORE	ISP 1.1	ISP 12.1	PUBLIC	Stewardship policy	2

Which elements does your organisation's stewardship policy cover? The policy may be a standalone guideline or part of a wider RI policy.

- ☒ (A) Key stewardship objectives
- ☒ (B) Prioritisation approach of ESG factors and their link to engagement issues and targets
- ☒ (C) Prioritisation approach depending on entity (e.g. company or government)
- ☒ (D) Specific approach to climate-related risks and opportunities
- ☒ (E) Stewardship tool usage across the organisation, including which, if any, tools are out of scope and when and how different tools are used and by whom (e.g. specialist teams, investment teams, service providers, external investment managers or similar)

- ☒ (F) Stewardship tool usage for specific internal teams (e.g. specialist teams, investment teams or similar)
- ☒ (G) Stewardship tool usage for specific external teams (e.g. service providers, external investment managers or similar)
- ☒ (H) Approach to collaboration on stewardship
- ☐ (I) Escalation strategies
- ☐ (J) Conflicts of interest
- ☒ (K) Details on how the stewardship policy is implemented and which elements are mandatory, including how and when the policy can be overruled
- ☐ (L) How stewardship efforts and results should be communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (M) None of the above elements are captured in our stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12.1	PLUS	ISP 12	N/A	PUBLIC	Stewardship policy	2

Describe any additional details related to your stewardship policy elements or your overall stewardship approach.

Nordic Capital is committed to investing responsibly, with a firm belief that responsible business practice is essential for achieving long-term success and value creation. With a clear commitment to making a positive contribution to society by helping to build strong companies, we drive sustainable development and awareness within our own organisation as well as in the portfolio companies. Nordic Capital's ambition is to help our portfolio companies become successful, sustainable businesses. We seek to do this in a responsible way, with a clear understanding of the environmental and social impacts. As a result, sustainability factors are fully integrated into all stages of our investment and ownership processes from evaluation through to exit. Nordic Capital investment professionals are well placed to address sustainability risks and opportunities with the support of a dedicated in-house Sustainability Team and external advisors.

Stewardship policy implementation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 13	CORE	ISP 1.1	N/A	PUBLIC	Stewardship policy implementation	2

How is your stewardship policy primarily applied?

- ☒ (A) It requires our organisation to take certain actions
- ☐ (B) It describes default actions that can be overridden (e.g. by investment teams for certain portfolios)
- ☐ (C) It creates permission for taking certain measures that are otherwise exceptional
- ☐ (D) We have not developed a uniform approach to applying our stewardship policy

Stewardship objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 15	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship objectives	2

For the majority of assets within each asset class, which of the following best describes your primary stewardship objective?

(3) Private equity

(A) Maximise the risk–return profile of individual investments

☐

(B) Maximise overall returns across the portfolio

☐

(C) Maximise overall value to beneficiaries/clients

☒

(D) Contribute to shaping specific sustainability outcomes (i.e. deliver impact)

☐

Stewardship prioritisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 16	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship prioritisation	2

What key criteria does your organisation use to prioritise your engagement targets? For asset classes such as real estate, private equity and infrastructure, you may consider this as key criteria to prioritise actions taken on ESG factors for assets, portfolio companies and/or properties in your portfolio. Select up to 3 options per asset class from the list.

(3) Private equity

(A) The size of our holdings in the entity or the size of the asset, portfolio company and/or property



(B) The materiality of ESG factors on financial and/or operational performance



(C) Specific ESG factors with systemic influence (e.g. climate or human rights)



(D) The ESG rating of the entity



(E) The adequacy of public disclosure on ESG factors/performance



(F) Specific ESG factors based on input from clients



(G) Specific ESG factors based on input from beneficiaries



(H) Other criteria to prioritise engagement targets, please specify:



(I) We do not prioritise our engagement targets



Stewardship methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 17	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship methods	2

Please rank the methods that are most important for your organisation in achieving its stewardship objectives. Ranking options: 1 = most important, 5 = least important.

(A) Internal resources (e.g. stewardship team, investment team, ESG team or staff)	1
(B) External investment managers, third-party operators and/or external property managers (if applicable)	We do not use this method
(C) External paid services or initiatives other than investment managers, third-party operators and/or external property managers (paid beyond a membership fee)	We do not use this method
(D) Informal or unstructured collaborations with peers	3
(E) Formal collaborative engagements (e.g. PRI-coordinated collaborative engagements, Climate Action 100+, the Initiative Climat International (iCI) or similar)	2

Alignment and effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 21	PLUS	Multiple, see guidance	N/A	PUBLIC	Alignment and effectiveness	2

Describe how you coordinate stewardship across your organisation to ensure that stewardship progress and results feed into investment decision-making and vice versa.

Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation to exit. To ensure that our investment professionals are knowledgeable on sustainability topics, all staff at Nordic Capital are required to attend ESG I training containing important elements of corporate governance, basic sustainability, performing sustainability risk and opportunity assessments and building sustainable strategies. Nordic Capital also provides sector specific training for its investment teams and is a member of the Sustainability Accounting Standards Board (SASB), which provides access to up-to-date sustainability materials.

Identifying sustainability risks and opportunities is a key component of our pre-investment process. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. The Nordic Capital toolbox includes a clear responsible investment checklist and supporting DDQs (due diligence questionnaires) to address sustainability factors and risks in the pre investment phase, including issues related to anti-bribery, competition / antitrust, trade sanctions, data protection, information security and working conditions. In addition, Nordic Capital embeds the standards issued by the Sustainability Accounting Standards Board to further strengthen the investment teams' capabilities in analysing how sustainability factors impact corporate value.

The DD findings by our investment teams are included in the final investment recommendation that is presented to the GP Board. If the investment decision is made, the work of our investment teams forms the basis for sustainability coaching during the new portfolio company's onboarding process.

Stewardship examples

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 22	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship examples	2

Describe stewardship activities that you participated in during the reporting year that led to desired changes in the entity you interacted with. Include what ESG factor(s) you engaged on and whether your stewardship activities were primarily focused on managing ESG risks and opportunities or delivering sustainability outcomes.

	(1) Engagement type	(2) Primary goal of stewardship activity
(A) Example 1	a) Internally (or service provider) led	c) Both managing ESG risks and delivering outcomes
	(3) The ESG factors you focused on in the stewardship activity	(4) Description of stewardship activity and the desired change(s) you achieved

(A) Example 1	Strategy and governance, environmental, social, corporate governance	<p>Nordic Capital collected information on the ESG performance of our portfolio companies in strategy and governance, environmental, social, and corporate governance. Data points included GHG emissions, energy consumption, diversity of management and board, sustainability reporting, and governance policies, such as anti-corruption.</p> <p>Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability and share best practice. (response continued in row below)</p>
		<p>It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. Our portfolio companies have been required to perform a sustainability status review each year-end. Since 2016, we have used a sustainability software platform for non-financial information to systemise and improve the reporting processes. (response continued in row below)</p>

This platform was developed and is maintained by an external provider. The software is of great use to both Nordic Capital and its portfolio companies in the process of collecting, aggregating and analysing status, data and progress in different areas of sustainability, and in total we collect and analyse around 50 different data points. The reporting tool has been further developed in order to improve insights within new relevant areas and to link company reporting to GRI Standards and Sustainable Development Goals. The software also supports portfolio companies in the collection and analysis of sustainability data in order to meet increasing regulatory requirements on non-financial reporting..

Engaging policymakers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23	CORE	N/A	Multiple, see guidance	PUBLIC	Engaging policymakers	2

How does your organisation, or the external investment managers or service providers acting on your behalf, engage with policymakers for a more sustainable financial system?

- ☒ (A) We engage with policymakers directly
- ☒ (B) We provide financial support, are members of and/or are in another way affiliated with third-party organisations, including trade associations and non-profit organisations, that engage with policymakers
- ☐ (C) We do not engage with policymakers directly or indirectly

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.1	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

What methods do you, or the external investment managers or service providers acting on your behalf, use to engage with policymakers for a more sustainable financial system?

☒ **(A) We participate in "sign-on" letters on ESG policy topics. Describe:**

Nordic Capital is active and engages on different ESG policy topics, for example Level 20 to promote gender equality in private equity and Swedish Chamber of Commerce to promote sustainable investments and SVCA (Swedish Private Equity and Venture Capital Association), Aktive Ejere in Denmark's initiative to ethical guidelines and sound business practice. .

☒ **(B) We respond to policy consultations on ESG policy topics. Describe:**

Nordic Capital are represented in Invest Europe's GPE Council and Responsible Investment Roundtable and is also a member of the Board of Directors of SVCA where a number of active responses to policy consultations on ESG policy topics are discussed and decided.

☐ **(C) We provide technical input on ESG policy change. Describe:**

☒ **(D) We proactively engage financial regulators on financial regulatory topics regarding ESG integration, stewardship, disclosure or similar. Describe:**

Nordic Capital actively engages with financial policymakers and regulators to promote and drive sustainable investments and clear and predictable regulations around investments, tax and other related topics to financial services.

☒ **(E) We proactively engage regulators and policymakers on other policy topics. Describe:**

Nordic Capital is highly active in sharing best practicing on conferences and forums in countries where we are present, to drive responsibility investments forward. In addition, we are engaged in roundtables and NGOs where politicians, opinion leaders meet to increase knowledge about Private Equity's role and contribution in society. During several years Nordic Capital has actively been engaged in organizing round tables and events with policymakers to improve knowledge about Private Equity's role in society, events such as Almedalen, Stockholm Chamber of Commerce events and Brain Business Jobs. We also spoke publicly on different events with policy makers and government attending on the topic of private capital to drive changes in society. Topics addressed and discussed in such forums are primarily about our industry's contribution to positive sustainable development and increased competitiveness within sectors, markets and countries and about contribution to sustainable employment growth.

☒ **(F) Other methods used to engage with policymakers. Describe:**

Nordic Capital encourages academic research into responsible investment and has sponsored studies into how employment growth can be achieved in different markets. As an organisation that builds businesses and creates jobs, we believe it is important to have a thorough understanding of the business environment, its underlying conditions and how it can be improved. In the last four years Nordic Capital sponsored a study from the research institute European Centre for Policy Reform and Entrepreneurship (ECEPR). This study seeks to identify the presence of "brain businesses" – companies that compete through their brain power and specialist expertise – and explore how knowledge intensive jobs are significant contributors to income and productivity growth. Author Nima Sanandaji, CEO of ECEPR and PhD from the Royal Institute of Technology in Stockholm, conducted an extensive study mapping 31 countries and 283 regions in Europe to assess how many brain business jobs exist per 1,000 working-age persons. The study is published publicly, and Nordic Capital participated in three official meetings with policymakers to increase the awareness of private equity's contribution to sustainable employment growth.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.2	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

Do you have governance processes in place (e.g. board accountability and oversight, regular monitoring and review of relationships) that ensure your policy activities, including those through third parties, are aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?

