



PRIVATE TRANSPARENCY REPORT

2024

Vespa Capital LLP

Generated 25-11-2024

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors. PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The private Transparency Reports, which are produced using signatories' reported information, support signatories to have internal discussions about their practices. Signatories can also choose to make these available to clients, beneficiaries, and other stakeholders.

This private Transparency Report is an export of your responses to the PRI Reporting Framework during the 2024 reporting period. It includes all responses (public and private) to core and plus indicators.

In response to signatory feedback, the PRI has not summarised your responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options that you selected are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Legal Context

PRI recognises that the laws and regulations to which signatories are subject differ by jurisdiction. We do not seek or require any signatory to take an action that is not in compliance with applicable laws. All signatory responses should therefore be understood to be subject to and informed by the legal and regulatory context in which the signatory operates.

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2024 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.

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SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

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

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

At Vespa Capital, we see ESG as an intrinsic element of our investment planning and recognise that the effective implementation of a positive change programme can help unlock the potential of the businesses in which we invest. The principles of stewardship and responsible investment have underpinned Vespa Capital's investment ethos since inception and we are continuously evolving our approach. As such, the Investment team consider the proper management of ESG matters as fundamental to our investment strategy.

We have implemented a robust Responsible Investment Policy that governs the integration of ESG matters into our investment process, from initial screening and due diligence at the investment stage through to the ongoing stewardship, monitoring and advancement of the ESG agenda during the life of our investment through to eventual exit. In addition, Vespa Capital recognises that the private equity industry is a powerful vector of change when it comes to driving progress on the ESG agenda and have therefore sought to align with and participate in a number of industry wide ESG initiatives including the UNPRI, Initiative Climat International ("iCI") and ESG Data Convergence Initiative ("EDCI").

Section 2. Annual overview

- 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. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

Vespa Capital has achieved significant progress with regards to the advancement of various ESG initiatives, demonstrating the firm's commitment to making a positive impact on the environment and society. A few of the highlights from across our business are listed below:

- We became a member of the Initiative Climate International (iCI), engaging with working groups on net zero to collaborate on the development of industry guidance such as the Private Markets Decarbonisation Roadmap (PMDR).
- We participated in a net zero pilot and portfolio alignment assessment to better understand where each of our portfolio companies sit on the path to net zero. This will form the basis of each portfolio company's journey towards a formal decarbonisation strategy and we are tracking each portfolio company's performance against the PMDR.

- We have undertaken a material overhaul of our pre-investment ESG due diligence questionnaire, to support more enhanced evaluation of the ESG positioning and status of new investment opportunities.
- We include specific ESG reporting in our quarterly reports to investors.
- We furthermore hosted our first ESG forum, with a focus on the alignment of a successful ESG strategy as a value-creation lever.

Section 3. Next steps

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

As part of our ESG roadmap for the coming years, Vespa Capital has defined a number of ambitious objectives to further embed our ESG approach across the organisation. This includes but is not limited to:

1. increased collaboration and participation across industry ESG initiatives such as the EDCI and iCI;
2. bolstering Vespa Capital's ESG capabilities including recruiting a dedicated ESG resource within the team, as well as the adoption of specialist ESG reporting technology;
3. continue to develop bespoke ESG strategy plans for each portfolio company in collaboration with portfolio company management teams; and
4. enhance the screening process and analysis of portfolio company supply chains.
5. Develop our portfolio companies capabilities to reduce emissions and reducing the carbon footprint of our portfolios by following with the private markets decarbonisation roadmap

Section 4. Endorsement

'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

Megan Lester

Position

Partner

Organisation's Name

Vespa Capital LLP

● A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

○ B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2023

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?

- ☐ (A) Yes
- ☒ (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation, including subsidiaries, and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 420,546,849.00

(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission, as indicated in [OO 2.2]

US\$ 0.00

(C) AUM subject to execution, advisory, custody, or research advisory only

US\$ 0.00

Additional information on the exchange rate used: (Voluntary)

XE at 31.12.23 GBP to USD 0.785204

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

	(1) Percentage of Internally managed AUM	(2) Percentage of Externally managed AUM
(A) Listed equity	0%	0%
(B) Fixed income	0%	0%
(C) Private equity	100%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	0%
(J) Off-balance sheet	0%	0%

ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 PE	CORE	OO 5	N/A	PRIVATE	Asset breakdown: Internally managed private equity	GENERAL

Provide a further breakdown of your internally managed private equity AUM.

(A) Venture capital 0%

(B) Growth capital 0%

(C) (Leveraged) buy-out 100%

(D) Distressed, turnaround or
special situations 0%

(E) Secondaries 0%

(F) Other 0%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(F) Private equity (1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

(5) Private equity

(A) Yes, through internal staff	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>

ESG INCORPORATION

INTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors, to some extent, into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
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ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

- ☐ (A) Yes, we market products and/or funds as ESG and/or sustainable
- ☒ (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- ☐ (C) Not applicable; we do not offer products or funds

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL

The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.

Applicable modules	(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module
Policy, Governance and Strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Confidence Building Measures	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

OTHER ASSET BREAKDOWNS

PRIVATE EQUITY: SECTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 22	CORE	OO 21	N/A	PUBLIC	Private equity: Sectors	GENERAL

In which sector(s) are your internally managed private equity assets invested?

- ☐ (A) Energy
- ☐ (B) Materials
- ☐ (C) Industrials
- ☐ (D) Consumer discretionary
- ☐ (E) Consumer staples
- ☒ (F) Healthcare
- ☐ (G) Financials
- ☒ (H) Information technology
- ☒ (I) Communication services
- ☐ (J) Utilities
- ☐ (K) Real estate

PRIVATE EQUITY: OWNERSHIP LEVEL

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 23	CORE	OO 21	N/A	PUBLIC	Private equity: Ownership level	GENERAL

What is the percentage breakdown of your internally managed private equity investments by the level of ownership?

- ☒ (A) A majority stake (more than 50%)
 - Select from the list:
 - ☐ (1) >0 to 10%
 - ☐ (2) >10 to 50%
 - ☒ (3) >50 to 75%
 - ☐ (4) >75%
- ☒ (B) A significant minority stake (between 10–50%)
 - Select from the list:
 - ☐ (1) >0 to 10%
 - ☒ (2) >10 to 50%
- ☐ (C) A limited minority stake (less than 10%)

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- ☐ (A) Publish as absolute numbers
- ☒ (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- ☒ (A) Overall approach to responsible investment
 - ☒ (B) Guidelines on environmental factors
 - ☒ (C) Guidelines on social factors
 - ☒ (D) Guidelines on governance factors
 - ☒ (E) Guidelines on sustainability outcomes
 - ☒ (F) Guidelines tailored to the specific asset class(es) we hold
 - ☒ (G) Guidelines on exclusions
 - ☐ (H) Guidelines on managing conflicts of interest related to responsible investment
 - ☒ (I) Stewardship: Guidelines on engagement with investees
 - ☐ (J) Stewardship: Guidelines on overall political engagement
 - ☐ (K) Stewardship: Guidelines on engagement with other key stakeholders
 - ☒ (M) Other responsible investment elements not listed here
- Specify:

1. Guidelines on engagement with industry initiatives (e.g. BVCA, iCI, EDCI)
2. Guidelines on Climate responsibility

- ☐ (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- ☒ (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- ☒ (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- ☒ (C) Specific guidelines on other systematic sustainability issues

Specify:

Vespa Capital considers the risks associated with cybersecurity to be a systemic sustainability issue. Management of cybersecurity is addressed as an aspect of governance controls in Vespa Capital's Responsibility Investment policy, with specific guidance on management of cybersecurity risk covered in more detail in Vespa Capital's ESG report.

