



## **PUBLIC TRANSPARENCY REPORT**

**2025**

**Alcentra**

Generated 24-11-2025

# 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 public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders. This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2025 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

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

For each of the indicators in this document, all options selected by the signatory 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 2025 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?

Alcentra's Responsible Investment Policy has been established to outline the principles that guide our investment decisions and stewardship activities. We broadly base our due diligence approach on internationally recognised standards such as the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact. Alcentra's primary goal is to achieve attractive long-term investment returns for clients. We seek to achieve this goal by investing in responsibly managed companies. Alcentra believes that responsibly managed companies are better placed to achieve sustainable competitive advantage and provide strong long-term growth.

The consideration of sustainability risk forms an important part of our due diligence process. When assessing the sustainability risk associated with our investments, we assess the potential risk that their value could be materially negatively impacted by environmental, social or governance factors. This analysis requires an understanding of companies' impact on their environment and society. We believe this approach allows us to make better investment decisions. Our teams collaborate with clients to determine the allocation, management, and oversight of capital. Alcentra's Responsible Investing investment framework involves the following key activities:

1. Exclusions Policy: Alcentra's Exclusions Policy ensures that investments align with ethical standards by excluding companies involved in harmful products or unethical conduct.
2. In-depth analysis and ongoing monitoring of ESG risks: Alcentra prioritises thorough analysis and continuous monitoring of ESG risks to safeguard investments
3. Active stewardship: Alcentra engages in active stewardship to influence positive change within companies, fostering long-term value creation and responsible business practices.
4. Collaboration with other investors and standard setters: Alcentra collaborates with other investors and standard setters to drive collective action towards improved ESG standards and responsible investing.

Vai Patel, Head of Responsible Investing: "In light of evolving regulations and increasing investor expectations, we continue to place a strong focus on responsible investing.

We are committed to not only meeting the standards set by the UN PRI but surpassing them by emphasising tangible outcomes and driving positive change. Through proactively engaging with companies and concentrating on robust ESG integration within our own investment processes, we strive to enhance transparency, encourage sustainable practices, and generate long-term value for our clients and society. Our strategy ensures that we are active stewards, contributing to a sustainable future rather than passive investors." Tim Raeke, Head of European Credit Research: "Our responsible investment approach underscores our commitment to delivering enduring value for our clients and stakeholders. By embedding the principles of the UN PRI into our investment processes, we ensure that sustainability and corporate governance are central to our evaluations. This comprehensive method allows us to more effectively recognize the risks and opportunities that issuers face. Our commitment to responsible investing is deeply rooted in our organizational culture, driving us to make investment decisions that align with both our values and those of our clients, ultimately fostering a more sustainable future." Ruth Davis, COO of Global Business Development: "Over the past two years, Alcentra has significantly enhanced our responsible investing practices, further embedding the principles of the UN PRI into our strategies.

This progress is crucial as it not only aligns our investments with global sustainability standards but also ensures we are actively contributing to a more sustainable and equitable future. By integrating these principles, we have improved our ESG reporting, increased transparency, and strengthened our engagement with portfolio companies. These efforts are vital in fostering long-term value for our clients and driving meaningful change in the financial services industry."

## 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

Since Alcentra's last PRI submission, we have worked to further integrate our ESG & responsible investment principles across our firm's ways of working and investment strategies. The outline below of the progress made, addresses key areas of improvement identified by Alcentra in line with the PRI objectives and Alcentra's own aim to work collaboratively with investors and beneficiaries, in an effort to continually do what is in their best interest, and to be a responsible steward of capital. \*\* Task Force on Climate-related Financial Disclosures (TCFD) \*\* Alcentra has published its inaugural TCFD report.

This report presents our approach to incorporating climate -related risks and opportunities into our governance, strategy and risk management, as well as metrics and targets. Alcentra undertook detailed, forward-looking, quantitative analysis to model the impacts of different climate scenarios against all assets within our investment strategies. This work builds on Alcentra's existing expertise in assessing climate-related risks & opportunities by using forward-looking scenario analysis to understand both the financial impacts of climate change on our portfolio investments as well as how our investments align to our own climate commitments.

\*\* Setting Net Zero Target and Climate Action Plan \*\* Following our TCFD climate data analysis, Alcentra has publicly committed to achieve net zero by 2050 across all investment strategies and we have set an interim 50% reduction target for 2030 across our Liquid Credit, Direct Lending and Special Situations investment strategies.