● (A) Yes, we have governance processes in place to ensure that our policy activities are aligned with our position on sustainable finance and our commitment to the 6 Principles of the PRI. Describe your governance processes:

Nordic Capital's policy activities are governed by the Chief Operating Officer and Managing Partner of Nordic Capital Advisors which are also members of the Review committee.

○ (B) No, we do not have these governance processes in place. Please explain why not:

Engaging policymakers – Policies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24	CORE	ISP 23	ISP 24.1	PUBLIC	Engaging policymakers – Policies	2

Do you have policies in place that ensure that your political influence as an organisation is aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?

● (A) Yes, we have a policy(ies) in place. Describe your policy(ies):

The Nordic Capital Code of Conduct states that Partnership, Responsibility, and Contribution are three of our core values. As such, we are committed to working in close collaboration and trusted partnership with all our stakeholders, including policy makers, and we recognise the importance of responsible investment, and sustainability plays a major part in the way we build long-term business success. We are also committed to making a positive contribution to society by helping to build strong, sustainable companies; creating jobs; and strengthening communities.

This Code of Conduct makes clear that we expect our professionals to honor our commitment to the 6 Principles of the PRI when exercising political influence. Furthermore, the Code makes clear our no-tolerance policy towards bribery and corruption, requiring our staff to exercise extra caution when interacting with representatives of the public sector. We also strive to avoid conflicts of interest, and have a whistleblowing channel for reporting noncompliance issues.

○ (B) No, we do not a policy(ies) in place. Please explain why not:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24.1	CORE	ISP 24	N/A	PUBLIC	Engaging policymakers – Policies	2

Is your policy that ensures alignment between your political influence and your position on sustainable finance publicly disclosed?

☒ (A) Yes. Add link(s):

☐ (B) No, we do not publicly disclose this policy(ies)

Engaging policymakers – Transparency

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 25	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers – Transparency	2

During the reporting year, did your organisation publicly disclose your policy engagement activities or those conducted on your behalf by external investment managers/service providers?

☐ (A) We publicly disclosed details of our policy engagement activities. Add link(s):

☐ (B) We publicly disclosed a list of our third-party memberships in or support for trade associations, think-tanks or similar that conduct policy engagement activities with our support or endorsement. Add link(s):

☐ (C) No, we did not publicly disclose our policy engagements activities during the reporting year. Explain why:

☒ (D) Not applicable, we did not conduct policy engagement activities

Climate change

Public support

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 26	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Paris Agreement?

☐ (A) Yes, we publicly support the Paris Agreement Add link(s) to webpage or other public document/text expressing support for the Paris Agreement:

☒ (B) No, we currently do not publicly support the Paris Agreement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 27	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Task Force on Climate-Related Financial Disclosures (TCFD)?

☐ (A) Yes, we publicly support the TCFD Add link(s) to webpage or other public document/text expressing support for the TCFD:

☒ (B) No, we currently do not publicly support the TCFD

Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 28	CORE	N/A	N/A	PUBLIC	Governance	General

How does the board or the equivalent function exercise oversight over climate-related risks and opportunities?

☒ (A) By establishing internal processes through which the board or the equivalent function are informed about climate-related risks and opportunities. Specify:

Nordic Capital is committed to understand and integrate climate risks and actions to reduce our carbon footprint both on firm and portfolio level. Nordic Capital's Responsible Investment Policy and framework clearly states our approach throughout the investment, ownership, and exit phases. Nordic Capital includes a mandatory assessment of ESG (including climate related) risk and opportunity in all final investment recommendation material that is presented to the GP Board for the investment decision. In addition, Nordic Capital has embedded the standards issued by the Sustainability Accounting Standards Board to further strengthen the investment teams' capabilities in analysing how sustainability factors impact corporate value. These tools are reinforced through our training programmes that are also offered for our GP board members.

☐ (B) By articulating internal/external roles and responsibilities related to climate. Specify:

Nordic Capital is committed to understand and integrate climate risks and actions to reduce our carbon footprint both on firm and portfolio level.

The GP Boards exercises oversight of the respective portfolios, including climate related risks and opportunities. Nordic Capital includes a mandatory assessment of ESG (including climate related) risk and opportunity in all final investment recommendation material that is presented to the GP Board for the investment decision.

Nordic Capital investment professionals are well placed to address sustainability risks and opportunities. Nordic Capital's Sustainability team works closely with the investment teams to ensure that sustainability risks and opportunities, including climate, are handled in a structured way in each sector. In addition, the Sustainability team develops tools to drive tangible improvements and defined metrics to measure sustainable performance within Nordic Capital and the portfolio.

Nordic Capital expects portfolio companies and their Board of Directors to address sustainability appropriately within two years of investment. Portfolio companies are encouraged to apply the responsible investment principles and set targets for improvement during the ownership period. Nordic Capital portfolio companies are required to have their sustainability strategies approved and reviewed annually by the Board of Directors and annually report on their sustainability performance to Nordic Capital.

Nordic Capital has developed a structured bi-annual review process (Portfolio Performance Review, PPR) where the full portfolio is evaluated on a bi-annual basis on company performance, risk and opportunity. ESG, including climate, is an integral part of the PPR. The PPR Committee consists of Managing Partner, CFO, COO, Operating Partner and Head of Exit Office. Moreover, each investment undergoes a Mid-term review after 2 years of ownership. The Mid-term review includes an assessment of degree of fulfillment of Nordic Capital's ESG requirements.

☒ (C) By engaging with beneficiaries to understand how their preferences are evolving with regard to climate change. Specify:

Nordic Capital engages with investors throughout the year through a variety of channels, including DD Questionnaires and direct dialogues. It provide valuable insights on LP's preferences and priorities on ESG, including climate change.

Nordic Capital Fund X was launched in April 2020 and was raised in less than six months in a fully remote capital raise without holding any face-to-face meetings. The pandemic in many ways highlighted the importance and wide spectrum of ESG impacts on businesses. We noticed a significant increase in interest among investors for Nordic Capital's approach to ESG integration, and sessions on ESG were proactively integrated by Nordic Capital into many of the DD processes. Our investors valued Nordic Capital's well-established responsible investment policy & framework, which achieved the highest scores from the UNPRI, with an A+ for Strategy and Governance and A+ for PE.

☒ (D) By incorporating climate change into investment beliefs and policies. Specify:

Sustainability is central to Nordic Capital's investment process. Nordic Capital's Responsible Investment Policy and framework clearly states our approach throughout the investment, ownership, and exit phases. Nordic Capital believes that attention to Environmental, Social and Corporate Governance (ESG) matters is a prerequisite for long-term value creation. We are committed to investing responsibly and our ambition is to develop companies into successful and sustainable businesses. As a result of our investment strategy and clear expectations on portfolio companies to reduce their climate footprint, the carbon emission intensity in the Nordic Capital portfolio is lower even when compared with a low carbon leaders fund (MSCI ACWI Low Carbon leaders).

☒ (E) By monitoring progress on climate-related metrics and targets. Specify:

Nordic Capital have increased the focus on climate related data and in 2019, we started to measure and disclose our own carbon footprint (Scope 1-3) as well as assessing the climate impact of our portfolio companies (scope 1-2). The information is reported to the Board annually. Nordic Capital publishes an annual climate report in accordance with the GHG Protocol.

☐ (F) By defining the link between fiduciary duty and climate risks and opportunities. Specify:

☐ (G) Other measures to exercise oversight, please specify:

☐ (H) The board or the equivalent function does not exercise oversight over climate-related risks and opportunities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 29	CORE	N/A	N/A	PUBLIC	Governance	General

What is the role of management in assessing and managing climate-related risks and opportunities?

☑ (A) Management is responsible for identifying climate-related risks/opportunities and reporting them back to the board or the equivalent function. Specify:

Nordic Capital is committed to understand and integrate climate risks and actions to reduce our carbon footprint both on firm and portfolio level.

The GP Boards exercises oversight of the respective portfolios, including climate related risks and opportunities. Nordic Capital includes a mandatory assessment of ESG (including climate related) risk and opportunity in all final investment recommendation material that is presented to the GP Board for the investment decision.

Nordic Capital investment professionals are well placed to address sustainability risks and opportunities. Nordic Capital's Sustainability team works closely with the investment teams to ensure that sustainability risks and opportunities, including climate, are handled in a structured way in each sector. In addition, the Sustainability team develops tools to drive tangible improvements and defined metrics to measure sustainable performance within Nordic Capital and the portfolio.

Nordic Capital expects portfolio companies and their Board of Directors to address sustainability appropriately within two years of investment. Portfolio companies are encouraged to apply the responsible investment principles and set targets for improvement during the ownership period. Nordic Capital portfolio companies are required to have their sustainability strategies approved and reviewed annually by the Board of Directors and annually report on their sustainability performance to Nordic Capital.

Nordic Capital has developed a structured bi-annual review process (Portfolio Performance Review, PPR) where the full portfolio is evaluated on a bi-annual basis on company performance, risk and opportunity. ESG, including climate, is an integral part of the PPR. The PPR Committee consists of Managing Partner, CFO, COO, Operating Partner and Head of Exit Office. Moreover, each investment undergoes a Mid-term review after 2 years of ownership. The Mid-term review includes an assessment of degree of fulfillment of Nordic Capital's ESG requirements.

☑ (B) Management implements the agreed-upon risk management measures. Specify:

Sustainability is central to Nordic Capital's investment process. Nordic Capital's Responsible Investment Policy and framework clearly states our approach throughout the investment, ownership, and exit phases. Nordic Capital believes that attention to Environmental, Social and Corporate Governance (ESG) matters is a prerequisite for long-term value creation. We are committed to investing responsibly and our ambition is to develop companies into successful and sustainable businesses. As a result of our investment strategy and clear expectations on portfolio companies to reduce their climate footprint, the carbon emission intensity in the Nordic Capital portfolio is lower even when compared with a low carbon leaders fund (MSCI ACWI Low Carbon leaders).

☑ (C) Management monitors and reports on climate-related risks and opportunities. Specify:

Nordic Capital have increased the focus on climate related data and in 2019, we started to measure and disclose our own carbon footprint (Scope 1-3) as well as assessing the climate impact of our portfolio companies (scope 1-2). The information is reported to the Board annually. Nordic Capital publishes an annual climate report in accordance with the GHG Protocol.