In summary, Vespa Capital has been working with a specialist cybersecurity consultancy to develop a thorough and consistent strategy to assess the cyber maturity of investee companies or potential portfolio companies. This applies a focused and proportionate approach using the National Cyber Security Centre's (NCSC) Cyber Assessment Framework (CAF) to inform the review process. The CAF is a sector and scenario agnostic framework that seeks to critique the overall cyber posture and attitude to security governance within an organisation. It reviews the key cybersecurity risks and vulnerabilities of the underlying company. Multiple iterations of the annual CAF review have now completed across the Vespa Capital portfolio. All new portfolio additions have also undergone an initial baseline CAF assessment post-investment.

In addition to the core CAF testing that underpins the Vespa Capital cybersecurity programme, a broader, more bespoke 'menu' of cybersecurity consultancy services has been developed to support investee companies in enhancing their cyber governance protocols, processes and procedures. These services include data privacy assessments, staff security awareness training, development of key policies, disaster recovery and scenario planning, penetration testing, incident response support and virtual CISO support where necessary. It has also involved educating Vespa Capital's portfolio companies in the systematic risks relating to the evolution and integration of artificial intelligence, and implications of AI for data security and general cybersecurity threats.

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

☒ **(A) Overall approach to responsible investment**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(B) Guidelines on environmental factors**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(C) Guidelines on social factors**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(D) Guidelines on governance factors**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(E) Guidelines on sustainability outcomes**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(G) Specific guidelines on human rights (may be part of guidelines on social factors)**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(H) Specific guidelines on other systematic sustainability issues**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(I) Guidelines tailored to the specific asset class(es) we hold**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(J) Guidelines on exclusions**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☒ **(L) Stewardship: Guidelines on engagement with investees**

Add link:

<https://www.vespacapital.com/hubfs/Vespa%20Capital%20-%20Responsible%20Investment%20Policy.pdf>

☐ (P) Other responsible investment aspects not listed here

☐ (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

☐ (A) Yes

☒ **(B) No**

Explain why:

Given the nature of Vespa Capital's engagement and stewardship on ESG matters, as well as proximity to investee company management teams, the link between Vespa Capital's responsible investment activities and fiduciary duties are implicit and has not necessitated further description in the firm's responsible investment policy.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

☒ **(A) Overall stewardship objectives**

☒ **(B) Prioritisation of specific ESG factors to be advanced via stewardship activities**

☐ (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts

☒ **(D) How different stewardship tools and activities are used across the organisation**

☐ (E) Approach to escalation in stewardship

☒ **(F) Approach to collaboration in stewardship**

- ☐ (G) Conflicts of interest related to stewardship
- ☒ (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (I) Other
- ☐ (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

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

(7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change
 (1) for all of our AUM

(B) Specific guidelines on human rights
 (1) for all of our AUM

(C) Specific guidelines on other systematic sustainability issues
 (1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

☒ (C) Private equity

(1) Percentage of AUM covered

- ☐ (1) >0% to 10%
- ☐ (2) >10% to 20%
- ☐ (3) >20% to 30%
- ☐ (4) >30% to 40%
- ☐ (5) >40% to 50%
- ☐ (6) >50% to 60%
- ☐ (7) >60% to 70%
- ☐ (8) >70% to 80%
- ☐ (9) >80% to 90%
- ☐ (10) >90% to <100%
- ☒ (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

☒ (A) Board members, trustees, or equivalent

☒ (B) Senior executive-level staff, or equivalent

Specify:

Megan Lester, Finance Partner, has executive oversight of Vespa Capital's ESG approach

☒ (C) Investment committee, or equivalent

Specify:

Vespa Capital Investment Committee consider ESG risk and opportunities at each stage of the investment process

☐ (D) Head of department, or equivalent

☐ (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

- ☐ (A) Yes
- ☐ (B) No
- ☒ **(C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

- ☒ **(A) Internal role(s)**
Specify:

Vespa Capital benefits from a small and dynamic team structure with short lines of communication. Therefore, in the past, we have not felt the need for an ESG function but instead have allocated responsibility for ESG across the Investment Committee, Investment Team and Vespa Capital Board. However, as investor demands around sustainability are increasing Vespa Capital hired a Sustainability manager implement the firm's ESG agenda - Linda Hoglund joined Vespa Capital end of January 2024.

- ☐ (B) External investment managers, service providers, or other external partners or suppliers
- ☐ (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

- ☐ (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- ☒ **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

● **(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)**

Indicate whether these responsible investment KPIs are linked to compensation

● **(1) KPIs are linked to compensation**

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 15	PLUS	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

What responsible investment competencies do you regularly include in the training of senior-level body(ies) or role(s) in your organisation?

	(1) Board members, trustees or equivalent	(2) Senior executive-level staff, investment committee, head of department or equivalent
(A) Specific competence in climate change mitigation and adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Specific competence in investors' responsibility to respect human rights	<input type="checkbox"/>	<input type="checkbox"/>
(C) Specific competence in other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies	<input type="radio"/>	<input type="radio"/>

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- ☒ (A) Any changes in policies related to responsible investment
- ☒ (B) Any changes in governance or oversight related to responsible investment
- ☒ (C) Stewardship-related commitments
- ☒ (D) Progress towards stewardship-related commitments
- ☒ (E) Climate-related commitments
- ☒ (F) Progress towards climate-related commitments
- ☐ (G) Human rights-related commitments
- ☐ (H) Progress towards human rights-related commitments
- ☒ (I) Commitments to other systematic sustainability issues
- ☐ (J) Progress towards commitments on other systematic sustainability issues
- ☐ (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- ☐ (A) Yes, including all governance-related recommended disclosures
- ☐ (B) Yes, including all strategy-related recommended disclosures
- ☐ (C) Yes, including all risk management-related recommended disclosures
- ☐ (D) Yes, including all applicable metrics and targets-related recommended disclosures

☒ (E) None of the above

Explain why: (Voluntary)

Vespa Capital currently falls below the TCFD reporting threshold, however Vespa Capital has completed a preliminary TCFD aligned data collection exercise and voluntary non-public disclosure to an investor stakeholder who falls into the scope of TCFD. Consideration is being given as to whether formal voluntary TCFD disclosures will be made in the future.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 18	PLUS	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, to which international responsible investment standards, frameworks, or regulations did your organisation report?

- ☐ (A) Disclosures against the European Union's Sustainable Finance Disclosure Regulation (SFDR)
- ☐ (B) Disclosures against the European Union's Taxonomy
- ☐ (C) Disclosures against the CFA's ESG Disclosures Standard
- ☒ **(D) Disclosures against other international standards, frameworks or regulations**

Specify:

ESG Data Convergence Initiative (EDCI)

Link to example of public disclosures

<https://www.esgdc.org/general-partners/>

- ☐ (E) Disclosures against other international standards, frameworks or regulations
- ☐ (F) Disclosures against other international standards, frameworks or regulations
- ☐ (G) Disclosures against other international standards, frameworks or regulations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

- ☒ **(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement**

Add link(s):

<https://www.vespacapital.com/responsible-investment>

- ☐ (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- ☐ (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- ☒ (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- ☐ (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- ☒ (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- ☐ (D) Exclusions based on our organisation's climate change commitments
- ☐ (E) Other elements
- ☐ (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

- ☒ (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
- ☒ (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
 - Select from dropdown list:
 - ☒ (1) for all of our AUM subject to strategic asset allocation
 - ☐ (2) for a majority of our AUM subject to strategic asset allocation
 - ☐ (3) for a minority of our AUM subject to strategic asset allocation
 - Specify: (Voluntary)
 - ☐ (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns

- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

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

(3) Private equity

(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

As a private market participant with a relatively small portfolio of investee companies and significant scope to drive positive engagement, Vespa Capital seeks to prioritise stewardship efforts through a bespoke engagement approach with respect of each investee company. Our approach with regards to prioritisation of stewardship activities within specific investee companies will vary depending on the specific circumstances of the company. However, this will always follow the principles outlined below:

Engagement: Vespa Capital believe that it is essential to engage with investee companies on a regular basis to fully understand the market and operational context, as well as the specific opportunities and challenges that present. This helps us to identify areas where we can provide support and advice.