Targets are set from a 2024 base year. As part of this, we are rolling out our Carbon Action Plan which focuses on optimising our investment portfolios to account for climate risks and opportunities, and engaging with portfolio companies to increase climate disclosure and implement ambitious transition plans. \*\* Building Data Efficiencies and Compliance \*\* Over the period, we improved our processes by integrating all ESG data, including issuer ESG scores, engagements, climate data, PAI data and live portfolio data, into one aggregated ESG database.

This allows us to analyse engagement and other key ESG statistics across funds over time. In 2024, the enhanced data allowed us to launch an automated weekly monitoring email for our Liquid Credit investment team. The email flags issuers whose ESG risk profile needs to be reviewed in the next 60 days. This ensures that all ESG risk assessments are reliable and up to date, enhancing the control process and increasing operational efficiencies through automation. \*\* Reporting \*\* Alcentra significantly enhanced its reporting capabilities to meet the evolving demands of our clients and regulatory requirements.

We have built out our data collection and disclosure abilities and now produce Principle Adverse Indicators (PAI) disclosures for all our Direct Lending funds and the majority of our Liquid Credit portfolios. We have created a bespoke responsible investing report for our Structured Credit strategy which includes insights from our CLO manager questionnaire, engagement statistics and examples of engagement with managers as well as climate metrics for the strategy. Lastly, we now produce the EET template for several Alcentra funds. These reporting initiatives have increased transparency, ensured compliance, and built investor confidence by providing detailed insights into the sustainability performance of our investments. \*\* Thought Leadership \*\* Alcentra demonstrated its commitment to influencing the market and promoting best practices through the publication of several thought-leadership whitepapers. These publications include the "Direct Lending Impact Whitepaper," which explores the benefits and challenges of achieving impact investing within the private credit asset class. Additionally, Alcentra produced climate guides for companies and CLO managers, providing valuable insights and frameworks for calculating carbon emissions and setting carbon reduction targets. The "ESG Integration in the CLO Market" whitepaper further highlights how CLO managers are adapting to evolving ESG requirements and incorporating sustainability into their investment processes. The whitepaper was circulated with CLO managers to encourage best-practice. These efforts reflect Alcentra's proactive approach to driving positive change across the financial industry. \*\* Second Article 8 Fund, Liquid Credit \*\* One of the primary ways that we have taken action to promote our belief in the importance of making environmentally and socially sound investments is through defining these investment beliefs as the key sustainable characteristics of our Article 8 designated funds under the EU SFDR regulation. Over the period, we announced the conversion of our second Article 8 fund under the EU SFDR regulation, highlighting our continued commitment to responsible investing and stewardship.

### Section 3. Next steps

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

Over the next two years, there will be a continued focus on increased integration of responsible investment activities across all strategies at Alcentra with improved reporting of associated activities. This will be in line with PRI expectations, but also reference growing regulatory and investor demands. In the coming years, Alcentra will look to: \*\* Build Operation Efficiency through Automation \*\* Alcentra is committed to leveraging digital automation to enhance efficiencies in our responsible investing operations. By implementing advanced systems for ESG analysis, we can streamline the evaluation of environmental, social, and governance factors, ensuring more accurate and timely assessments. Additionally, our automated processes for capturing and storing data will significantly improve data management, allowing for seamless integration and analysis of vast amounts of information. These innovations will not only reduce manual workload but also enhance the precision and reliability of our ESG reporting, ultimately supporting our goal of driving sustainable investment practices and delivering long-term value to our clients. \*\* Drive Decarbonisation through Engagement \*\* In the next two years, Alcentra will scale up climate engagement efforts with issuers based on our climate risk analysis outcomes, ensuring that portfolio companies increase climate disclosure and implement & execute ambitious transition plans. By integrating these measures, we aim to manage transition risks, deliver on our decarbonisation commitments, and support a Just Transition to a net zero economy. \*\* Enhanced ESG Integration \*\* Alcentra will continue to deepen the integration of ESG into our investment processes. This will involve refining our proprietary tools such as the ESG Checklist and Climate Risk Tool, as well as the data analysts use to perform a comprehensive assessment of ESG risks and opportunities.

We will enhance the ESG scoring system of the checklist to apply a formulae-based approach to overall ESG scores with the application of a sector-weighting methodology to better account for inherent industry-wide ESG risks. We will also look to broaden the sources of information analysts rely on to inform their ESG risk assessments. We will do this through building an in-house AI tool which will perform a scan of public company reports, news articles and general sector information for a particular company to ensure a more comprehensive evaluation of their ESG risks. \*\* Support Portfolio Companies in Meeting Their Regulatory Obligations \*\* Alcentra is committed to supporting its portfolio companies in meeting their regulatory obligations, in particular Corporate Sustainability Reporting Directive (CSRD ), through a multifaceted approach.