☑ (D) Management ensures adequate resources, including staff, training and budget, are available to assess, implement and monitor climate-related risks/opportunities and measures. Specify:

Management ensures that investment Nordic Capital investment professionals are well placed to address sustainability risks and opportunities. Nordic Capital's Sustainability team works closely with the investment teams to ensure that sustainability risks and opportunities, including climate, are handled in a structured way in each sector. In addition, the Sustainability team develops tools to drive tangible improvements and defined metrics to measure sustainable performance within Nordic Capital and the portfolio.

Nordic Capital believes that training and the sharing of best practice within Nordic Capital and its portfolio companies is critical and has therefore developed training programmes on how to address sustainability factors in a business and drive a sustainability agenda. Nordic Capital has had an established training programme for Nordic Capital employees, Boards of directors and key executive management in portfolio companies. Since 2014, Nordic Capital has trained 650 attendees to date in sustainability.

During 2020, Nordic Capital dedicated a special session on Climate action, and has also formed a partnership with an external climate acceleration partner to enhance data collection and quality in climate footprint assessments.

- ☐ (E) Other roles management takes on to assess and manage climate-related risks/opportunities, please specify:
- ☐ (F) Our management does not have responsibility for assessing and managing climate-related risks and opportunities

Strategy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30	CORE	N/A	Multiple, see guidance	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified within its investment time horizon(s)?

☒ **(A) Specific financial risks in different asset classes. Specify:**

We believe the fundamental impact of climate change has the direct impact on global economy. The transition into tackling these climate related risks and opportunities has since 2014, added a new dimension into our way of working and do business. Physical risks due to climate change as well as other macro trends are taken into consideration when screening new businesses and markets. Nordic Capital assess environmental factors and their impact as part of the investment process. Risks and opportunities considered and assessed are for example such as; dependency on natural resources, transports and logistics, heavy energy usage, chemical substances, water use and waste handling as well as identified future risks and opportunities such as the development of environmentally friendly technologies, transformation to renewables and efficiency in logistics and operational processes.

☒ **(B) Specific sectors and/or assets that are at risk of being stranded. Specify:**

ESG analysis, including climate related risks and opportunities, is performed on a case by case basis and in accordance to our responsible investment framework. This includes sector specific topics deemed relevant to the specific investment. Our investment focus covers the Nordic region, selected Northern European sectors and the Global healthcare market. Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation through to exit. At an early stage - in the sourcing and analysis phase, we are considering potential investments from a broad range of ESG factors, such as the SDGs, industry/sector, geographical spread in markets and operations, etc. The Nordic Capital portfolio has a relatively low carbon footprint, also compared to low carbon industry benchmarks.

☒ **(C) Assets with exposure to direct physical climate risk. Specify:**

ESG analysis, including climate related risks and opportunities, is performed on a case by case basis and in accordance to our responsible investment framework. This includes sector specific topics deemed relevant to the specific investment. Our investment focus covers the Nordic region, selected Northern European sectors and the Global healthcare market. Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation through to exit. At an early stage - in the sourcing and analysis phase, we are considering potential investments from a broad range of ESG factors, such as the SDGs, industry/sector, geographical spread in markets and operations, etc.

☒ **(D) Assets with exposure to indirect physical climate risk. Specify:**

ESG analysis, including climate related risks and opportunities, is performed on a case by case basis and in accordance to our responsible investment framework. This includes sector specific topics deemed relevant to the specific investment. Our investment focus covers the Nordic region, selected Northern European sectors and the Global healthcare market. Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation through to exit. At an early stage - in the sourcing and analysis phase, we are considering potential investments from a broad range of ESG factors, such as the SDGs, industry/sector, geographical spread in markets and operations, etc.

☐ (E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:

☒ (F) **Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

ESG analysis, including climate related risks and opportunities, is performed on a case by case basis and in accordance to our responsible investment framework. This includes sector specific topics deemed relevant to the specific investment. Our investment focus covers the Nordic region, selected Northern European sectors and the Global healthcare market. Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation through to exit. At an early stage - in the sourcing and analysis phase, we are considering potential investments from a broad range of ESG factors, such as the SDGs, industry/sector, geographical spread in markets and operations, etc. The Nordic Capital portfolio has a relatively low carbon footprint, also compared to low carbon industry benchmarks.

☐ (G) Other climate-related risks and opportunities identified. Specify:

☐ (H) We have not identified specific climate-related risks and opportunities within our organisation's investment time horizon

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30.1	CORE	ISP 30	N/A	PUBLIC	Strategy	General

For each of the identified climate-related risks and opportunities, indicate within which investment time-horizon they were identified.

	(1) 3–5 months	(2) 6 months to 2 years	(3) 2–4 years	(4) 5–10 years
(A) Specific financial risks in different asset classes [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific sectors and/or assets that are at risk of being stranded [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Assets with exposure to direct physical climate risk [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Assets with exposure to indirect physical climate risk [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]

☐
☐
☐
☒

(5) 11–20 years

(6) 21–30 years

(7) >30 years

(A) Specific financial risks in different asset classes [as specified]

☐
☐
☐

(B) Specific sectors and/or assets that are at risk of being stranded [as specified]

☐
☐
☐

(C) Assets with exposure to direct physical climate risk [as specified]

☐
☐
☐

(D) Assets with exposure to indirect physical climate risk [as specified]

☐
☐
☐

(F) Specific sectors and/or assets that contribute significantly to achieving our climate goals [as specified]

☐
☐
☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 31	CORE	N/A	N/A	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified beyond its investment time horizon(s)?

☒ **(A) Specific financial risks in different asset classes. Specify:**

Climate change represents both significant risks and opportunities for businesses. In addition to assessing climate related risks and opportunities in its investment process and disclosing climate related data in its portfolio, Nordic Capital seeks to act as role model by measuring, acting and increasing awareness within its own organisation and encourage portfolio companies to take climate actions. Nordic Capital finds it relevant to compare its Portfolio's carbon intensity index with a corresponding exchange-traded fund linked to the MSCI World Index which is based on publicly available information. As illustrated in the ESG report the carbon emission intensity in the Nordic Capital portfolio is lower even when compared with a low carbon leaders fund. Nordic Capital has not invested in any high impact climate sector. In addition, Nordic Capital is backing companies addressing climate change, for example Sortera, a leading waste management company focusing on recycling and circular economy, iLOQ, a digital access management system provider enabling battery free locking systems and Trustly, a global A2A payment leader supporting the transformation to a card and cashless society.

☒ **(B) Specific sectors and/or assets that are at risk of being stranded. Specify:**

Nordic Capital has not invested in any high impact climate sector, shows low carbon intensity across portfolio and have identified low climate risks.

☒ (C) **Assets with exposure to direct physical climate risk. Specify:**

Nordic Capital has not invested in any high impact climate sector, shows low carbon intensity across portfolio and have identified low climate risks.

☒ (D) **Assets with exposure to indirect physical climate risk. Specify:**

Nordic Capital has not invested in any high impact climate sector, shows low carbon intensity across portfolio and have identified low climate risks. There are a few portfolio companies foremost in the healthcare and Industrial & Business Services sector having limited exposure to indirect physical climate risks through its supply chain, mitigating actions are taken to reduce those.

☒ (E) **Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:**

Nordic Capital is backing companies addressing climate change, for example Sortera, a leading waste management company focusing on recycling and circular economy, iLOQ, a digital access management system provider enabling battery free locking systems and Trustly, a global A2A payment leader supporting the transformation to a card and cashless society.

☒ (F) **Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:**

Nordic Capital is backing companies addressing climate change, for example Sortera, a leading waste management company focusing on recycling and circular economy, iLOQ, a digital access management system provider enabling battery free locking systems and Trustly, a global A2A payment leader supporting the transformation to a card and cashless society.

☐ (G) Other climate-related risks and opportunities identified, please specify:

☐ (H) We have not identified specific climate-related risks and opportunities beyond our organisation's investment time horizon

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 32	PLUS	N/A	N/A	PUBLIC	Strategy	General

Describe the impact of climate-related risks and opportunities on your organization's investment strategy, products (where relevant) and financial planning.

We believe the fundamental impact of climate change has the direct impact on global economy. The transition into tackling these climate related risks and opportunities has since 2014, added a new dimension into our way of working and do business. Physical risks due to climate change as well as other macro trends are taken into consideration when screening new businesses and markets. Nordic Capital assess environmental factors and their impact as part of the investment process. Risks and opportunities considered and assessed are for example such as; dependency on natural resources, transports and logistics, heavy energy usage, chemical substances, water use and waste handling as well as identified future risks and opportunities such as the development of environmentally friendly technologies, transformation to renewables and efficiency in logistics and operational processes.

Nordic Capital believes that a company aware of its own environmental impact as well as understanding how the environment impacts their business is better able to manage associated risks and is more likely to have a long-term sustainable business model in place. We have clear requirements in our ESG integration and follow up on portfolio company level as well as in Nordic Capital's own sustainability agenda. The global climate is changing in ways that affect our planning and day to day operations of businesses in our companies. We expect our portfolio companies to support a precautionary approach and encourage companies to ensure energy efficiency, lower greenhouse gas emissions, use water responsibly, reduce waste and chemicals, and choose sustainable materials when sourcing. We encourage our portfolio companies to disclose information on climate change mitigation and/or adaption as well as providing climate related financial risk disclosures.

Nordic Capital is a long-term investor, with an average holding period for realised buyout investments of average 5.4 years. The portfolio companies of the Nordic Capital vehicles are not being considered as high carbon-intense businesses directly involved in such as the extraction of oil and gas, shipping and raw material industries. However, the transition risk of going into a low-carbon and climate resilient future is challenging every portfolio company indirectly and in different ways. Risks and opportunities depend on geographies, sectors, policy change, shifts in market preferences and norms, technology, time horizons and government and business commitments in limiting global temperatures to rise. In our mission to deliver superior returns to our investors, Nordic Capital understands that these risks must unceasingly be evaluated and mitigated, and transition opportunities must be captured and capitalised upon on.

We believe resource efficiency, capturing new markets and supporting the development of new technologies, products and services is not only crucial developing businesses, but also for the survival of portfolio companies. Additionally, Nordic Capital is continuously evaluating possible impacts of change in national and international climate policies, directives and regulations.

Strategy: Scenario analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 33	CORE	N/A	ISP 33.1	PUBLIC	Strategy: Scenario analysis	General

Does your organisation use scenario analysis to assess climate-related investment risks and opportunities? Select the range of scenarios used.