Active ownership: Vespa Capital is committed to being active owners of our investee companies. This means that we seek to develop a critical friend relationship with management teams, continuously providing a healthy challenge on aspects such as overall strategy development, sustainability initiatives, strengthening of governance structures and effective ESG risk control.

Sustainability: We believe that it is important for investee companies to operate in a sustainable manner. We will therefore encourage them to adopt sustainable practices, measure and report on their ESG performance and develop bespoke ESG strategy plans to effect positive change.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

- ☒ **(A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
Select from the list:
☒ **1**
- ☒ **(B) External investment managers, third-party operators and/or external property managers, if applicable**
Select from the list:
☒ **4**
- ☒ **(C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**
Select from the list:
☒ **5**
- ☒ **(D) Informal or unstructured collaborations with investors or other entities**
Select from the list:
☒ **2**
- ☒ **(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**
Select from the list:
☒ **3**
- ☐ (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

Responsibility for Vespa Capital's ESG and stewardship practices rests at the top. Vespa Capital Partners hold ultimate oversight for ESG integration across all aspects of the business and discuss it in detail at the monthly Partners Board, where ESG is a standing item on the agenda. This senior ownership forms a key pillar of the firm's overall approach to stewardship, providing sponsorship for ESG both at a Vespa Capital Board level as well as on the Investment Committee.

The practical application of our stewardship agenda is delivered by the investment team, under the direction of the Partners and Investment Committee. This synergistic approach means that the members of the team with the most acute understanding of the underlying dynamics are responsible for driving change at a investee company level.

Engagement with our portfolio companies is also discussed monthly by our ESG Taskforce Group, lead by our sustainability manager and includes our managing director and our partner responsible for Vespa Capital's sustainability work. They are also members of the firm's investment committee and consequently relay information and knowledge between our engagement activities and our investment activities.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

As defined in Vespa Capital's Responsible Investment policy, we believe that stewardship and the active management of ESG factors have the potential to impact investment risks and returns and that considering these factors alongside traditional factors in investment decision-making is essential to creating long term value for its stakeholders. When firms are aligned to this way of working, it significantly de-risks their business models and they therefore achieve greater cost efficiencies and profitability, attracting higher valuations at realisation. Therefore, Vespa Capital is confident that the best interests of its investors are aligned with its portfolio companies, their customers, employees and communities in which those companies operate.

Vespa Capital maintains effective stewardship of ESG factors within its investee companies through active ownership and effective engagement at a board level. This forms the primary means of collaboration on ESG matters with investee companies, whereby the investment directors seek to promote good stewardship practices at an executive level. ESG is a recurring item on portfolio company board agendas, with regular topics of discussion including ESG reporting, HR and employee engagement, health and safety, cybersecurity and corporate policy control. In early 2024 Vespa Capital furthermore hired a dedicated Sustainability Manager to manage the everyday engagement with portfolio companies and oversee daily stewardship activities.

In addition, the investment team are responsible for the ongoing monitoring and implementation of ESG improvements, as well as the sharing of ESG best practice amongst investee companies. Vespa Capital seeks to promote collaboration amongst investee companies by supporting ESG Champions to share best practice through direct bilateral engagement on particular ESG matters as well in a more open forum. From 2023, Vespa Capital will facilitate an annual ESG roundtable event to gather together the ESG Champions and management teams of investee companies to collaborate on preminent ESG issues and challenges. Where Vespa Capital holds a minority investment alongside another institutional investor, the respective teams will seek to collaborate on ESG improvement initiatives.

Where possible, Vespa Capital also seeks to collaborate with key industry stakeholders such as investors and advisors on the refinement and progression of Vespa Capital's ESG approach. These bilateral stakeholder engagements aspire to align the firm's ESG policies and protocols with best practices observed across the private equity industry. Vespa Capital is also a member of a number of collaborative initiatives supported by peers across the private equity industry. These initiatives include the Initiative Climat international (ICI) and British Venture Capital Association (BVCA). The Vespa Capital team regularly participate in ESG related industry events, working groups and webinars coordinated through these channels.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- ☐ (A) Yes, we engaged with policy makers directly
- ☐ (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- ☒ **(C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI**
- ☐ (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- ☐ (A) We participated in 'sign-on' letters
- ☐ (B) We responded to policy consultations
- ☐ (C) We provided technical input via government- or regulator-backed working groups
- ☐ (D) We engaged policy makers on our own initiative
- ☒ **(E) Other methods**

Describe:

As a member of the BVCA, engagement with policy makers is undertaken on Vespa Capital's behalf across a range of areas including regulatory guidance, taxation, industry advocacy, policy consultations and engagement via technical working groups to name a few.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- ☐ (A) We publicly disclosed all our policy positions
- ☐ (B) We publicly disclosed details of our engagements with policy makers
- ☒ (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

Explain why:

Any engagement with policy makers is undertaken by third-party organisations such as BVCA, with details of these activities publicly disclosed on the BVCA website.

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Technology risk control

(1) Led by

- ☐ (1) Internally led
- ☒ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☒ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☒ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Portfolio wide cybersecurity assessments and implementation of process improvements.

We upskilled our portfolio companies' executives in the risks and opportunities associated with artificial intelligence. It initiated discussion around cybersecurity risks related to the development AI and some of our portfolio companies in relevant industries have chosen to work with external consultants to further assess the risks.

(B) Example 2:

Title of stewardship activity:

Industry collaboration on climate responsibility

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☒ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☒ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Following the initial progress made since joining the iCI in 2023, Vespa Capital has participated in a net zero alignment pilot (PMDR) and has been actively supporting investee companies to develop and embed decarbonisation strategies in support of net zero alignment.

(C) Example 3:

Title of stewardship activity:

ESG forum for Investee Companies

(1) Led by

- ☒ (1) Internally led
- ☐ (2) External service provider led
- ☐ (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☒ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☒ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Inaugural ESG Forum hosted in 2023, to promote knowledge exchange and collaboration opportunities between investee companies. This community is supported by a dedicated ESG communication channel where members are encouraged to interact as often as needed to discuss all matters pertaining to ESG.

(D) Example 4:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

(E) Example 5:

Title of stewardship activity:

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- ☐ (1) Environmental factors
- ☐ (2) Social factors
- ☐ (3) Governance factors

(3) Asset class(es)

- ☐ (1) Listed equity
- ☐ (2) Fixed income
- ☐ (3) Private equity
- ☐ (4) Real estate
- ☐ (5) Infrastructure
- ☐ (6) Hedge funds
- ☐ (7) Forestry
- ☐ (8) Farmland
- ☐ (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

- ☐ (A) Yes, within our standard planning horizon
☒ (B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Vespa Capital's planning horizon is informed by the anticipated investment timeline of 3-5 years. Climate related matters considered to have potential material impact on our portfolio investments relate to transition and regulatory risk which are long term in nature and therefore fall outside of this mid-term time horizon. Vespa Capital will continue to review the approach to managing climate risk on an ongoing basis, with consideration being given to TCFD recommendations.

- ☐ (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

- ☒ (A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Vespa Capital recognises and supports the transition to a low-carbon economy, through both a commitment to understanding and reducing climate related financial risks in existing portfolio investments and seeking opportunities to invest in businesses providing low-carbon, energy-efficient solutions. We currently assess our climate-related risks to be relatively small, given the predominantly business-to-business, service-oriented nature of our investee companies. In addition, we consider it likely that we will continue to identify businesses providing innovative commercial solutions that provide a positive contribution to reducing or alleviating the effects of climate change. An example of this process is Vespa Capital's investment in Energy Services International Limited ('Eserv'). Eserv is a leading software service solution provider that revolutionises how companies maintain complex industrial assets in the energy sector. Their exposure to the energy industry poses potential physical and transitional risks, but Eserv's engineering expertise and technology solutions increase operating efficiencies, reducing onsite maintenance costs and ultimately improving the associated carbon footprint of energy assets. Aside from supporting the transition to cleaner and more efficient operating models for traditional energy providers, Eserv is also supporting the rapid growth in the renewable energy sector.