We will offer ESG insights and guidance, advising on best practices for data collection, reporting, and disclosure. Alcentra will build internal capabilities for CSRD compliance by training and up-skilling its own investment teams on the reporting requirement. We will engage directly with companies, providing access to CSRD resources, tools, and platforms, and connecting them with sustainability consultants and experts. This comprehensive support aims to enable portfolio companies to comply with CSRD, making the portfolio more attractive to sustainability-focused investors and progressing towards real-world sustainable goals. \*\* Upskill Internal Workforce \*\* A key component of how we will achieve increased integration of responsible investment across the firm over the next two-years will be via dedicated training and development of teams, including investment professionals, investor relations, and product management teams.

This will be a key deliverable for the Responsible Investment team, with training delivered on average one session per quarter. Topics will cover a wide range of issues across regulatory developments, ESG risk analysis & integration, systemic ESG risks, ESG financing & documentation amongst other ad hoc topics.

#### 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

Ruth Davis

Position

Managing Director - Global COO of Business Development

Organisation's Name

Alcentra

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

# OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS (ORO)

## OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

### OTHER RESPONSIBLE INVESTMENT REPORTING OBLIGATIONS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 1	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

During the reporting year, to which international or regional ESG-related legislation(s) and/or regulation(s) did your organisation report?

- (A) Corporate Sustainability Reporting Directive (CSRD) [European Union]
- (B) Directive on AIFM (2011/61/EU) [European Union]
- (C) Enhancing climate-related disclosures by asset managers, life insurers and FCA-regulated pension providers (PS21/24) [United Kingdom]
- (D) EU Taxonomy Regulation [European Union]
- (E) Improving shareholder engagement and increasing transparency around stewardship (PS19/13) [United Kingdom]
- (F) IORP II (Directive 2016/2341) [European Union]
- (G) Law on Energy and Climate (Article 29) [France]
- (H) MiFID II (2017/565) [European Union]
- (I) Modern Slavery Act [United Kingdom]
- (J) PEPP Regulation (2019/1238) [European Union]
- (K) PRIIPS Regulation (2016/2340 and 2014/286) [European Union]
- (L) Regulation on the Integration of Sustainability Risks in the Governance of Insurance and Reinsurance Undertakings (2021/1256) [European Union]
- (M) SFDR Regulation (2019/2088) [European Union]
- (N) SRD II (Directive 2017/828) [European Union]
- (O) The Occupational Pension Schemes Regulation on Climate Change Governance and Reporting [United Kingdom]
- (P) Climate Risk Management (Guideline B-15) [Canada]
- (Q) Continuous Disclosure Obligations (National Instrument 51-102) [Canada]
- (R) Disposiciones de Carácter General Aplicables a los Fondos de Inversión y a las Personas que les Prestan Servicios (SIEFORE) [Mexico]
- (S) Instrucciones para la Integración de Datores ASG en Los Mecanismos de Revelación de Información para FIC (External Circular 005, updated) [Colombia]
- (T) Provides for the creation, operation, and disclosure of information of investment funds, as well as the provision of services for the funds, and revokes the regulations that specifies (CVM Resolution No. 175) [Brazil]
- (U) SEC Expansion of the Names Rule [United States of America]
- (V) SEC Pay Ratio Disclosure Rule [United States of America]
- (W) ASIC RG65 Section 1013DA Disclosure Guidelines [Australia]
- (X) Circular to Licensed Corporations: Management and Disclosure of Climate-related Risks by Fund Managers [Hong Kong SAR]
- (Y) Financial Investment Services and Capital Markets Act (FSCMA) [Republic of Korea]
- (Z) Financial Instruments and Exchange Act (FIEA) [Japan]
- (AA) Financial Markets Conduct Act [New Zealand]
- (AB) Guiding Opinions on Regulating the Asset Management Business of Financial Institutions [China]
- (AC) Guidelines on Environmental Risk Management for Asset Managers [Singapore]
- (AD) Guidelines on Sustainable and Responsible Investment Funds [Malaysia]
- (AE) Modern Slavery Act (2018) [Australia]