- ☐ (A) An orderly transition to a 2°C or lower scenario
- ☐ (B) An abrupt transition consistent with the Inevitable Policy Response
- ☐ (C) A failure to transition, based on a 4°C or higher scenario
- ☐ (D) Other climate scenario, specify:
- ☒ (E) We do not use scenario analysis to assess climate-related investment risks and opportunities

Risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 34	PLUS	ISP 30	N/A	PUBLIC	Risk management	General

Which risk management processes do you have in place to identify and assess climate-related risks?

- ☐ (A) Internal carbon pricing. Describe:
- ☐ (B) Hot spot analysis. Describe:
- ☐ (C) Sensitivity analysis. Describe:
- ☐ (D) TCFD reporting requirements on external investment managers where we have externally managed assets. Describe:
- ☐ (E) TCFD reporting requirements on companies. Describe:
- ☒ (F) Other risk management processes in place, please describe:

Screening of potential investments always consists of three measures; financial, legal and sustainable measures. Sustainable measures include climate related risks and opportunities, as well as social aspects and corporate governance and ethics. In addition to our Responsible Investment policy, Nordic Capital has a clear ambition to both reduce its own environmental footprint and continuously encourage our portfolio companies to do the same. Understanding of a company's greenhouse gas emissions at an early state, not only result in a thorough ESG risk and opportunities assessment, it enables us to plan for further actions to reduce negative climate impact and as part of the full value creation plan. We expect our portfolio companies to take a precautionary approach and encourage companies to ensure energy efficiency, lower greenhouse gas emissions, use water responsibly, reduce waste and chemicals, and choose sustainable materials when sourcing.

☐ (G) We do not have any risk management processes in place to identify and assess climate-related risks

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 35	PLUS	Multiple, see guidance	N/A	PUBLIC	Risk management	General

In which investment processes do you track and manage climate-related risks?

☒ (A) In our engagements with investee entities, and/or in engagements conducted on our behalf by service providers and/or external managers. Describe:

[add text]

☐ (E) In the asset class benchmark selection process. Describe:

☒ (F) In our financial analysis process. Describe:

SG 13.3 ESG analysis, including climate related risks and opportunities, is performed on a case by case basis and in accordance to our responsible investment framework. This includes sector specific topics deemed relevant to the specific investment. Our investment focus covers the Nordic region, selected Northern European sectors and the Global healthcare market. Sustainability factors are fully integrated into all stages of our investment and ownership process from evaluation through to exit. At an early stage - in the sourcing and analysis phase, we are considering potential investments from a broad range of ESG factors, such as the SDGs, industry/sector, geographical spread in markets and operations, etc.

☐ (G) Other investment process(es). Describe:

☐ (H) We are not tracking and managing climate-related risks in specific investment processes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 36	PLUS	N/A	N/A	PUBLIC	Risk management	General

How are the processes for identifying, assessing and managing climate-related risks incorporated into your organisation's overall risk management?

☒ (A) The risk committee or the equivalent function is formally responsible for identifying, assessing and managing climate risks.

Describe:

[aztec/jersey]

☒ (B) Climate risks are incorporated into traditional risks (e.g. credit risk, market risk, liquidity risk or operational risk).

Describe:

sg 14.8 Each investment recommendation contains consistent and rigorous analytical information combined with a tailored evaluation approach. Standardised ESG check-lists and templates (including climate related risks and opportunities) are used to ensure consistency, quality and good risk management at each stage of an investment appraisal. The investment framework has been designed to fully leverage the Adviser's proactive sourcing, alpha-driven investment selection, operational capabilities and strong regional and sector networks. The general partners of the Nordic Capital vehicle consider ESG issues including risk management and compliance and through the work of the Deal Risk Coordinator, based in Jersey the general partners are updated on progress of any deal specific ESG risks which need addressing in due diligence from a fund perspective. Each general partner board of the relevant Nordic Capital vehicle is responsible for managing its own risks and is responsible for ensuring that a consistent approach to ESG is applied to any given situation applicable to its respective Fund.

☒ (C) Climate risks are prioritised based on their relative materiality, as defined by our organisation's materiality analysis.

Describe:

Each investment recommendation contains consistent and rigorous analytical information combined with a tailored evaluation approach. Standardised ESG check-lists and templates (including climate related risks and opportunities) are used to ensure consistency, quality and good risk management at each stage of an investment appraisal. The investment framework has been designed to fully leverage the Adviser's proactive sourcing, alpha-driven investment selection, operational capabilities and strong regional and sector networks. The general partners of the Nordic Capital vehicle consider ESG issues including risk management and compliance and through the work of the Deal Risk Coordinator, based in Jersey the general partners are updated on progress of any deal specific ESG risks which need addressing in due diligence from a fund perspective. Each general partner board of the relevant Nordic Capital vehicle is responsible for managing its own risks and is responsible for ensuring that a consistent approach to ESG is applied to any given situation applicable to its respective Fund.

☐ (D) Executive remuneration is linked to climate-related KPIs. Describe:

☐ (E) Management remuneration is linked to climate-related KPIs. Describe:

☒ (F) Climate risks are included in the enterprise risk management system. Describe:

[check aztec and jersey]

☐ (G) Other methods for incorporating climate risks into overall risk management, please describe:

☐ (H) Processes for identifying, assessing and managing climate-related risks are not integrated into our overall risk management

Metrics and targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 37	PLUS	N/A	ISP 37.1	PUBLIC	Metrics and targets	General

Have you set any organisation-wide targets on climate change?

- ☒ (A) Reducing carbon intensity of portfolios
☒ (B) Reducing exposure to assets with significant climate transition risks
☒ (C) Investing in low-carbon, energy-efficient climate adaptation opportunities in different asset classes
☐ (D) Aligning entire group-wide portfolio with net zero
☐ (E) Other target, please specify:
☐ (F) No, we have not set any climate-related targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 37.1	PLUS	ISP 37	N/A	PUBLIC	Metrics and targets	General

Provide more details about your climate change target(s).

(1) Absolute- or intensity-based		(8) Other details
(A) Reducing carbon intensity of portfolios	(2) Intensity-based	compare to MSCI low carbon
(B) Reducing exposure to assets with significant climate transition risks		inv staetgy in sectors
(C) Investing in low-carbon, energy-efficient climate adaptation opportunities in different asset classes		inv strategy

Metrics and targets: Transition risk

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 38	PLUS	N/A	ISP 38.1	PUBLIC	Metrics and targets: Transition risk	General

What climate-related metric(s) has your organisation identified for transition risk monitoring and management?

- ☒ (A) Total carbon emissions
- ☒ (B) Carbon footprint
- ☒ (C) Carbon intensity
- ☐ (D) Weighted average carbon intensity
- ☐ (E) Implied temperature warming
- ☐ (F) Percentage of assets aligned with the EU Taxonomy (or similar taxonomy)
- ☐ (G) Avoided emissions metrics (real assets)
- ☐ (H) Other metrics, please specify:
- ☐ (I) No, we have not identified any climate-related metrics for transition risk monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 38.1	PLUS	ISP 38	N/A	PUBLIC	Metrics and targets: Transition risk	General

Provide details about the metric(s) you have identified for transition risk monitoring and management.

(1) Coverage of AUM		(2) Purpose
(A) Total carbon emissions	(2) for the majority of our assets	Nordic Capital believes that a company that is aware of its impact on the environment is better able to manage associated risks and is more likely to have a long-term sustainable business model in place
(B) Carbon footprint	(2) for the majority of our assets	Nordic Capital believes that a company that is aware of its impact on the environment is better able to manage associated risks and is more likely to have a long-term sustainable business model in place

(C) Carbon intensity	(2) for the majority of our assets	Nordic Capital believes that a company that is aware of its impact on the environment is better able to manage associated risks and is more likely to have a long-term sustainable business model in place
(3) Metric unit		(4) Methodology
(A) Total carbon emissions	tCO2e	Third party provider
(B) Carbon footprint	tCO2e	Third party provider
(C) Carbon intensity	tCO2e/ MEUR Sales	Third party provider
(5) Disclosed value		
(A) Total carbon emissions	40700	
(B) Carbon footprint	40700	
(C) Carbon intensity	30	

Metrics and targets: Physical risk

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 39	PLUS	N/A	ISP 39.1	PUBLIC	Metrics and targets: Physical risk	General

What climate-related metric(s) has your organisation identified for physical risk monitoring and management?

- ☐ (A) Weather-related operational losses for real assets or the insurance business unit
☐ (B) Proportion of our property, infrastructure or other alternative asset portfolios in an area subject to flooding, heat stress or water stress
☐ (C) Other metrics, please specify:
☐ (D) Other metrics, please specify:
☒ (E) We have not identified any metrics for physical risk monitoring

Sustainability outcomes

Set policies on sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 40	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Where is your approach to sustainability outcomes set out? Your policy/guideline may be a standalone document or part of a wider responsible investment policy.

- ☒ (A) Our approach to sustainability outcomes is set out in our responsible investment policy
- ☐ (B) Our approach to sustainability outcomes is set out in our exclusion policy
- ☐ (C) Our approach to sustainability outcomes is set out in our stewardship policy
- ☐ (D) Our approach to sustainability outcomes is set out in asset class-specific investment guidelines
- ☐ (E) Our approach to sustainability outcomes is set out in separate guidelines on specific outcomes (e.g. the SDGs, climate or human rights)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 41	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Which global or regionally recognised frameworks do your policies and guidelines on sustainability outcomes refer to?

- ☒ (A) The SDG goals and targets
- ☐ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) Other frameworks, please specify:
- ☐ UN Global Compact
- ☐ (F) Other frameworks, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 42	PLUS	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

What are the main reasons that your organisation has established policies or guidelines on sustainability outcomes? Select a maximum of three options.

- ☒ (A) Because we understand which potential financial risks and opportunities are likely to exist in (and during the transition to) an SDG-aligned world
- ☒ (B) Because we see it as a way to identify opportunities, such as through changes to business models, across supply chains and through new and expanded products and services
- ☐ (C) Because we want to prepare for and respond to legal and regulatory developments, including those that may lead to stranded assets
- ☐ (D) Because we want to protect our reputation and licence-to-operate (i.e. the trust of beneficiaries, clients and other stakeholders), particularly in the event of negative sustainability outcomes from investments
- ☐ (E) Because we want to meet institutional commitments on global goals (including those based on client or beneficiaries' preferences), and communicate on progress towards meeting those objectives
- ☐ (F) Because we consider materiality over longer time horizons to include transition risks, tail risks, financial system risks and similar
- ☒ (G) Because we want to minimise negative sustainability outcomes and increase positive sustainability outcomes of investments

Identify sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 43	CORE	N/A	Multiple, see guidance	PUBLIC	Identify sustainability outcomes	1

Has your organisation identified the intended and unintended sustainability outcomes from any of its activities?