- ☐ (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 42	PLUS	N/A	N/A	PUBLIC	Climate change	General

Which sectors are covered by your organisation's strategy addressing high-emitting sectors?

☒ (A) Coal

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

However, Vespa Capital's responsible investment policy includes specific investment restrictions in companies whose business activity consists of extraction and power generation from thermal coal.

☒ (B) Gas

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☒ (C) Oil

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☐ (D) Utilities

☒ (E) Cement

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☒ (F) Steel

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☒ (G) Aviation

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☒ **(H) Heavy duty road**

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☐ (I) Light duty road

☒ **(J) Shipping**

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☒ **(K) Aluminium**

Describe your strategy

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☐ (L) Agriculture, forestry, fishery

☐ (M) Chemicals

☒ **(N) Construction and buildings**

Describe your strategy:

Vespa Capital's investment strategy focusses on supporting high-quality businesses that provide differentiated solutions within sectors such technology services, software, life sciences & healthcare and sustainability services. As a result of this dedicated and consistent approach, there is an implicit strategy to avoid investments in high emitting sectors such as oil and gas extraction and processing; manufacturing of energy intensive products such as cement, steel and aluminium; highly pollutive transportation such as aviation, shipping, road haulage; and building and construction.

☐ (O) Textile and leather

☐ (P) Water

☐ (Q) Other

☐ (R) We do not have a strategy addressing high-emitting sectors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

☐ (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)

☐ (B) Yes, using the One Earth Climate Model scenario

- ☐ (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- ☐ (D) Yes, using other scenarios
- ☒ (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

☒ (A) Yes, we have a process to identify and assess climate-related risks

(1) Describe your process

Vespa Capital has a well-considered approach to the management and identification of climate-related risk, including:

1. negative screening against the Vespa Capital Exclusion List;
2. well defined ESG due diligence integrated into the investment process with findings reviewed by the Investment Committee;
3. key findings and actions identified in ESG due diligence addressed as part of the 100-day planning process;
4. 6-monthly monitoring of climate related indicators and regular discussion of climate related risk at board level; and
5. annual strategic review of ESG processes.

(2) Describe how this process is integrated into your overall risk management

The identification, evaluation and management of climate-related risks is integrated in Vespa Capital's overall governance control approach with responsibility flowing in the following order:

1. Vespa Capital Partner's board which holds ultimate oversight for ESG integration across the firm;
2. the Investment Committee which oversees the evaluation of all investment opportunities (of which climate-related risks are considered as a material ESG factor);
3. A weekly meeting of the investment team to discuss recent developments and risk control factors (of which climate-related risk factors would be considered as appropriate) across all investee companies; and
4. The investee company boards meet on a monthly basis to formally review all aspects of the underlying business (including climate-related risk factors as appropriate).

☒ (B) Yes, we have a process to manage climate-related risks

(1) Describe your process

Vespa Capital has a well-considered approach to the management and identification of climate-related risk, including:

1. negative screening against the Vespa Capital Exclusion List;
2. well defined ESG due diligence integrated into the investment process with findings reviewed by the Investment Committee;
3. key findings and actions identified in ESG due diligence addressed as part of the 100-day planning process;
4. 6-monthly monitoring of climate related indicators and regular discussion of climate related risk at board level; and
5. annual strategic review of ESG processes.

(2) Describe how this process is integrated into your overall risk management

The identification, evaluation and management of climate-related risks is integrated in Vespa Capital's overall governance control approach with responsibility flowing in the following order:

1. Vespa Capital Partner's board which holds ultimate oversight for ESG integration across the firm;
2. the Investment Committee which oversees the evaluation of all investment opportunities (of which climate-related risks are considered as a material ESG factor);
3. A weekly meeting of the investment team to discuss recent developments and risk control factors (of which climate-related risk factors would be considered as appropriate) across all investee companies; and
4. The investee company boards meet on a monthly basis to formally review all aspects of the underlying business (including climate-related risk factors as appropriate).

- ☐ (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and publicly disclose?

- ☐ (A) Exposure to physical risk
- ☐ (B) Exposure to transition risk
- ☐ (C) Internal carbon price
- ☒ **(D) Total carbon emissions**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - ☒ **(1) Metric or variable used**
 - ☐ (2) Metric or variable used and disclosed
 - ☐ (3) Metric or variable used and disclosed, including methodology
 - ☐ (E) Weighted average carbon intensity
 - ☐ (F) Avoided emissions
 - ☐ (G) Implied Temperature Rise (ITR)
 - ☐ (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
 - ☐ (I) Proportion of assets or other business activities aligned with climate-related opportunities
 - ☐ (J) Other metrics or variables
 - ☐ (K) Our organisation did not use or publicly disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation publicly disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

- ☐ (A) Scope 1 emissions
- ☐ (B) Scope 2 emissions
- ☐ (C) Scope 3 emissions (including financed emissions)
- ☒ **(D) Our organisation did not publicly disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year**

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ **(A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- ☐ (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (B) The UNFCCC Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other relevant taxonomies
- ☐ (G) The International Bill of Human Rights
- ☐ (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (I) The Convention on Biological Diversity
- ☐ (J) Other international framework(s)
- ☐ (K) Other regional framework(s)
- ☐ (L) Other sectoral/issue-specific framework(s)
- ☐ (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- ☒ (A) Identify sustainability outcomes that are closely linked to our core investment activities
- ☒ (B) Consult with key clients and/or beneficiaries to align with their priorities
- ☒ (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- ☐ (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- ☐ (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- ☒ (F) Understand the geographical relevance of specific sustainability outcome objectives
- ☐ (G) Other method
- ☐ (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities

- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- ☒ (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons
- ☐ (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- ☒ (C) We have been requested to do so by our clients and/or beneficiaries
- ☐ (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- ☒ (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- ☐ (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- ☒ (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- ☐ (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?

- ☒ (A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes

Explain how these activities were conducted:

Vespa Capital's ESG due diligence process conducted for all prospective investments assesses the human rights context in line with the principles of Vespa Capital's responsible investment policy; principally compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking.

With regards to ongoing assessment of the human rights context within existing investments, Vespa Capital monitors a range of ESG KPIs which seek to identify and negative human rights outcomes. For example, these include metrics related employee engagement such as responses to employee satisfaction surveys. We also track KPIs relating to zero our contracts and employees being paid real Living Wage. Regular monitoring of policy governance within investee companies is undertaken to ensure that appropriate controls and processes are in place to limit negative human rights outcomes.

- ☐ (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm
- ☐ (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- ☐ (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
 - (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.1	PLUS	PGS 49	N/A	PUBLIC	Human rights	1, 2

During the reporting year, which stakeholder groups did your organisation include when identifying and taking action on the actual and potentially negative outcomes for people connected to your investment activities?

☒ **(A) Workers**

Sector(s) for which each stakeholder group was included

- ☐ (1) Energy
- ☐ (2) Materials
- ☐ (3) Industrials
- ☐ (4) Consumer discretionary
- ☐ (5) Consumer staples
- ☒ **(6) Healthcare**
- ☐ (7) Finance
- ☒ **(8) Information technology**
- ☒ **(9) Communication services**
- ☐ (10) Utilities
- ☐ (11) Real estate

☐ **(B) Communities**

☒ **(C) Customers and end-users**

Sector(s) for which each stakeholder group was included

- ☐ (1) Energy
- ☐ (2) Materials
- ☐ (3) Industrials
- ☒ **(4) Consumer discretionary**
- ☐ (5) Consumer staples
- ☒ **(6) Healthcare**
- ☒ **(7) Finance**
- ☒ **(8) Information technology**
- ☒ **(9) Communication services**
- ☐ (10) Utilities
- ☐ (11) Real estate

☐ **(D) Other stakeholder groups**

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49.2	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, what information sources did your organisation use to identify the actual and potentially negative outcomes for people connected to its investment activities?

☒ **(A) Corporate disclosures**

Provide further detail on how your organisation used these information sources:

Desk top research conducted during due diligence, as well as ongoing review of relevant disclosures during life of investment.