- (AF) Stewardship Code for all Mutual Funds and All Categories of AIFs [India]
- (AG) ADGM Sustainable Finance Regulatory Framework [United Arab Emirates]
- (AH) JSE Limited Listings Requirements [South Africa]
- (AI) Other
- (AJ) Other
- (AK) Other
- (AL) Other
- (AM) Other
- (AN) Not applicable; our organisation did not report to any ESG-related legislation and/or regulation during the reporting year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ORO 2	CORE	N/A	N/A	PUBLIC	Other Responsible Investment Reporting Obligations	6

**During the reporting year, to which voluntary responsible investment/ESG frameworks did your organisation report?**

- (A) Asset Owners Stewardship Code [Australia]
- (B) Código Brasileiro de Stewardship [Brazil]
- (C) New Zealand Stewardship Code
- (D) Principles for Responsible Institutional Investors (Stewardship Code) [Japan]
- (E) Stewardship Code [United Kingdom]**
- (F) Stewardship Framework for Institutional Investors [United States of America]
- (G) CFA Institute ESG Disclosure Standards for Investment Products [Global]
- (H) Guidelines on Funds' Names using ESG or Sustainability-related Terms [European Union]
- (I) Luxflag ESG Label [Luxembourg]
- (J) RIAA Responsible Investment Certification Program [Australia]
- (K) SRI Label [France]
- (L) ANBIMA Code of Regulation and Best Practices of Investment Funds [Brazil]
- (M) Code for Institutional Investors 2022 [Malaysia]
- (N) Code for Responsible Investing in South Africa (CRISA 2) [South Africa]
- (O) Corporate Governance Guidelines [Canada]
- (P) Defined Contribution Code of Practice [United Kingdom]
- (Q) European Association for Investors in Non-Listed Real Estate Vehicles (INREV) Guidelines [Global]
- (R) Global ESG Benchmark for Real Assets (GRESB) [Global]
- (S) Global Impact Investing Network (GIIN) Impact Reporting and Investment Standards (IRIS+) [Global]
- (T) OECD Guidelines for MNES - Responsible Business Conduct for Institutional Investors [Global]
- (U) UN Guiding Principles (UNGP) on Business and Human Rights [Global]
- (V) Net Zero Asset Managers (NZAM) Initiative [Global]**
- (W) Net-Zero Asset Owner Alliance (NZAOA) [Global]
- (X) Recommendations of the Taskforce for Climate-related Financial Disclosure (TCFD) [Global]**
- (Y) The Net Zero Investment Framework (NZIF) 2.0 [Global]
- (Z) Recommendations of the Taskforce for Nature-related Financial Disclosure (TNFD) [Global]
- (AA) Global Reporting Initiative (GRI) Standards [Global]
- (AB) IFC Performance Standard [Global]
- (AC) International Sustainability Standards Board (ISSB) Standards [Global]
- (AD) Sustainability Accounting Standards Board (SASB) Standards [Global]**
- (AE) Other
- (AF) Other
- (AG) Other
- (AH) Other
- (AI) Other
- (AJ) Not applicable; our organisation did not report to any voluntary responsible investment/ESG frameworks during the reporting year.

### **Additional context to your response(s): (Voluntary)**

Stewardship Code: Alcentra has been a signatory to the UK Stewardship Code since September 2022 and in doing so we have met the high standards the FRC sets for investors. This achievement further underlines Alcentra's commitment to Responsible Investing. Please find our report for 2024 on Alcentra's website via the following link: <https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

TCFD: Alcentra has published its annual Task Force on Climate-related Financial Disclosure (TCFD) report. This report presents our approach to incorporating climate -related risks and opportunities into our governance, strategy and risk management, as well as metrics and targets.

Alcentra undertook detailed, forward-looking, quantitative analysis to model the impacts of different climate scenarios against all assets within our investment strategies. The key findings on the climate exposure of our assets and our subsequent climate commitments are set out in the report: <https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

# 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:	30	06	2025

## 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 not part of row (B), and excluding the AUM subject to execution, advisory, custody, or research advisory only

US\$ 31,716,000,000.00

(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 context to your response(s): (Voluntary)**

AUM as of 31st May 2025.

## ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	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	74%	0%
(C) Private equity	0%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	4%	22%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	0%
(J) Off-balance sheet	0%	0%

## ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(H) Hedge funds	0%	100%

## ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

(A) Passive – SSA	0%
(B) Passive – corporate	0%
(C) Active – SSA	0%
(D) Active – corporate	72%
(E) Securitised	0%
(F) Private debt	28%

### Additional context to your response(s): (Voluntary)

Please note: As specified by the PRI, "Active -Corporate" includes our Liquid Credit Strategy as well as our Infrastructure Strategy.