- ☐ (A) No, we have not identified the sustainability outcomes from our activities
- ☒ (B) Yes, we have identified one or more sustainability outcomes from some or all of our activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44	CORE	ISP 43	ISP 44.1	PUBLIC	Identify sustainability outcomes	1

What frameworks/tools did your organisation use to identify the sustainability outcomes from its activities? Indicate the tools or frameworks you have used to identify and map some or all of your sustainability outcomes.

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other taxonomies (e.g. similar to the EU Taxonomy), please specify:
- ☐ (G) Other framework/tool, please specify:
- ☐ (H) Other framework/tool, please specify:
- ☐ (I) Other framework/tool, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44.1	CORE	ISP 44	N/A	PUBLIC	Identify sustainability outcomes	1

At what level(s) did your organisation identify the sustainability outcomes from its activities?

- ☒ (A) At the asset level
- ☐ (B) At the economic activity level
- ☒ (C) At the company level
- ☐ (D) At the sector level
- ☐ (E) At the country/region level
- ☐ (F) At the global level
- ☐ (G) Other level(s), please specify:
- ☐ (H) We do not track at what level(s) our sustainability outcomes were identified

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 45	CORE	ISP 43	SO 1	PUBLIC	Identify sustainability outcomes	1

How has your organisation determined your most important sustainability outcome objectives?

- ☒ (A) Identifying sustainability outcomes that are closely linked to our core investment activities
- ☒ (B) Consulting with key clients and/or beneficiaries to align with their priorities
- ☐ (C) Assessing the potential severity (e.g. probability and amplitude) of specific negative outcomes over different timeframes
- ☐ (D) Focusing on the potential for systemic impacts (e.g. due to high level of interconnectedness with other global challenges)
- ☒ (E) Evaluating the potential for certain outcome objectives to act as a catalyst/enabler to achieve a broad range of goals (e.g. gender or education)
- ☒ (F) Analysing the input from different stakeholders (e.g. affected communities, civil society or similar)
- ☐ (G) Understanding the geographical relevance of specific sustainability outcome objectives
- ☐ (H) Other method, please specify:
- ☐ (I) We have not yet determined our most important sustainability outcome objectives

Transparency & Confidence-Building Measures

Information disclosed – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 46	CORE	OO 16	N/A	PUBLIC	Information disclosed – ESG assets	6

For the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets, what information about your ESG approach do you (or the external investment managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☒ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☒ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☐ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)

- ☐ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Client reporting – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 48	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – ESG assets	6

What ESG information is included in your client reporting for the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets?

- ☒ (A) Qualitative analysis, descriptive examples or case studies
- ☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☒ (C) Progress on our sustainability outcome objectives
- ☒ (D) Stewardship results
- ☐ (E) Information on ESG incidents, where applicable
- ☐ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Information disclosed – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 49	CORE	N/A	N/A	PUBLIC	Information disclosed – All assets	6

For the majority of your total assets under management, what information about your ESG approach do you (or the external managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☒ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☒ (F) Information about the ESG benchmark(s) that we use to measure fund performance

- ☒ (G) Our stewardship approach
- ☐ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☐ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our assets under management

Client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 50	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – All assets	6

What ESG information is included in your client reporting for the majority of your assets under management?

- ☒ (A) Qualitative ESG analysis, descriptive examples or case studies
- ☒ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☒ (C) Progress on our sustainability outcome objectives
- ☒ (D) Stewardship results
- ☐ (E) Information on ESG incidents where applicable
- ☐ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our assets under management

Frequency of client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 51	CORE	Multiple, see guidance	N/A	PUBLIC	Frequency of client reporting – All assets	6

For the majority of each asset class, how frequently do you report ESG-related information to your clients?

(C) Private equity (3) Annually

Confidence-building measures

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 52	CORE	OO 16.1	Multiple, see guidance	PUBLIC	Confidence-building measures	6

What verification has your organisation had regarding the information you have provided in your PRI Transparency Report this year?

- ☐ (A) We received third-party independent assurance of selected processes and/or data related to our responsible investment processes, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls/governance or processes to be able to conduct an external assurance next year
- ☐ (C) The internal audit function team performed an independent audit of selected processes/and or data related to our responsible investment processes reported in this PRI report
- ☒ **(D) Our board, CEO, other C-level equivalent and/or investment committee has signed off on our PRI report**
- ☐ (E) Some or all of our funds have been audited as part of the certification process against a sustainable investment/RI label
- ☐ (F) We conducted an external ESG audit of our ESG/sustainability marketed funds or products (excluding ESG/RI certified or labelled assets)
- ☐ (G) We conducted an external ESG audit of our holdings to check that our funds comply with our RI policy (e.g. exclusion list or investee companies in portfolio above certain ESG rating)
- ☐ (H) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ **(I) Responses related to our RI practices documented in this report have been internally reviewed before submission to the PRI**
- ☐ (J) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 58	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

Who has reviewed/verified the entirety of or selected data from your PRI report?

- | | |
|---|-----------------------|
| (A) Board and/or trustees | (1) the entire report |
| (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO)) | (1) the entire report |
| (C) Investment committee | (1) the entire report |

(D) Other chief-level staff, please specify:

General Counsel

(1) the entire report

(E) Head of department, please specify:

Director of Communication and Sustainability

(1) the entire report

(F) Compliance/risk management team

(1) the entire report

(G) Legal team

(2) most of the report

(H) RI/ ESG team

(1) the entire report

(I) Investment teams

(4) report not reviewed

Private Equity (PE)

Policy

Investment guidelines

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 1	CORE	N/A	N/A	PUBLIC	Investment guidelines	1 to 6

What private equity-specific ESG guidelines are currently covered in your organisation's responsible investment policies?

- ☒ (A) Guidelines on how we adapt our ESG approach for the different sectors and geographies we invest in
- ☐ (B) Guidelines on how we adapt our ESG approach for the different strategies and company stages we invest in (e.g. venture capital, buy-out, distressed etc.)
- ☒ (C) Guidelines on screening investments
- ☒ (D) Guidelines on minimum ESG due diligence requirements
- ☒ (E) Guidelines on our approach to ESG integration into 100-day plans (or equivalent) and long-term value creation efforts
- ☒ (F) Guidelines on our approach to monitoring ESG risks, opportunities and incidents
- ☒ (G) Guidelines on our approach to ESG reporting
- ☒ (H) Identification of individuals or a group with ultimate responsibility for ESG
- ☐ (I) Our policies do not cover private equity-specific ESG guidelines

Fundraising

Commitments to investors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 2	CORE	N/A	N/A	PUBLIC	Commitments to investors	1, 4

For all of your funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs) or side letters? (If you did not close any funds during this reporting year, refer to the last reporting year in which you did close funds.)

- ☐ (A) We incorporated responsible investment commitments in LPAs as a standard, default procedure
- ☒ (B) We added responsible investment commitments in LPAs upon client request
- ☒ (C) We added responsible investment commitments in side letters upon client request
- ☐ (D) We did not make any formal responsible investment commitments for the relevant reporting year
- ☐ (E) Not applicable as we have never raised funds
- ☐ (F) Not applicable as we have not raised funds in the last 5 years

Pre-investment phase

Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3	CORE	N/A	PE 3.1	PUBLIC	Materiality analysis	1

During the reporting year, how did you conduct ESG materiality analysis for your potential private equity investments?

- | | |
|---|--|
| (A) We assessed materiality at the portfolio company level, as each case is unique | (1) for all of our potential private equity investments |
| (B) We performed a mix of industry-level and portfolio company-level materiality analysis | (4) for none of our potential private equity investments |
| (C) We assessed materiality at the industry level only | (4) for none of our potential private equity investments |

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3.1	CORE	PE 3	N/A	PUBLIC	Materiality analysis	1

During the reporting year, what tools, standards and data did you use in your ESG materiality analysis of potential private equity investments?

- ☐ (A) We used GRI Standards to inform our private equity materiality analysis
- ☒ (B) We used SASB to inform our private equity materiality analysis
- ☐ (C) We used environmental and social factors detailed in the IFC Performance Standards (or other similar standards) in our private equity materiality analysis
- ☐ (D) We used climate risk disclosures such as the TCFD recommendations (or other climate risk analysis tools) to inform our private equity materiality analysis
- ☒ (E) We used geopolitical and macro-economic considerations in our private equity materiality analysis
- ☒ (F) Other, please specify:
- Our materiality analysis of potential investments draws upon the ESG Due Diligence guide of Invest Europe.

Due diligence

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 4	CORE	N/A	N/A	PUBLIC	Due diligence	1

During the reporting year, how did ESG factors affect the selection of your private equity investments?

- | | |
|--|---|
| (A) ESG factors helped identify risks | (1) for all of our private equity investments selected |
| (B) ESG factors were discussed by the investment committee (or equivalent) | (1) for all of our private equity investments selected |
| (C) ESG factors helped identify remedial actions for our 100-day plans (or equivalent) | (2) for the majority of our private equity investments selected |
| (D) ESG factors helped identify opportunities for value creation | (2) for the majority of our private equity investments selected |
| (E) ESG factors led to the abandonment of potential investments | (3) for a minority of our private equity investments selected |

(F) ESG factors impacted investments in terms of price offered and/or paid by having an effect on revenue assumptions

(3) for a minority of our private equity investments selected

(G) ESG factors impacted investments in terms of price offered and/or paid by having an effect on CAPEX assumptions

(3) for a minority of our private equity investments selected

(H) ESG factors impacted investments in terms of price offered and/or paid by having an effect on OPEX assumptions

(3) for a minority of our private equity investments selected

(I) ESG factors impacted investments in terms of price offered and/or paid by having an effect on the cost of capital or discount rate assumptions

(3) for a minority of our private equity investments selected

(J) Other, please specify:

NA

(4) for none of our private equity investments selected

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 5	CORE	N/A	N/A	PUBLIC	Due diligence	1

Once material ESG factors have been identified, what processes do you use to conduct due diligence on these factors for potential investments?

(A) We do a high-level/desktop review against an ESG checklist for initial red flags

(1) for all of our potential private equity investments

(B) We send detailed ESG questionnaires to target companies

(3) for a minority of our potential private equity investments

(C) We hire third-party consultants to do technical due diligence on specific issues

(1) for all of our potential private equity investments

(D) We conduct site visits and in-depth interviews with management and personnel

(2) for the majority of our potential private equity investments

(E) We incorporate actions based on the risks and opportunities identified in the due diligence process into the 100-day plan (or equivalent)

(1) for all of our potential private equity investments

(F) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as for other key due diligence (e.g. commercial, accounting and legal)

(1) for all of our potential private equity investments

(G) Our investment committee (or an equivalent decision-making body) is ultimately responsible for ensuring all ESG due diligence is completed in the same manner as for other key due diligence (e.g. commercial, accounting and legal)

(1) for all of our potential private equity investments

(H) Other, please specify:

N/A

(4) for none of our potential private equity investments

Post-investment phase

Monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 6	CORE	N/A	PE 6.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more core ESG KPIs across all your private equity investments?