☒ **(B) Media reports**

Provide further detail on how your organisation used these information sources:

Desk top research conducted during due diligence, as well as ongoing review of relevant media coverage during life of investment.

☐ **(C) Reports and other information from NGOs and human rights institutions**

☐ (D) Country reports, for example, by multilateral institutions, e.g. OECD, World Bank

☒ (E) **Data provider scores or benchmarks**

Provide further detail on how your organisation used these information sources:

A review of Glassdoor is conducted as part of Vespa Capital's ESG due diligence process. Average score and any relevant commentary is used to assess corporate culture and / or evidence of any issues that would indicate an adverse working environment for employees.

☐ (F) Human rights violation alerts

☐ (G) Sell-side research

☒ (H) **Investor networks or other investors**

Provide further detail on how your organisation used these information sources:

Referencing calls conducted during due diligence

☐ (I) Information provided directly by affected stakeholders or their representatives

☒ (J) **Social media analysis**

Specify:

Vespa Capital ESG Due diligence

Reputational due diligence, providing an assessment of a company's social media presence and that of management team members

Provide further detail on how your organisation used these information sources:

☒ (K) **Other**

Specify:

Vespa Capital ESG Due diligence framework

Legal Due Diligence

Provide further detail on how your organisation used these information sources:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 50	PLUS	PGS 47	N/A	PUBLIC	Human rights	1, 2

During the reporting year, did your organisation, directly or through influence over investees, enable access to remedy for people affected by negative human rights outcomes connected to your investment activities?

☐ (A) Yes, we enabled access to remedy directly for people affected by negative human rights outcomes we caused or contributed to through our investment activities

☐ (B) Yes, we used our influence to ensure that our investees provided access to remedies for people affected by negative human rights outcomes we were linked to through our investment activities

☒ (C) **No, we did not enable access to remedy directly, or through the use of influence over investees, for people affected by negative human rights outcomes connected to our investment activities during the reporting year**

Explain why:

Not aware of any direct negative human rights outcomes connected to investment activity that required remedy.

PRIVATE EQUITY (PE)

POLICY

INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 1	CORE	OO 21	N/A	PUBLIC	Investment guidelines	1 to 6

What private equity-specific ESG guidelines are currently covered in your organisation's responsible investment policy(ies)?

- ☒ (A) Guidelines on our ESG approach tailored to the sector(s) and geography(ies) where we invest
- ☒ (B) Guidelines on our ESG approach tailored to the strategy(ies) and company stage(s) where we invest, e.g. venture capital, buy-out and distressed
- ☒ (C) Guidelines on pre-investment screening
- ☒ (D) Guidelines on minimum ESG due diligence requirements
- ☐ (E) Guidelines on our approach to ESG integration into short-term or 100-day plans (or equivalent)
- ☒ (F) Guidelines on our approach to ESG integration into long-term value-creation efforts
- ☒ (G) Guidelines on our approach to monitoring ESG risks, ESG opportunities and ESG incidents
- ☒ (H) Guidelines on our approach to ESG reporting
- ☐ (I) Our responsible investment policy(ies) does 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	OO 21	N/A	PUBLIC	Commitments to investors	1, 4

For all of the funds that you closed during the reporting year, what type of formal responsible investment commitments did you make in Limited Partnership Agreements (LPAs), side letters or other constitutive fund documents?

- ☒ (A) We incorporated responsible investment commitments in LPAs (or equivalent) as a standard default procedure
- ☐ (B) We added responsible investment commitments in LPAs (or equivalent) upon clients' request
- ☐ (C) We added responsible investment commitments in side letters upon clients' request
- ☐ (D) We did not make any formal responsible investment commitments for the relevant reporting year
- ☐ (E) Not applicable; we have not raised funds in the last five years

PRE-INVESTMENT

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3	CORE	OO 21	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 ESG materiality at the portfolio company level, as each case is unique

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
 - ☐ (2) for the majority of our potential private equity investments
 - ☐ (3) for a minority of our potential private equity investments
- ☐ (B) We performed a mix of industry-level and portfolio company-level ESG materiality analyses
- ☐ (C) We assessed ESG materiality at the industry level only
- ☐ (D) We did not conduct ESG materiality analyses for 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 ESG materiality analysis
- ☐ (B) We used SASB standards to inform our private equity ESG materiality analysis
- ☒ (C) We used the UN Sustainable Development Goals (SDGs) to inform our private equity ESG materiality analysis
- ☐ (D) We used environmental and social factors detailed in the IFC Performance Standards (or other similar standards used by development-focused financial institutions) in our private equity ESG materiality analysis
- ☒ (E) We used climate disclosures, such as the TCFD recommendations or other climate risk and/or exposure analysis tools, to inform our private equity ESG materiality analysis
- ☒ (F) We used the UN Guiding Principles on Business and Human Rights (UNGPs) to inform our private equity ESG materiality analysis
- ☒ (G) We used geopolitical and macro-economic considerations in our private equity ESG materiality analysis
- ☐ (H) We engaged with the prospective portfolio company to inform our private equity ESG materiality analysis
- ☐ (I) Other

DUE DILIGENCE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 4	CORE	OO 21	N/A	PUBLIC	Due diligence	1

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

☒ (A) Material ESG factors were used to identify risks

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (B) Material ESG factors were discussed by the investment committee (or equivalent)

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (C) Material ESG factors were used to identify remedial actions for our 100-day plans (or equivalent)

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (D) Material ESG factors were used to identify opportunities for value creation

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (E) Material ESG factors informed our decision to abandon potential investments in the due diligence phase in cases where ESG risks were considered too high to mitigate

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☒ (F) Material ESG factors impacted investments in terms of the price offered and/or paid

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for the majority of our potential private equity investments
- ☐ (3) for a minority of our potential private equity investments

☐ (G) Material ESG factors did not influence the selection of our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 5	CORE	OO 21	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 private equity investments?

☒ (A) We do a high-level or desktop review using an ESG checklist for initial red flags

Select from dropdown list

- ☒ (1) for all of our potential private equity investments
- ☐ (2) for a majority of our potential private equity investments

- (3) for a minority of our potential private equity investments
- ☐ (B) We send detailed ESG questionnaires to target companies
- ☒ **(C) We hire third-party consultants to do technical due diligence on specific material ESG factors**
Select from dropdown list
 - ☒ **(1) for all of our potential private equity investments**
 - (2) for a majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- ☒ **(D) We conduct site visits**
Select from dropdown list
 - ☒ **(1) for all of our potential private equity investments**
 - (2) for a majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- ☒ **(E) We conduct in-depth interviews with management and/or personnel**
Select from dropdown list
 - ☒ **(1) for all of our potential private equity investments**
 - (2) for a majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- ☐ (F) We conduct detailed external stakeholder analyses and/or engagement
- ☒ **(G) We incorporate ESG due diligence findings in all of our relevant investment process documentation in the same manner as other key due diligence, e.g. commercial, accounting and legal**
Select from dropdown list
 - ☒ **(1) for all of our potential private equity investments**
 - (2) for a majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- ☒ **(H) 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**
Select from dropdown list
 - ☒ **(1) for all of our potential private equity investments**
 - (2) for a majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- ☐ (I) Other
- (J) We do not conduct due diligence on material ESG factors for potential private equity investments

POST-INVESTMENT

MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 6	CORE	OO 21	PE 6.1	PUBLIC	Monitoring	1

During the reporting year, did you track one or more KPIs on material ESG factors across your private equity investments?

- ☒ **(A) Yes, we tracked KPIs on environmental factors**
Percentage of portfolio companies this applies to:
 - (1) >0 to 10%
 - (2) >10 to 50%
 - (3) >50 to 75%
 - (4) >75 to 95%
 - ☒ **(5) >95%**
- ☒ **(B) Yes, we tracked KPIs on social factors**
Percentage of portfolio companies this applies to:
 - (1) >0 to 10%
 - (2) >10 to 50%
 - (3) >50 to 75%
 - (4) >75 to 95%
 - ☒ **(5) >95%**

☒ (C) Yes, we tracked KPIs on governance factors

Percentage of portfolio companies this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%
- (D) We did not track KPIs on material ESG factors 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 KPIs on material ESG factors you tracked across your private equity investments during the reporting year.