## ASSET BREAKDOWN: INTERNALLY MANAGED HEDGE FUND

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 HF	CORE	OO 5	OO 11	PUBLIC	Asset breakdown: Internally managed hedge fund	GENERAL

**Provide a further breakdown of your internally managed hedge fund assets.**

(A) Multi-strategy	0%
(B) Long/short equity	0%
(C) Long/short credit	0%
(D) Distressed, special situations and event-driven fundamental	100%
(E) Structured credit	0%
(F) Global macro	0%
(G) Commodity trading advisor	0%
(H) Other strategies	0%

## MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

**What percentage of your organisation's externally managed assets are managed by PRI signatories?**

94%

**Additional context to your response(s): (Voluntary)**

Please note this number is based on the managers who responded to our 2025 CLO manager questionnaire.

## 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

(C) Fixed income – corporate	(1) 0%
(E) Fixed income – private debt	(1) 0%
(I) Hedge funds	(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?

	(3) Fixed income - active	(8) Hedge funds
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>

## STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- (A) Yes
- (B) No

## 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
(F) Fixed income - corporate	<input checked="" type="radio"/>	<input type="radio"/>
(H) Fixed income - private debt	<input checked="" type="radio"/>	<input type="radio"/>
(O) Hedge funds - Distressed, special situations and event-driven fundamental	<input checked="" type="radio"/>	<input type="radio"/>

## EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when selecting external investment managers?

(1) Yes, we incorporate ESG factors when selecting external investment managers

(2) No, we do not incorporate ESG factors when selecting external investment managers

(H) Hedge funds



## EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when appointing external investment managers?

(1) Yes, we incorporate ESG factors when appointing external investment managers

(2) No, we do not incorporate ESG factors when appointing external investment managers

(H) Hedge funds



## EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors, to some extent, when monitoring external investment managers?

(1) Yes, we incorporate ESG factors when monitoring external investment managers

(2) No, we do not incorporate ESG factors when monitoring external investment managers

(H) Hedge funds



## ESG STRATEGIES

### FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(2) Fixed income - corporate

(A) Screening alone 0%

(B) Thematic alone 0%

(C) Integration alone 0%

(D) Screening and integration 0%

(E) Thematic and integration 0%

(F) Screening and thematic 0%

(G) All three approaches combined 100%

(H) None 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

**(2) Fixed income - corporate**

(A) Positive/best-in-class screening only 0%

(B) Negative screening only 100%

(C) A combination of screening approaches 0%

## 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

Provide the percentage of total AUM that your ESG and/or sustainability-marketed products or funds represent:

14%

- (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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

**Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?**

(A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications

Provide the percentage of total AUM that your labelled and/or certified products and/or funds represent:

14%

(B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.2	CORE	OO 18.1	N/A	PUBLIC	Labelling and marketing	1

**Which ESG/RI certifications or labels do you hold?**

- (A) Commodity type label (e.g. BCI)
- (B) GRESB
- (C) Austrian Ecolabel (UZ49)
- (D) B Corporation
- (E) BREEAM
- (F) CBI Climate Bonds Standard
- (G) DDV-Nachhaltigkeitskodex-ESG-Strategie
- (H) DDV-Nachhaltigkeitskodex-ESG-Impact
- (I) EU Ecolabel
- (J) EU Green Bond Standard
- (K) Febelfin label (Belgium)
- (L) Finansol
- (M) FNG-Siegel Ecolabel (Germany, Austria and Switzerland)
- (N) Greenfin label (France)
- (O) Grüner Pfandbrief
- (P) ICMA Green Bond Principles
- (Q) ICMA Social Bonds Principles
- (R) ICMA Sustainability Bonds Principles
- (S) ICMA Sustainability-linked Bonds Principles
- (T) Kein Verstoß gegen Atomwaffensperrvertrag
- (U) Le label ISR (French government SRI label)
- (V) Luxflag Climate Finance
- (W) Luxflag Environment
- (X) Luxflag ESG
- (Y) Luxflag Green Bond
- (Z) Luxflag Microfinance
- (AA) Luxflag Sustainable Insurance Products
- (AB) National stewardship code
- (AC) Nordic Swan Ecolabel
- (AD) Other SRI label based on EUROSIF SRI Transparency Code (e.g. Novethic)
- (AE) People's Bank of China green bond guidelines
- (AF) RIAA (Australia)
- (AG) Towards Sustainability label (Belgium)

(AH) Other

Specify:

EU SFDR Article 8 Classification

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 17 FI	FI 15, FI 17	PUBLIC	Thematic bonds	1

**What percentage of your total environmental and/or social thematic bonds are labelled by the issuers in accordance with industry-recognised standards?**

**Percentage of your total environmental and/or social thematic bonds labelled by the issuers**

(A) Green or climate bonds	0%
(B) Social bonds	0%
(C) Sustainability bonds	0%
(D) Sustainability-linked bonds	0%
(E) SDG or SDG-linked bonds	0%
(F) Other	0%
(G) Bonds not labelled by the issuer	100%

# 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"/>
(F) Fixed income – corporate	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(H) Fixed income – private debt	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(O) Hedge funds – Distressed, special situations and event-driven fundamental	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(AA) External manager selection, appointment and monitoring (SAM) – hedge funds	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

# 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
- (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:

Alcentra has established a series of responsible investment principles to guide our investment decisions and stewardship activities. Our Responsible Investment policy outlines our priorities across the key pillars: governance, climate change, environment and social, as well as addresses the role we play in tackling other systemic sustainability issues, one such issue being biodiversity. Biodiversity is integrated into our broader Responsible Investment Policy. At Alcentra, we see nature risks predominantly linked to loss of biodiversity and degradation of ecosystems (while climate risk is an interdependent but distinct issue). Our ESG due diligence assesses a company's impact on biodiversity; when completing our ESG checklist, analysts are prompted to evaluate whether a company's value chain is exposed to deforestation risks and whether the company have direct and indirect dependencies and impacts on biodiversity.

- (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.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(B) Guidelines on environmental factors**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(C) Guidelines on social factors**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(D) Guidelines on governance factors**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(E) Guidelines on sustainability outcomes**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

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

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

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

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

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

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

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

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(J) Guidelines on exclusions**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

**(K) Guidelines on managing conflicts of interest related to responsible investment**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-Responsible-Investment-Policy-20241024.pdf?v=2>

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

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

**(N) Stewardship: Guidelines on engagement with other key stakeholders**

Add link:

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

- (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**

Elaborate:

Alcentra's objective is to achieve attractive long-term investment returns for its clients. We seek to achieve this goal by investing in responsibly managed companies. We believe these companies are better placed to achieve sustainable competitive advantage and provide long-term growth, and as such, we will uphold our fiduciary duty to clients. As an investor and a fiduciary, we believe, as outlined by the United Nations Environment Programme and UN PRI, that integrating material ESG considerations will support our long-term investment goals.

- (B) No

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					(7) 100%	
(C) Guidelines on social factors						
(D) Guidelines on governance factors						

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?

**(B) Fixed income**

(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%**

**(F) Hedge funds**

(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%**

**Additional context to your response(s): (Voluntary)**

Alcentra's Responsible Investment Policy (and stewardship guidelines) applies to all of our strategies. In the case of our "hedge Fund" strategies, the investees for our "Hedge Funds – Internally Managed – Distressed, special situations" strategy would be defined as our portfolio companies. Our "Hedge Funds - Externally Managed - Structured Credit" invests predominantly in CLO securities, which give indirect exposure to a diverse pool of syndicated loans. The CLO tranches our Structured Credit strategy invests in provides exposure to pools of loans managed by external firms. Due to the nature of these investments, analysts' engagement regarding ESG considerations primarily sits with the CLO Managers – as is standard market practice – as opposed to the underlying investment, therefore in this case the Managers would be classified as the investee.

# 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:

Overall responsibility for responsible investment falls under the Alcentra Limited Board of Directors. In addition Alcentra's Responsible Investment Committee has responsibility for the approval of ESG-related policies and procedures. The Responsible Investment Committee is comprised of senior members from the investment, business development, product management, responsible investment and risk and compliance departments to ensure relevant and diverse representation from all areas of the firm.

- (C) Investment committee, or equivalent
- Specify:

Portfolio Managers & Heads of Investment Research for each fund & asset class sit on their respective Investment Committees. ESG analysis is included in every final investment paper and risks for each investment are debated at Investment Committee. The Committee has the power to decline / prevent further investments / divest assets that do not show acceptable ESG risk profiles per our Responsible Investment policy.