- ☒ (A) Yes, we tracked environmental KPIs
- ☒ (B) Yes, we tracked social KPIs
- ☒ (C) Yes, we tracked governance KPIs
- ☐ (D) We did not track ESG KPIs across our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 6.1	PLUS	PE 6	N/A	PUBLIC	Monitoring	1

Provide examples of the core ESG KPIs you tracked across all of your private equity investments.

- ☒ (A) ESG KPI #1
Having a sustainability strategy in place
- ☒ (B) ESG KPI #2
Having an assigned 'Sustainability responsible' in the company
- ☒ (C) ESG KPI #3
Code of Conduct, Anti-corruption Policy, Anti-trust Policy, Trade Compliance Policy, Information Security Policy, Data Protection Policy, and Tax Policy in place and well implemented.
- ☒ (D) ESG KPI #4
Third party whistleblowing channel and policy in place

- ☒ (E) ESG KPI #5
GHG Emissions, total and intensity per MEUR of revenue
- ☒ (F) ESG KPI #6
Energy use and actions taken to lower energy consumption
- ☒ (G) ESG KPI #7
Share of female representation of executives
- ☒ (H) ESG KPI #8
Share of female representation of external board members
- ☒ (I) ESG KPI #9
Internal employee development program in place?
- ☐ (J) ESG KPI #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 7	CORE	N/A	N/A	PUBLIC	Monitoring	1

For the majority of the core KPIs that you tracked, how did you set targets across your private equity investments?

- ☒ (A) We set targets to achieve incremental improvements based on past performance
- ☐ (B) We set targets using industry benchmarks/standards
- ☒ (C) We set targets against global benchmarks or thresholds (e.g. on climate change and/or the SDGs)
- ☐ (D) We did not set targets for the core ESG KPIs that we tracked
- ☐ (E) We did not set targets as we don't track core ESG KPIs

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 8	CORE	N/A	PE 8.1	PUBLIC	Monitoring	1,2

What processes do you have in place to support meeting your ESG targets for your private equity investments?

(A) We use operational-level benchmarks to assess and analyse the performance of portfolio companies against sector performance	(1) for all of our private equity investments
(B) We implement international best practice standards such as the IFC Performance Standards to guide ongoing assessment and analysis	(2) for the majority of our private equity investments
(C) We implement certified environmental management systems across our portfolio	(3) for a minority of our private equity investments

(D) We make sufficient budget available to ensure that the systems and procedures needed to achieve the target are put in place	(1) for all of our private equity investments
(E) We hire external verification services to audit performance, systems and procedures	(3) for a minority of our private equity investments
(F) We develop minimum health and safety standards	(2) for the majority of our private equity investments
(G) We conduct ongoing engagement with all key stakeholders at the portfolio company level (e.g. local communities, NGOs, governments and end-users)	(1) for all of our private equity investments
(H) Other, please specify: NA	(4) for none of our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 8.1	PLUS	PE 8	N/A	PUBLIC	Monitoring	1,2

Describe up to two processes that you put in place during the reporting year to support meeting your ESG targets.

Processes to support meeting ESG targets

(A) Process 1	<p>We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. Portfolio company board to ensure:</p> <ul style="list-style-type: none"> <input type="checkbox"/> definitions, expectations and actions are included in value creation plan <input type="checkbox"/> clear ownership and adequate resources and governance structure <input type="checkbox"/> annual review
---------------	--

(B) Process 2

Our dedicated sustainability team continuously works to ensure and develop Nordic Capital's investment framework and to promote best practice in the way that Nordic Capital and its portfolio companies approach governance and their impact on society and the environment. This team is also responsible for developing training programmes and sustainability evaluation methods in order to measure progress.

NC Sustainability function

□ Input and review sustainability in value creation plan

□ Provide training, tools and support

□ Perform sustainability scorecard, follow-up and review as well as benchmarking between portfolio companies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 9	PLUS	N/A	N/A	PUBLIC	Monitoring	1, 2

Describe ESG risks and opportunities that you integrate into your 100-day plans, including who is accountable for their successful completion and how the process is monitored.

Nordic Capital's ambition is to enable our portfolio companies to integrate sustainability into their business strategy and processes. Potential investments must be assessed for financial, legal and sustainability risk. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments and to address sustainability matters in a systematic and consistent manner throughout the investment process. The pre-investment ESG assessment is the basis of further implementation in the value creation phase during the ownership period.

Nordic Capital has sector specific training, templates and tools to better understand material risks and opportunities related to different ESG factors and to further understand how to implement it into the value creation plan.

Nordic Capital expects portfolio companies and their Board of Directors to address sustainability appropriately within two years of investment. We encourage them to apply the responsible investment principles and set targets for improvement during the ownership period. Nordic Capital portfolio companies are required to have their sustainability strategies approved and reviewed annually by the Board of Directors and annually report on their sustainability performance to Nordic Capital.

To facilitate and accelerate the process to define each company's sustainability agenda, Nordic Capital developed a specific Sustainability Playbook in 2020. It provides a step-by-step approach on how to conduct an assessment of sustainability related risks and opportunities. We also developed a sustainability roadmap to provide structure and enable portfolio companies to define KPIs, baselines, targets and key actions.

Since 2016, we have used a sustainability software platform for non-financial information to systemise and improve the reporting processes. This platform was developed and is maintained by an external provider. The software is of great use to both Nordic Capital and its portfolio companies in the process of collecting, aggregating and analysing status, data and progress in different areas of sustainability, and in total we collect and analyse around 50 different data points.

In 2020, Nordic Capital further developed its process for structured feedback. Nordic Capital provides a Sustainability Scorecard per portfolio company to clarify requirements at an ownership level and also to follow up the progress of each company's sustainability work on a yearly basis. The Sustainability Scorecard is shared with the Board of Directors and Executive management to help the company to better understand the sustainability challenges and opportunities and indicate where we can provide support or follow up on progress.

In addition, we encourage portfolio companies to communicate their sustainability agenda to important stakeholders and disclose key ESG related data in line with international standards and frameworks.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 10	CORE	N/A	N/A	PUBLIC	Monitoring	1, 2

Post-investment, how do you manage material ESG-related risks and opportunities to create value during the holding period of your investments?

(A) We develop company-specific ESG action plans based on pre-investment research, due diligence and materiality findings	(1) for all of our private equity investments
(B) We adjust our ESG action plans regularly based on performance monitoring findings	(1) for all of our private equity investments
(C) We hire external advisors to provide support with specific ESG value creation opportunities	(3) for a minority of our private equity investments
(D) Other, please specify: NA	(4) for none of our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 11	PLUS	N/A	N/A	PUBLIC	Monitoring	2

Describe how your long-term ESG action plans are currently defined, implemented and monitored.

Following the acquisition of a portfolio company, it is the responsibility the board of directors of such company to monitor sustainability risks; however, Nordic Capital actively encourages portfolio companies to, at minimum, meet external standards for sustainability. When Nordic Capital invests in a company, a structured on-boarding process is initiated to understand and identify material risks and opportunities related to sustainability and to set a sustainability agenda. This assessment may include environmental factors such as carbon footprint, energy efficiency, waste management; and also social, ethical and community impacts; as well as compliance such as anti-corruption, antitrust, trade sanctions and data protection. It is encouraged that this sustainability agenda is integrated into the value creation plan with clear objectives and KPIs set to measure progress over time.

Nordic Capital expects portfolio companies and their Board of Directors to address sustainability appropriately within two years of investment. We encourage them to apply the responsible investment principles that we have developed and aim for improvement during the ownership period. Nordic Capital Portfolio companies are required to have their sustainability strategies approved and reviewed annually by the Board of Directors and annually report on their sustainability performance to Nordic Capital.

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company.

To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. This also includes providing networking opportunities, tools, regular reporting tools and reviews.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 12	CORE	N/A	PE 12.1	PUBLIC	Monitoring	1, 2

How do you ensure that adequate ESG-related competence exists at the portfolio company level?

(A) We assign the board responsibility for ESG matters	(1) for all of our private equity investments
(B) We mandate that material ESG matters are discussed by the board at least once a year	(1) for all of our private equity investments
(C) We provide training on ESG aspects and management best practices relevant to the portfolio company to C-suite executives only	(1) for all of our private equity investments
(D) We provide training on ESG aspects and management best practices relevant to the portfolio company to employees (excl. C-suite executives)	(1) for all of our private equity investments
(E) We support the portfolio company in developing and implementing its ESG strategy	(1) for all of our private equity investments
(F) We support portfolio companies by finding external ESG expertise (e.g. consultants or auditors)	(2) for the majority of our private equity investments
(G) We share best practices across portfolio companies (e.g. educational sessions or implementation of environmental and social management systems)	(1) for all of our private equity investments

(H) We include incentives to improve ESG performance in management remuneration schemes

(2) for the majority of our private equity investments

(I) Other, please specify:

NA

(4) for none of our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 12.1	PLUS	PE 12	N/A	PUBLIC	Monitoring	1, 2

Describe up to two initiatives taken as part of your ESG competence-building efforts during the reporting year.

ESG competence-building initiatives

(A) Initiative 1

To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. This also includes providing networking opportunities, tools, regular reporting tools and reviews.

(B) Initiative 2

Nordic Capital is providing training, workshops and facilitation of best-practice-sharing of related sustainability topics among portfolio companies. We believe this initiative will lead to increased positive results in all companies' long-term performance and value creation. **(response continued in row below)**

Typically, we work with portfolio companies for example in the following ways:

- Developing sustainability strategies
- Identifying business risks and opportunities from a sustainability perspective
- Establishing internal control functions
- Sustainability reporting
- Establishing and implementing policies
- Sustainability presentations and training sessions with people in management positions

In 2019, Nordic Capital further developed its process for structured feedback. Nordic Capital provides a Sustainability Scorecard per portfolio company to clarify requirements at an ownership level and also to follow-up the progress of each company's sustainability work on a yearly basis. The Sustainability Scorecard is shared with the Board of Directors and Executive management to help the company to better understand the sustainability challenges and opportunities and indicate where we can provide support or follow up on progress..

Exit

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 13	CORE	N/A	N/A	PUBLIC	Exit	4, 6

During the reporting year, what responsible investment information has your organisation shared with potential buyers of private equity investments?