(A) ESG KPI #1

GHG Emissions – Scope 1 & 2 emissions across all investee companies, as well as supporting investee companies in collection of material Scope 3 emissions data as appropriate

(B) ESG KPI #2

Energy consumption met via renewable energy (%)

(C) ESG KPI #3

FTE headcount growth

(D) ESG KPI #4

Gender diversity (measured by total FTEs and at a board level)

(E) ESG KPI #5

Total hours of employee training delivered in reporting period

(F) ESG KPI #6

Total absenteeism rate

(G) ESG KPI #7

Employee churn (%)

(H) ESG KPI #8

Employee satisfaction survey (response rate and positivity rating)

(I) ESG KPI #9

Corporate policy coverage measured against a standardised policy matrix

(J) ESG KPI #10

Other governance related KPIs include:

1. Board performance (number of meeting in reporting period and number of independent directors)
2. Date of last GDPR compliance review
3. Date of last Cyber Assessment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 7	CORE	OO 21	PE 7.1	PUBLIC	Monitoring	1, 2

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

☒ (A) We use operational-level benchmarks to assess and analyse the performance of portfolio companies against sector performance

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☒ (B) We implement international best practice standards, such as the IFC Performance Standards, to guide ongoing assessments and analyses

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☐ (C) We implement certified environmental and social management systems across our portfolio

☐ (D) We make sufficient budget available to ensure that the systems and procedures needed are established

☒ (E) We hire external verification services to audit performance, systems, and procedures

Select from dropdown list

- ☐ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☒ (3) for a minority of our private equity investments

☐ (F) We conduct ongoing engagement with all key stakeholders at the portfolio company level, e.g. local communities, NGOs, governments, and end-users

☒ (G) We implement 100-day plans, ESG roadmaps and similar processes

Select from dropdown list

- ☒ (1) for all of our private equity investments
- ☐ (2) for a majority of our private equity investments
- ☐ (3) for a minority of our private equity investments

☐ (H) Other

☐ (I) We do not have processes in place to help meet our targets on material ESG factors for our private equity investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 7.1	PLUS	PE 7	N/A	PUBLIC	Monitoring	1, 2

Describe up to two processes you have put in place during the reporting year to help meet your targets on material ESG factors.

(A) Process one

Development of HR / People strategies (Social): Vespa Capital places significant emphasis and importance on developing effective people strategies within investee companies. Enhancing employee engagement and satisfaction is a key lever in the value creation toolkit deployed across all investments and a successful approach is critical to the achievement of long term strategic objectives, as it helps to ensure that the company has the right people in the right roles, with the right competency, resources and experience.

The Vespa Capital team have wide ranging experience in supporting investee companies optimise people strategies to enhance employee engagement and satisfaction. These include:

1. Hiring dedicated HR professionals: This could include hiring chief people officers (CPO) or other senior HR leaders, as well as potentially appointing specialist HR consultants or advisors from the Vespa Capital network, to support the development and implementation HR policies and practices that are aligned with underlying strategic objectives;
2. Implementing HR management tools: providing support in the evaluation, implementation and configuration of HR management tools that can help investee companies improve their HR practices. The effective use of these tools are vital for investee companies to monitor employee engagement and satisfaction, specifically reviewing employee KPIs, managing compensation and benefits, and conducting employee satisfaction surveys;
3. Reviewing HR policies and employee benefits programmes: HR policies and employee benefits programmes are regularly reviewed to ensure that they are aligned with commercial strategic objectives and that they are meeting the needs of employees; and
4. Conducting companywide employee surveys: Employee surveys are a valuable tool for gathering feedback from employees about their work experiences and their satisfaction with the company. Where relevant this feedback is used to improve HR practices, with the intention of ultimately creating a positive virtuous feedback loop with a more engaged and satisfied workforce.

(B) Process two

Enhancement of cybersecurity maturity (Governance): Vespa Capital has engaged a specialist external consultant to conduct annual cybersecurity assessments and extended coverage to include data privacy assessments, staff security awareness training, development of key policies; disaster recovery and scenario planning; penetration testing; incident response support; and virtual CISO support. Given the development of artificial intelligence and the associated development of potential security risks Vespa Capital also initiated work with a trusted consultant to educate our portfolio companies on these risks. It served as the starting point for the continued work around the AI risk and opportunities and discussion among portfolio companies regarding processes to manage these.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 8	PLUS	OO 21	N/A	PUBLIC	Monitoring	1, 2

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

Due to the niche and differentiated nature of Vespa Capital's investee companies, the investment team will collaborate with the board to develop an entirely bespoke approach to integrating strategies to manage ESG risks and opportunities in the post-acquisition action plan (100-day plan). However, there are a number of ESG related processes and actions that are common across all investments. These include:

1. Undertaking a review of corporate policies, mapped against a standardised policy matrix to ensure the respective investee company achieves a baseline of policy coverage;
2. Establishment of governance committees (e.g. remuneration and audit committees);
3. Undertake a baseline Cyber security assessment, conducted by a trusted 3rd party cybersecurity specialist appointed by Vespa Capital;
4. Review of data security and compliance processes, remediating any issues identified during due diligence;
5. Review of risk register and disaster recovery protocols; and
6. Review of HR processes and establishment of a people and talent strategy that will support the growth needs of the business.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 9	CORE	OO 21	N/A	PUBLIC	Monitoring	1, 2

Post-investment, how do you manage material ESG risks and ESG 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
 - Select from dropdown list
 - ☒ (1) for all of our private equity investments

- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments
- ☒ **(B) We adjust our ESG action plans based on performance monitoring findings at least yearly**
Select from dropdown list
 - ☒ **(1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- ☒ **(C) We, or the external advisors that we hire, support our private equity investments with specific ESG value-creation opportunities**
Select from dropdown list
 - ☒ **(1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- ☒ **(D) We engage with the board to manage ESG risks and ESG opportunities post-investment**
Select from dropdown list
 - ☒ **(1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- ☐ (E) Other
- (F) We do not manage material ESG risks and opportunities post-investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 10	PLUS	OO 21	N/A	PUBLIC	Monitoring	1, 2

Describe how you ensure that material ESG risks are adequately addressed in the private equity investments in which you hold a minority stake.

Vespa Capital does not differentiate its approach to the management of ESG matters according to majority / minority shareholding. In each case, the Vespa Capital investment team work with management teams and the board of investee companies (and in one instance with a majority investor) to develop dedicated ESG strategy plans that are informed by materiality assessment exercises, with progress monitored via regular ESG reporting.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 11	PLUS	OO 21	N/A	PUBLIC	Monitoring	2

Describe how your ESG action plans are currently defined, implemented and monitored throughout the investment period.

The Vespa Capital investment team work with management teams and the board of investee companies (and in one instance a majority investor) to develop dedicated ESG strategy plans that are informed by materiality assessment exercises, with progress monitored via regular ESG reporting.

In early 2024 Vespa Capital hired an ESG manager to oversee the daily ESG activities and engage with portfolio companies on relevant sustainability issues.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 12	CORE	OO 21	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**
Select from dropdown list

- ☒ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority of our private equity investments
- ☒ (B) We ensure that material ESG matters are discussed by the board at least yearly
 - Select from dropdown list
 - ☒ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority 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
- ☐ (D) We provide training on ESG aspects and management best practices relevant to the portfolio company to employees (excl. C-suite executives)
- ☒ (E) We support the portfolio company in developing and implementing its ESG strategy
 - Select from dropdown list
 - ☒ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority of our private equity investments
- ☒ (F) We support portfolio companies by finding external ESG expertise, e.g. consultants or auditors
 - Select from dropdown list
 - ☒ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority of our private equity investments
- ☒ (G) We share best practices across portfolio companies, e.g. educational sessions or the implementation of environmental and social management systems
 - Select from dropdown list
 - ☒ (1) for all of our private equity investments
 - ☐ (2) for a majority of our private equity investments
 - ☐ (3) for a minority of our private equity investments
- ☐ (H) We include penalties or incentives to improve ESG performance in management remuneration schemes
- ☐ (I) Other
- ☐ (J) We do not ensure that adequate ESG-related competence exists at the portfolio company level

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 at the portfolio company level during the reporting year.