- (D) Head of department, or equivalent
- Specify department:

Head of Responsible Investments reports into the Head of European Credit Research and the COO of Global Business Development

- (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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

(C) Guidelines on sustainability outcomes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Specific guidelines on human rights (may be part of guidelines on social factors)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<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:

Alcentra's Responsible Investment team is fully integrated across the firm. The scope of work is broad, which includes: supporting analysts and portfolio managers in: i) conducting company & sector research; ii) making investment decisions; iii) monitoring credits; and iv) engaging with companies on ESG matters. The Head of RI is responsible for ensuring our investment process incorporates the assessment of ESG risks and for further enhancing the firm's ESG capabilities through training.

**(B) External investment managers, service providers, or other external partners or suppliers**

Specify:

Alcentra's Structured Credit investment team encourages & engages with external CLO Managers to 1) discuss implementation of exclusions policy that aligns with Alcentra's expectations; 2) confirm they are PRI signatories; 3) assess their responsible investment governance and control processes; 4) establish regular dialogue on their ESG policies (including asking them to complete an annual ESG questionnaire) and 5) ensure CLO Managers have appropriate ESG-focused staff resourcing.

- (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**

Describe: (Voluntary)

Overall responsibility for ESG matters falls under the Alcentra Limited Board of Directors. The Board monitors KPIs relating to systemic ESG risks, ESG integration compliance and progress against our climate targets.

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

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)

Alcentra recognises the importance of ESG integration to support our mission of creating sustainable, long-term value and returns for our clients. The firm's Remuneration Policy promotes non-excessive risk-taking by its employees, including its investment professionals. ESG-related activities, including company engagements, are a component of the investment team's individual variable remuneration.

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

## 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 governance-related recommended disclosures
- (B) Yes, including strategy-related recommended disclosures
- (C) Yes, including risk management-related recommended disclosures
- (D) Yes, including applicable metrics and targets-related recommended disclosures
- (E) None of the above  
Add link(s):

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

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)**

Link to example of public disclosures

<https://www.alcentra.com>

(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:

FRC UK Stewardship Report

Link to example of public disclosures

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

(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

**Additional context to your response(s): (Voluntary)**

Please note: Our SFDR PAI disclosures are accessible to current investors through Alcentra's Investor Portal

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 all of our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

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

(C) 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

**(D) 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

#### Additional context to your response(s): (Voluntary)

Please note, we align to the USA, UN, UK, and EU sanctions regime.

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)

Our ESG integration process emphasises the importance of assessing material risks at both sector and issuer level. To that end, we have developed a suite of proprietary tools to support the integration of ESG factors in the investment process, including: i) sector materiality guide; ii) ESG and Climate Checklist; and iii) Climate Risk Tool. The aim of the tools is to provide our investment teams with a consistent framework to focus issuer engagement and in assessing material ESG risks of an issuer.

- (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?**

**(2) Fixed income**

**(6) Hedge funds**

(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?**

We determine our engagement priorities on a case-by-case basis but may consider such additional factors as the investment exposure, stakeholder concerns and geography. We have previously focused on thematic engagement topic such as climate change. As we consistently monitor headlines – we engage with issuers that may be subject to an incident requiring further information. Similarly, we proactively engage with companies following on from an issue that may have arisen from a competitor’s misstep to provide our portfolio companies the opportunity to learn and potentially mitigate similar risks.

Across all strategies, our analysts prioritise relationship-building with management teams and / or CLO Managers, to ensure that we are able to work collaboratively to achieve the best outcomes. In our Direct Lending strategy, there has been an increased focus on embedding KPIs in the debt instrument via Sustainability-Linked Loans (SLLs). Alcentra integrates ESG principles by linking borrowers’ interest payments to predefined ESG targets. This ESG margin adjustment mechanism is structured around specific ESG KPIs and targets. Depending on the borrower’s performance against these targets, the margin can be reduced. This approach incentivises borrowers to improve their sustainability performance.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?**

- (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible
- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

**Elaborate on your organisation’s default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.**

The team at Alcentra is committed to serving our clients – and working collaboratively with a wider group of stakeholders – to assist in making a transformational change through engagement and collaboration. Alcentra collaborates and engages with peer investors and other stakeholder groups to improve market standards and exchange best practices as we work towards common goals. We participate in a range of external initiatives. We became a member of the Institutional Investors Group on Climate Change (IIGCC) in 2021, the European membership body for investor collaboration on climate change. We advocate in support of their mission to enable the investment community to drive considerable progress by 2030 towards a net zero and resilient future.