(A) We shared our firm's high-level commitment to responsible investment (e.g. that we are a PRI signatory)	(1) for all of our private equity investments
(B) We shared a description of what industry and asset class standards our firm aligns with (e.g. TCFD or GRESB)	(2) for the majority of our private equity investments
(C) We shared our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)	(1) for all of our private equity investments
(D) We shared our firm's ESG risk assessment methodology (topics covered, in-house and/or with external support)	(2) for the majority of our private equity investments
(E) We shared the outcome of our latest ESG risk assessment on the asset or portfolio company	(2) for the majority of our private equity investments

(F) We shared key ESG performance data on the asset or portfolio company being sold

(1) for all of our private equity investments

(G) Other, please specify:

NA

(4) for none of our private equity investments

Reporting/Disclosure

ESG portfolio information

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 14	CORE	N/A	N/A	PUBLIC	ESG portfolio information	6

During the reporting year, how did you report on core ESG data and targets to your investors or beneficiaries?

- ☒ (A) We reported in aggregate through a publicly disclosed sustainability report
- ☒ (B) We reported in aggregate through formal reporting to investors or beneficiaries
- ☒ (C) We reported on the portfolio company level through formal reporting to investors or beneficiaries
- ☐ (D) We reported through a limited partners advisory committee
- ☒ (E) We reported back at digital or physical events or meetings with investors or beneficiaries
- ☐ (F) We did ad hoc or informal reporting on serious ESG incidents
- ☒ (G) Other, please specify:

We complete several LP- specific ESG DDQs annually reporting both on Nordic Capital's ESG processes and portfolio ESG performance. We also engage in dialogue with a number of investors on specific portfolio companies and their sustainability performance.

- ☐ (H) We did not report on core ESG data and targets to our investors or beneficiaries during the reporting year

Sustainability Outcomes (SO)

Set targets on sustainability outcomes

Outcome objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	ISP 45	SO 1.1, SO 2	PUBLIC	Outcome objectives	1

Has your organisation chosen to shape any specific sustainability outcomes?

- ☒ (A) Yes
☐ (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 3	PUBLIC	Outcome objectives	1

Please list up to 10 of the specific sustainability outcomes that your organisation has chosen to shape.

Sustainability outcomes

(A) Sustainability Outcome #1	SDG 5.5 women's participation in leadership
(B) Sustainability Outcome #2	SDG 8.3 job creation and growing enterprises
(C) Sustainability Outcome #3	SDG 12.1 sustainable consumption and production
(D) Sustainability Outcome #4	SDG 12.6 sustainable practices and reporting
(E) Sustainability Outcome #5	SDG 13.2 climate change measures
(F) Sustainability Outcome #6	SDG 16.5 anti-corruption and anti-bribery

Target-setting process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3	PLUS	SO 2	SO 3.1	PUBLIC	Target-setting process	1

Have you set any targets for your sustainability outcomes? Indicate how many targets you have set for each sustainability outcome.

(A) Sustainability Outcome #1: (3) Two or more targets

(B) Sustainability Outcome #2: (2) One target

(C) Sustainability Outcome #3: (2) One target

(D) Sustainability Outcome #4: (2) One target

(E) Sustainability Outcome #5: (2) One target

(F) Sustainability Outcome #6: (3) Two or more targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 3.1	PLUS	SO 3	Multiple, see guidance	PUBLIC	Target-setting process	1

For each sustainability outcome, name and provide a brief description of up to two of your targets and list the metrics or key performance indicators (KPIs) associated with them, the targets' deadlines and the percentage of your assets under management to which the targets apply.

	Target name	Target description
(A1) Sustainability Outcome #1: (Target 1)	Women on PortCo Boards	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making

(A2) Sustainability Outcome #1: (Target 2)	Women in PortCo management	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making
(B1) Sustainability Outcome #2: (Target 1)	Organic portfolio employment growth	Promote policies to support job creation and growing enterprises
(C1) Sustainability Outcome #3: (Target 1)	Portfolio companies with a sustainability strategy in place	Implement the 10 year sustainable consumption and production framework
(D1) Sustainability Outcome #4: (Target 1)	Portfolio companies that have published a sustainability report	Encourage companies to adopt sustainable practices and sustainability reporting
(E1) Sustainability Outcome #5: (Target 1)	carbon emission intensity	Integrate climate change measures into policy and planning
(F1) Sustainability Outcome #6: (Target 1)	Portfolio companies that have a Code of Conduct	Substantially reduce corruption and bribery
(F2) Sustainability Outcome #6: (Target 2)	Portfolio companies that have a whistleblowing policy and/or system	Substantially reduce corruption and bribery
	KPIs/metrics	Target deadline: Year
(A1) Sustainability Outcome #1: (Target 1)	Women on PortCo Boards (external board members percentage)	2022
(A2) Sustainability Outcome #1: (Target 2)	Women in PortCo management (percentage)	2022
(B1) Sustainability Outcome #2: (Target 1)	Organic portfolio employment growth (percent growth)	2022
(C1) Sustainability Outcome #3: (Target 1)	Portfolio companies with a sustainability strategy in place (percentage)	2022
(D1) Sustainability Outcome #4: (Target 1)	Portfolio companies that have published a sustainability report (percentage)	2022
(E1) Sustainability Outcome #5: (Target 1)	carbon emission intensity (tons of CO ₂ e / sales in MEUR)	2022

(F1) Sustainability Outcome #6: (Target 1)	Portfolio companies that have a Code of Conduct (percentage)	2022
--	--	------

(F2) Sustainability Outcome #6: (Target 2)	Portfolio companies that have a whistleblowing policy and/or system (percentage)	2022
--	--	------

Coverage: % of assets under management

(A1) Sustainability Outcome #1: (Target 1)	95
--	----

(A2) Sustainability Outcome #1: (Target 2)	95
--	----

(B1) Sustainability Outcome #2: (Target 1)	95
--	----

(C1) Sustainability Outcome #3: (Target 1)	95
--	----

(D1) Sustainability Outcome #4: (Target 1)	95
--	----

(E1) Sustainability Outcome #5: (Target 1)	95
--	----

(F1) Sustainability Outcome #6: (Target 1)	95
--	----

(F2) Sustainability Outcome #6: (Target 2)	95
--	----

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 3.1	N/A	PUBLIC	Target-setting process	1

Which global goals (or other references) did your organisation use to determine your sustainability outcomes targets? Explain whether you have derived your target from global goals, e.g. by translating a global goal into a target at the national, regional, sub-national, sectoral or sub-sectoral level. Alternatively, explain why you have set your target independently from global goals.

Global goals/references

(A1) Sustainability Outcome #1: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
--	---

(A2) Sustainability Outcome #1: (Target 2)	Goal directly inspired by UN Sustainable Development Goals for 2030
(B1) Sustainability Outcome #2: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
(C1) Sustainability Outcome #3: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
(D1) Sustainability Outcome #4: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
(E1) Sustainability Outcome #5: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
(F1) Sustainability Outcome #6: (Target 1)	Goal directly inspired by UN Sustainable Development Goals for 2030
(F2) Sustainability Outcome #6: (Target 2)	Goal directly inspired by UN Sustainable Development Goals for 2030

Tracking progress

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 3.1	SO 5.1, SO 5.2	PUBLIC	Tracking progress	1

Does your organisation track intermediate performance and progress against your sustainability outcomes targets?

(A1) Sustainability Outcome #1: (Target 1)	(1) Yes
(A2) Sustainability Outcome #1: (Target 2)	(1) Yes
(B1) Sustainability Outcome #2: (Target 1)	(1) Yes
(C1) Sustainability Outcome #3: (Target 1)	(1) Yes
(D1) Sustainability Outcome #4: (Target 1)	(1) Yes
(E1) Sustainability Outcome #5: (Target 1)	(1) Yes
(F1) Sustainability Outcome #6: (Target 1)	(1) Yes

(F2) Sustainability Outcome #6: (Target 2)

(1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5.1	PLUS	SO 5	N/A	PUBLIC	Tracking progress	1

How does your organisation track intermediate performance and progress against your sustainability outcomes targets?

Please describe below:

(A1) Sustainability Outcome #1: (Target 1)

We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.

(A2) Sustainability Outcome #1: (Target 2)

We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.

(B1) Sustainability Outcome #2: (Target 1)

We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.

(C1) Sustainability Outcome #3: (Target 1)

We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.

(D1) Sustainability Outcome #4: (Target 1)	We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.
(E1) Sustainability Outcome #5: (Target 1)	We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.
(F1) Sustainability Outcome #6: (Target 1)	We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.
(F2) Sustainability Outcome #6: (Target 2)	We analyze the performance of our entire portfolio by fund and other investment vehicle annually. Because our portfolio of investments is constantly changing, we also conduct a like-for-like analysis to monitor the performance of companies that have been in our portfolio multiple years. Our goal is for our portfolio companies to become leaders in ESG under our stewardship, to maximize value creation for our stakeholders.

Investors' individual and collective actions shape outcomes

Levers for shaping outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7	PLUS	SO 3.1	SO 7.1 - SO 22,	PUBLIC	Levers for shaping outcomes	1, 2, 5

Which levers did your organisation or service providers/external investment managers acting on your behalf use to make progress on your sustainability outcomes during the reporting year?

	(1) Individually	(2) With other investors or stakeholders
(A) Asset allocation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Investee engagement including voting	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Systemic stewardship including policy engagement	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(D) None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 7.1	PLUS	SO 7	N/A	PUBLIC	Levers for shaping outcomes	1, 2, 5

Considering all the levers you indicated in the previous question, indicate the overall budget you allocated specifically to shaping sustainability outcomes in the reporting year. This indicator refers to the budget dedicated exclusively to shaping sustainability outcomes. Please refer to the Explanatory notes for detailed guidance to determine what to include in the budget figure.

(A) Asset allocation	US\$ 500,000.00
----------------------	-----------------

(B) Investee engagement including voting	US\$ 500,000.00
--	-----------------

(C) Systemic stewardship including policy engagement	US\$ 500,000.00
--	-----------------

Asset allocation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 7	N/A	PUBLIC	Asset allocation	1

Describe how your organisation used asset allocation specifically to make progress on your sustainability outcomes during the reporting year, excluding participation in structures involving other stakeholders, such as blended finance. Provide details on how you expect these measures to make a significant change to the cost and/or availability of capital to finance progress on your sustainability outcomes.