(A) Initiative 1

An ESG forum was organised to discuss the transition to net zero. The portfolio companies were introduced to the Private Equity Decarbonisation Roadmap, a framework describing the steps to achieving a net zero plan through collecting emissions data, designing a decarbonisation strategy and setting decarbonisation targets aligned with the Paris agreement. Consequently all of our portfolio companies are now collecting scope 1, 2 and 3 emissions and many are looking into creating a decarbonisation strategy.

(B) Initiative 2

We initiated competence building around the risks and opportunities associated with artificial intelligence. A trusted external consulting firm with expertise in the field engaged with all portfolio companies' CEOs and discussed the developments in AI in the respective industries. AI opportunities and solutions were discussed but the risks and repercussions were also highlighted. Enhanced cybersecurity measures to protect data and sensitive information as well as the challenge around confirmation bias and lack of transparency of some AI tools where the derivation of solutions or answers can't be traced were some of the topics discussed. The competence building efforts that started in 2023 have continued in a series of workshops for the portfolio companies interested in further upskilling themselves in the field.

EXIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 13	CORE	OO 21	N/A	PUBLIC	Exit	4, 6

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

- ☐ (A) Our firm's high-level commitment to responsible investment, e.g. that we are a PRI signatory
- ☐ (B) A description of what industry and asset class standards our firm aligns with, e.g. TCFD
- ☐ (C) Our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)
- ☐ (D) Our firm's ESG risk assessment methodology (topics covered in-house and/or with external support)
- ☐ (E) The outcome of our latest ESG risk assessment on the asset or portfolio company
- ☐ (F) Key ESG performance data on the asset or portfolio company being sold
- ☐ (G) Other
 - ☐ (H) No responsible investment information was shared with potential buyers of private equity investments during the reporting year
- ☒ (I) Not applicable; we had no sales process (or control over the sales process) during the reporting year

DISCLOSURE OF ESG PORTFOLIO INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 14	CORE	OO 21	N/A	PUBLIC	Disclosure of ESG portfolio information	6

During the reporting year, how did you report your targets on material ESG factors and related data to your investors?

- ☒ (A) We used a publicly disclosed sustainability report
- ☒ (B) We reported in aggregate through formal reporting to investors
- ☐ (C) We reported at the portfolio company level through formal reporting to investors
- ☒ (D) We reported through a limited partners advisory committee (or equivalent)
- ☒ (E) We reported back at digital or physical events or meetings with investors
- ☒ (F) We had a process in place to ensure that reporting on serious ESG incidents occurred
- ☐ (G) Other
 - ☐ (H) We did not report our targets on material ESG factors and related data to our investors during the reporting year

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

☒ **(A) Sustainability outcome #1**

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
 - ☒ **(1) The UN Sustainable Development Goals (SDGs) and targets**
 - ☐ (2) The UNFCCC Paris Agreement
 - ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☐ (7) The International Bill of Human Rights
 - ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - ☐ (9) The Convention on Biological Diversity
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)
- (2) Classification of sustainability outcome
 - ☒ **(1) Environmental**
 - ☒ **(2) Social**
 - ☒ **(3) Governance-related**
 - ☐ (4) Other
- (3) Sustainability outcome name

Multiple outcomes aligned to SGDs
- (4) Number of targets set for this outcome
 - ☒ **(1) No target**
 - ☐ (2) One target
 - ☐ (3) Two or more targets

☒ **(B) Sustainability outcome #2**

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
 - ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
 - ☐ (2) The UNFCCC Paris Agreement
 - ☒ **(3) The UN Guiding Principles on Business and Human Rights (UNGPs)**
 - ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - ☐ (5) The EU Taxonomy
 - ☐ (6) Other relevant taxonomies
 - ☐ (7) The International Bill of Human Rights
 - ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - ☐ (9) The Convention on Biological Diversity
 - ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☐ (1) Environmental
- ☒ (2) **Social**
- ☒ (3) **Governance-related**
- ☐ (4) Other

(3) Sustainability outcome name

Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking

(4) Number of targets set for this outcome

- ☐ (1) No target
- ☒ (2) **One target**
- ☐ (3) Two or more targets

☒ (C) **Sustainability outcome #3**

(1) Widely recognised frameworks used to guide action on this sustainability outcome

- ☐ (1) The UN Sustainable Development Goals (SDGs) and targets
- ☒ (2) **The UNFCCC Paris Agreement**
- ☐ (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- ☐ (5) The EU Taxonomy
- ☐ (6) Other relevant taxonomies
- ☐ (7) The International Bill of Human Rights
- ☐ (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- ☐ (9) The Convention on Biological Diversity
- ☐ (10) Other international, regional, sector-based or issue-specific framework(s)

(2) Classification of sustainability outcome

- ☒ (1) **Environmental**
- ☐ (2) Social
- ☐ (3) Governance-related
- ☐ (4) Other

(3) Sustainability outcome name

The focus of this sustainability outcome is decarbonisation and aligning our portfolio with a net zero target in alignment with the Paris agreement. Vespa Capital is following the private market decarbonisation roadmap to drive decarbonisation in our portfolios and assisting our portfolio companies to set net zero targets. The first step of the process is collecting data to understand which activities are emissions heavy and to cover Scope 1, 2 and 3 emissions, which has been our focus for 2023.

(4) Number of targets set for this outcome

- ☒ (1) **No target**
- ☐ (2) One target
- ☐ (3) Two or more targets

- ☐ (D) Sustainability outcome #4
- ☐ (E) Sustainability outcome #5
- ☐ (F) Sustainability outcome #6
- ☐ (G) Sustainability outcome #7
- ☐ (H) Sustainability outcome #8
- ☐ (I) Sustainability outcome #9
- ☐ (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2:	Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking
(1) Target name	Corporate Policy Control
(2) Baseline year	
(3) Target to be met by	
(4) Methodology	<p>Vespa Capital has developed a process to ensure that all investee companies have effective governance controls around corporate policies. This is assessed at investment, including as part of the legal due diligence to ensure full compliance with any legal and statutory requirements. This includes policy coverage that include commitments to respect international human and labour rights principles, health and safety standards, and to eliminate discrimination, harassment and victimisation of all kinds.</p> <p>This process includes the following steps:</p> <ol style="list-style-type: none"> 1. Assess the current state of corporate policy controls. Vespa Capital's investment team will assess the current state of corporate policy controls in each investee company. This involves identifying the company's existing policies, procedures, and practices related to corporate governance. It is also important to assess the effectiveness of these controls in ensuring compliance with all applicable laws and regulations. 2. Identify gaps in corporate policy controls. Once the current state of corporate policy controls has been assessed, Vespa Capital will identify any gaps. This can be done by comparing the company's existing policies and procedures to relevant laws and regulations, as well as best practices in the industry. 3. Develop and implement corrective actions. Once the gaps in corporate policy controls have been identified, Vespa Capital will support management in developing and implementing actions to address any policy gaps. This may involve creating new policies, updating existing policies, or strengthening enforcement of existing policies. 4.

Continuously monitor and improve corporate policy controls. Once corrective actions have been implemented, Vespa Capital will continue to monitor and support the improvement corporate policy controls. This is be done by conducting regular audits and reviews, as well as by monitoring changes to applicable laws and regulations.

In addition to these steps, Vespa Capital also takes the following measures to promote corporate policy controls across its portfolio:

- Engage with investee company management.

Vespa Capital's investment team will engage with investee company management to discuss the importance of corporate policy controls and to ensure that they are committed to implementing and enforcing these controls.