Please describe below:

(A) Sustainability Outcome #1:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

(B) Sustainability Outcome #2:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

(C) Sustainability Outcome #3:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

(D) Sustainability Outcome #4:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

(E) Sustainability Outcome #5:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

(F) Sustainability Outcome #6:

Potential investments must be assessed for financial, legal and sustainability risks and opportunities. We have therefore developed a robust method that our investment teams apply when performing risk and opportunity assessments during the due diligence phase. This enables Nordic Capital to address sustainability matters in a systematic and consistent manner and at the earliest stage. We believe that screening against these targets during the investment phase leads to lowered risk, in turn leading to lowered cost of capital in aggregate.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	Multiple, see guidance	N/A	PUBLIC	Asset allocation	1, 5

In which asset classes did your organisation, or your external investment managers acting on your behalf, use asset allocation to make progress on your sustainability outcomes during the reporting year? For each asset class, indicate the proportion of assets under management that you dedicated to making progress on your sustainability outcomes.

(3) Private equity

(A) Sustainability Outcome #1:	(1) We used all of our AUM to advance our sustainability outcomes
(B) Sustainability Outcome #2:	(1) We used all of our AUM to advance our sustainability outcomes
(C) Sustainability Outcome #3:	(1) We used all of our AUM to advance our sustainability outcomes
(D) Sustainability Outcome #4:	(1) We used all of our AUM to advance our sustainability outcomes
(E) Sustainability Outcome #5:	(1) We used all of our AUM to advance our sustainability outcomes
(F) Sustainability Outcome #6:	(1) We used all of our AUM to advance our sustainability outcomes

Investee engagement including voting

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

During the reporting year, how did your organisation or service providers/external investment managers acting on your behalf engage with investees specifically to make progress on your sustainability outcomes? This indicator refers to the engagement activities dedicated exclusively to shaping sustainability outcomes.

	(1) Sustainability Outcome #1:	(2) Sustainability Outcome #2:	(3) Sustainability Outcome #3:	(4) Sustainability Outcome #4:	(5) Sustainability Outcome #5:	(6) Sustainability Outcome #6:
(A) At shareholder meetings, we voted in favour of all resolutions or proposals that advanced our sustainability outcomes and voted against all those that undermined them	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We filed or co-filed shareholder resolutions or proposals that advanced our sustainability outcomes		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) We used our positions on investee boards and board committees to advance our sustainability outcomes		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We negotiated with and monitored the stewardship actions of suppliers in the investment chain		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Where necessary, we resorted to litigation		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

What is your organisation's approach to engaging with investees as a means to make progress on your sustainability outcomes? Please discuss the reasons why you have chosen any specific engagement tools to make progress on each of your sustainability outcomes. Please also explain how you combine different engagement tools to advance each sustainability outcome.

Please describe below:

(A) Sustainability Outcome #1:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

(B) Sustainability Outcome #2:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

(C) Sustainability Outcome #3:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

(D) Sustainability Outcome #4:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

(E) Sustainability Outcome #5:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

(F) Sustainability Outcome #6:

Nordic Capital actively engages with its portfolio companies during the ownership stage to promote the importance of sustainability, drive sustainable performance and share best practices. It sets out clear expectations for portfolio companies, ensuring that sustainability is addressed appropriately at boardroom level and throughout the organisation. In most cases, Nordic Capital is the majority shareholder or in a position to strongly influence the strategic transformation of the company. To support portfolio companies to mitigate risks and seize opportunities, Nordic Capital's Sustainability team provides training, tools and support during the ownership period to help portfolio companies strengthen their sustainability strategies and develop appropriate processes for assessment, compliance and reporting. **(response continued in row below)**

This also includes providing networking opportunities, tools, regular reporting tools and reviews. We take Board seats within portfolio companies to run day-to-day governance, ensure implementation of the suite of value creation and act as a conduit to support co-ordination of detailed value creation plans. The goal for Nordic Capital is to transfer ownership in the best possible way, ensuring that portfolio businesses continue to grow and outperform in the long term. The process of realising transformative opportunities and driving operational improvements can take time. Its long term perspective on company development extends beyond the ownership period..

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 7	N/A	PUBLIC	Investee engagement including voting	2

Please provide at least one example of how your organisation's individual engagement with investees, either directly or via service providers/external investment managers acting on your behalf, helped make progress on each of your sustainability outcomes during the reporting year, excluding collaborative initiatives.

	Example 1	Example 2
(A) Sustainability Outcome #1:	Nordic Capital launched an initiative in 2018 to promote female senior executives to take on Board roles. In the last two years six female C-level members have been appointed as Board member in the portfolio.	One of the fintech companies backed by Nordic Capital arranged a female leaders community with events to attract females to the industry and to the company resulting in an increase of females in the workforce as well as in managing positions.
(B) Sustainability Outcome #2:	Nordic Capital has a clear ambition to fuel growth and drive sustainable positive performance in its portfolio, a significant part of that is to invest in organisation, employee engagement and supporting companies to become attractive employers with the ability to attract, retain and develop talents. We offer playbooks and toolkit on how to promote, drive and measure progress in a healthy employment growth.	One of the software companies backed by Nordic Capital was recognised as a top employer and Great Place to Work and has taken many initiatives to improve over the years to attract new talents to support their growth journey.

(C) Sustainability Outcome #3:	Nordic Capital has as a central initiative in the central purchasing programme to include a Sustainability Procurement Playbook to better support and navigate a sustainable supply chain	One of the global healthcare companies backed by Nordic Capital made several actions to secure supply and adapt terms during the covid 19 pandemic where many suppliers were impacted by restrictions and lockdowns. These initiatives secured vital healthcare supply aswell as supported suppliers to operate during hard circumstances.
(D) Sustainability Outcome #4:	Nordic Capital has developed a Sustainability playbook and ESG training on how to make a strategic materially analysis, sustainability strategy and sustainability roadmap.	One of the healthcare companies backed by Nordic Capital invested resources to implement a sustainability strategy resulting in being publicly transparent about the quality of care work. The company is shaping the industry as the first in its country to disclosing comprehensive reporting and KPIs on quality of care.
(E) Sustainability Outcome #5:	Nordic Capital offers a Corporate Compliance Programme for all portfolio companies including training, templates and manuals for adoption and implementation resulting in improved governance structures and compliance processes.	One of the healthcare companies backed by Nordic Capital implemented a clear anti-corruption policy and also anti-corruption training to all employees. Since the company is present in many countries with higher risk than average several actions have been taken to further strengthen the work and a new ethical committee was installed to further support and monitor fully compliance.
(F) Sustainability Outcome #6:	Nordic Capital actively engages with its portfolio companies to drive sustainable progress and measure the impact. On aggregated level the portfolio improved on all SDG targets during 2020 which was a very special year with the pandemic and navigating in the combat of the virus.	One of the healthcare companies backed by Nordic Capital implemented a clear anti-corruption policy and also anti-corruption training to all employees. Since the company is present in many countries with higher risk than average several actions have been taken to further strengthen the work and a new ethical committee was installed to further support and monitor fully compliance.

Systemic stewardship including policy engagement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 17	PLUS	SO 7	N/A	PUBLIC	Systemic stewardship including policy engagement	2

Provide one example of how your organisation engaged with policymakers, either directly or via service providers or external investment managers acting on your behalf, to make progress on each of your sustainability outcomes during the reporting year, excluding collaborative initiatives.

Example:

(A) Sustainability Outcome #1:

Nordic Capital is a board member of SVCA and has through that organisation engaged in several initiatives to promote diversity in the finance industry including a D&I training effort with Nasdaq and a public speaking on Stockholm Chamber of Commerce on the topic of Sustainable Finance.

(B) Sustainability Outcome #2:

Nordic Capital financially supports a research study about Knowledge Intense job growth across Europe. To promote the findings in the study Nordic Capital has joined several publicly speaking opportunities together with policymakers.

(D) Sustainability Outcome #4:

Nordic Capital has on several occasions promoted the importance on driving transparency and disclosure of sustainability efforts in public speaking opportunities targeting policy makers and other investors in the industry.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 20	PLUS	SO 7	N/A	PUBLIC	Systemic stewardship including policy engagement	2, 4

Provide an example of how your organisation or the service providers/external investment managers acting on your behalf contributed during the reporting year to a public policy development that will help make progress on your sustainability outcomes.

Example:

(B) Sustainability Outcome #2:

Nordic Capital is a board member of SVCA and actively engages in different forums of Invest Europe and has through that organisation engaged in several initiatives to promote sustainability in the finance industry and reach out to the broader public.

Global stakeholders collaborate to achieve outcomes

Tracking progress against global goals

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 23	PLUS	SO 3.1	N/A	PUBLIC	Tracking progress against global goals	4

Does your organisation engage with standard setters, reporting bodies or similar organisations to help track and communicate progress against global sustainability goals?

● (A) Yes. Please describe:

Nordic Capital is a signatory to the United Nations-supported Principles for Responsible Investment Initiative (PRI) and are committed to PRI's Six Principles. We are also committed to following the standards of Invest Europe and local Venture Capital Associations to which we are a member. Our Responsible Investment Policy builds on the Ten Principles of the United Nations Global Compact (UNGC) and recognises the UN Sustainable Development Goals (SDGs) as a guideline in our investment process.

○ (B) No. Please describe why not:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 24	PLUS	SO 3.1	N/A	PUBLIC	Tracking progress against global goals	4

Does your organisation contribute to public goods (such as research) or public discourse (such as media coverage) to make progress on global sustainability goals?

● **(A) Yes. Please describe:**

Nordic Capital wants to be an influencer by driving awareness of sustainability and implementing best practice within the private equity industry as a whole and is collaborating with other PE-companies to that end. To promote better disclosure of societal contribution by private equity, Nordic Capital actively engages in sustainability related forums and organisations. We aim to be transparent in the disclosure of key ESG related data for both Nordic Capital and our portfolio companies.

Nordic Capital encourages academic research into responsible investment and has sponsored studies into how employment growth can be achieved in different markets. As an organisation that builds businesses and creates jobs, we believe it is important to have a thorough understanding of the business environment, its underlying conditions and how it can be improved. Since 2017 Nordic Capital has sponsored a study from the research institute European Centre for Policy Reform and Entrepreneurship (ECEPR). This study seeks to identify the presence of “brain businesses” – companies that compete through their brain power and specialist expertise – and explores how knowledge intensive jobs are significant contributors to income and productivity growth. The study is published publicly and Nordic Capital participated in official meetings with policy makers to increase the awareness of private equity’s contribution to sustainable employment growth.

In 2020, Nordic Capital also engaged in several ESG related roundtables and conferences to share best practice with the private equity industry. We support and engage with organisations and forums where policy makers, businesses and academic professionals meet to discuss societal impact. During 2020, we spoke on sustainability at events organised by Responsible Investment Forum in Asia and Europe, BVCA, RealDeals, IPEM, Stockholm Chamber of Commerce etc to share best practices with the industry

○ **(B) No. Please describe why not:**