- Provide training and support. Vespa Capital encourage investee companies to implement adequate training and support within their organisations to ensure effective corporate policy control. This training may cover topics such as risk management, compliance, and ethics.

- Set clear expectations.

Vespa Capital will set clear expectations for investee companies in terms of corporate policy controls. These expectations are documented in the investment agreement between Vespa Capital and the investee company.

Vespa Capital's commitment to promoting corporate policy controls is based on the belief that these controls are essential for ensuring the long-term success of its investee companies. By promoting corporate policy controls, Vespa Capital is helping to protect the interests of its investors, the investee companies and their stakeholders.

(5) Metric used (if relevant)	Policy coverage measured against Vespa Capital Policy Matrix
(6) Absolute or intensity-based (if relevant)	
(7) Baseline level or amount (if relevant):	
(8) Target level or amount (if relevant)	
(9) Percentage of total AUM covered in your baseline year for target setting	100%
(10) Do you also have a longer-term target for this?	

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(B1) Sustainability outcome #2:

(B1) Sustainability outcome #2: Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking

Target name: Corporate Policy Control

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1

During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?

(B1) Sustainability Outcome #2: Target details

(B1) Sustainability Outcome #2: Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking

(1) Target name: Corporate Policy Control

(2) Target to be met by

(3) Metric used (if relevant): Policy coverage measured against Vespa Capital Policy Matrix

(4) Current level or amount (if relevant)

(5) Other qualitative or quantitative progress

(6) Methodology for tracking progress

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- ☒ (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets
 - Select from drop down list:
 - ☒ (1) Individually
 - ☐ (2) With other investors or stakeholders
- ☐ (B) Stewardship: engagement with external investment managers
- ☐ (C) Stewardship: engagement with policy makers
- ☐ (D) Stewardship: engagement with other key stakeholders
- ☒ (E) Capital allocation
- ☐ (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used

(2) Sector allocation
(5) Other

(2) Explain through an example

Capital allocation considerations are most relevant to scenarios where investment opportunities were terminated due to increased risk of negative sustainability outcomes. On a number of occasions in 2023 the Vespa Capital investment team ceased involvement in potential investment opportunities following further due diligence in part relating to identification of increased ESG risk factors. This included scenarios such as concentrations in the defence sector, resource-intensive operating models and high climate transition risks.

Incorporating an ESG overlay into Vespa Capital's investment decision-making process ensures ESG risks and opportunities are identified from the outset and provides clarity around the maturity level and ability for a company to progress on these issues. For example, the Vespa Capital team has previously terminated involvement in a number of investment opportunities following further due diligence as a result of factors such as concentrations in the defence sector, resource intensive operating models, and high climate transition risks.

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:

Multiple outcomes aligned to SGDs

(1) Capital allocation activities used

(2) Explain through an example

(C) Sustainability Outcome #2:

(C) Sustainability Outcome #2:

Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking

(1) Capital allocation activities used

(2) Explain through an example

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:

(1) Capital allocation activities
used

(2) Explain through an example

STEWARDSHIP WITH INVESTEEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

The Vespa Capital team seek to collaboratively engage with investee companies on the development of business strategy, leveraging expertise and networks to support the growth; we consider stewardship focused on improving ESG performance as a fundamental component of this role.

Vespa Capital's approach to engagement activity to promote sustainability outcomes across our portfolio is based on the following principles:

1. Active participation and collaboration at a board level: The principal stewardship and engagement activity on governance factors across Vespa Capital's portfolio is achieved through active participation at a board level. This allows Vespa Capital to have a direct influence on the investee companies' governance practices and to ensure that they are aligned with the firm's values and standards. Vespa Capital believes that the best way to ensure the long-term success of its investee companies is to collaborate with them on strategy development, including factors that relate to sustainability outcomes. This collaboration allows Vespa Capital to share its expertise and networks, while also learning from the investee companies' insights and experience;
2. ESG monitoring and reporting: Vespa Capital deploys a robust ESG reporting framework across all portfolio companies as a means to assess progress against various sustainability outcomes and mitigating against potential negative outcomes. A consistent set of core metrics are monitored in each company, which are supplemented by unique KPIs selected on a company-by-company basis incorporating the key findings of the ESG assessment at investment;
3. Stewardship focused on ESG performance: Vespa Capital believes that stewardship focused on improving ESG performance is essential for ensuring the long-term success of its investee companies. ESG factors can have a significant impact on a company's long term value creation roadmap. By emphasising the important of integrating sustainability outcomes into the value creation plan, Vespa Capital is helping its investee companies to mitigate risks, identify opportunities, and create a lasting legacy;

4. Shared responsibility: Responsibility for stewardship engagement is shared among the Vespa Capital investment team in collaboration with investee company boards. This ensures that all investee companies have access to the firm's expertise and resources, and that the stewardship process is consistent across the portfolio;

5. Ongoing risk assessment: The investment team assesses risks, opportunities, and ESG initiatives across the portfolio and shares best practice. This helps to ensure that the investee companies are aware of the risks and opportunities they face, and that they are taking steps to mitigate the risks and maximise the opportunities; and

6. Leveraging Vespa Capital's networks and experience: As a result of its broad and diverse experience, the Vespa Capital investment team is able to provide investee companies with valuable insights and advice on a wide range of topics, including business strategy, ESG, and governance. This helps the investee companies to make better decisions and to achieve their long-term goals.

<p>(2) Stewardship tools or activities used</p>	<p>(1) Engagement (4) Nominating directors to the board (5) Leveraging roles on the board or board committees (e.g. nomination committees) (6) Taking roles on investee boards (7) Working directly with portfolio companies and/or real asset management teams (9) Other</p>
<p>(3) Example</p>	
<p>(B) Sustainability Outcome #1:</p>	
<p>(B) Sustainability Outcome #1:</p>	<p>Multiple outcomes aligned to SGDs</p>
<p>(1) Describe your approach</p>	
<p>(2) Stewardship tools or activities used</p>	
<p>(3) Example</p>	
<p>(C) Sustainability Outcome #2:</p>	
<p>(C) Sustainability Outcome #2:</p>	<p>Policy compliance - Ensure compliance with international conventions on human rights and supporting the elimination of child labour, modern slavery and human trafficking</p>
<p>(1) Describe your approach</p>	
<p>(2) Stewardship tools or activities used</p>	

(3) Example

(D) Sustainability Outcome #3:

(D) Sustainability Outcome #3:

The focus of this sustainability outcome is decarbonisation and aligning our portfolio with a net zero target in alignment with the Paris agreement. Vespa Capital is following the private market decarbonisation roadmap to drive decarbonisation in our portfolios and assisting our portfolio companies to set net zero targets. The first step of the process is collecting data to understand which activities are emissions heavy and to cover Scope 1, 2 and 3 emissions, which has been our focus for 2023.

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

- ☐ (A) We prioritise the most strategically important companies in our portfolio.
- ☐ (B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.
- ☐ (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

☒ **(D) Other**

Describe:

Vespa Capital aims to engage on all of our stewardship priorities across our portfolio. Given the small number of portfolio companies and nature of the relationship between Vespa Capital and the executive management teams, we are able to exert significant influence at a board level through our stewardship activities. Vespa Capital seeks to develop bespoke ESG strategy plans for each portfolio company in collaboration with portfolio company management teams. Where appropriate, further stakeholder consultation and comprehensive materiality assessments will be conducted in parallel to ensure that these strategy plans remain relevant and proportionate.

Select from the list:

- ☒ 1
- ☐ 2
- ☐ 3
- ☐ 4

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- ☐ (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- ☐ (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- ☒ (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- ☐ (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- ☐ (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- ☐ (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- ☒ (A) Board, trustees, or equivalent
 - Sections of PRI report reviewed
 - ☒ (1) the entire report
 - ☐ (2) selected sections of the report
- ☒ (B) Senior executive-level staff, investment committee, head of department, or equivalent
 - Sections of PRI report reviewed
 - ☒ (1) the entire report
 - ☐ (2) selected sections of the report
 - ☐ (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year