In addition, Alcentra became a signatory of the 2021 Global Investor Statement to Governments on the Climate Crisis. Alongside other 587 other investors with around 40% of the world's AUM, we called on governments to act on the climate crisis. We have included two examples below to highlight how we collaborate with the market to drive and influence sustainable best practice. Example 1 Over the reporting period, our Head of Responsible Investment participated in several round tables with peer investors to address emerging opportunities and challenges in the responsible investment landscape. These discussions allowed us to share our views and explore solutions on topics such as:

- The debate around "ESG" versus "sustainability" terminologies, including regional differences, political influences, and implications;
- The increasing need for a standardised reporting framework for companies and investors;
- Strategic ways to overcome data gaps and the importance of a unified investor voice when setting borrower requirements;
- The opportunity, driven by regulatory tailwinds, to incorporate sustainability KPIs to improve risk-adjusted returns, strengthen investor-borrower relationships, and embed sustainability into fund construction.

The insights and learnings shared will help advance our responsible investment strategies, creating efficiencies for borrowers, improving their sustainability performance, and positively impacting the market.

For this reporting year, this has led to the implementation of several best practices to enhance our monitoring and compliance efforts. These measures have enabled us to effectively fulfil our fiduciary duties and manage risks, including greenwashing. Example 2 Our Head of Responsible Investment participated in a focused roundtable discussion with the LMA, banks, and investment managers on addressing greenwashing risks in private markets. The session explored evolving UK and EU regulatory frameworks and their influence on sustainable loan uptake, emphasizing that enhanced regulatory clarity and industry-based principles are crucial to distinguish genuine sustainability efforts from mere greenwashing. In addition to regulatory impacts, the conversation highlighted the importance of collaborative approaches between stakeholders to develop robust yet adaptable standards. The insights gained are set to inform the upcoming LMA insights paper on greenwashing risk, reinforcing our commitment at Alcentra to driving transparency and responsible investment practices in the market.

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:

3

(E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar

Select from the list:

2

(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?

Alcentra believes that to observe meaningful changes in companies' governance and sustainability practices, we need to be i) effective at conveying our messages; and ii) allow sufficient time for companies to take on board our input. We also recognise that in some cases, our engagements may not result in the desired outcomes. Escalation measures will depend on the scope of our engagement, the severity of the issue, the size of our holdings, the company's response to date and likelihood of enacting change. The Investment Committee and Responsible Investment Committee participate in the monitoring of credits that pose elevated ESG risks. If an engagement with a high-risk issuer proves to be ineffective, the Responsible Investment Committee may make recommendations to the relevant Investment Committee on potential escalation measures, which depending on the asset class, may include a reduction in position on a particular credit, or divesting entirely. The time horizons for divestment or the outcome of the escalation process may differ from strategy to strategy, depending on the liquidity of the assets.

For example, if a controversy occurs or any ESG risk factor increases to the point that we believe the correct course of action would be to divest of an asset held in our Liquid Credit funds, we will attempt to do so promptly. The assets in these funds and the broader European loan market are reasonably liquid allowing us, in normal market conditions, to typically divest effectively. Prior to deciding to divest, we would undertake the process of assessing a controversy and would undergo detailed analysis, which includes engaging with the portfolio company and often the owner of the business. Alcentra maintains an ESG engagement tracker to capture and measure the effectiveness of our engagement activities. The engagement log is relied upon to track the progress of our dialogues and to identify situations where we need to escalate measures; for example, by divesting or reducing our position.

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 stewards of our investors' capital, we find that engagement is the most effective approach to understanding the ESG risks and opportunities associated with our investments. Our responsible investment principles guide our stewardship efforts, and we take an active role in engaging with existing companies in our portfolio, as well as with new issuers to better understand risks, improve disclosures and to encourage issuers to act in a sustainable manner. Our Engagement Objectives Include:

- Uncovering information on companies' ESG risk exposures and management practices
- Monitoring issuers' exposure and performance
- Addressing concerns related to governance and management practices, performance and/or controversies.
- Encouraging disclosure aligned with internationally recognised standards; and
- Promoting the adoption of sustainable business practices We engage with management teams, technical experts and, where relevant, board members, shareholders and/or arranging banks.

Depending on the nature of our engagements, these may take the form of one-on-one company meetings, investor group discussions and/or written exchanges. The decision to focus on a particular strategic engagement typically occurs based upon the potential urgency of the dialogue. For instance, if a controversy arose, we would work to speak directly with the relevant parties – as soon as possible – either in a face-to-face meeting or on a call with management. Where possible, engagements focus on topics that are material to each business. We determine our engagement priorities on a case-by-case basis but may consider such additional factors as the investment exposure, stakeholder concerns and geography.

We have focused previously on thematic engagements with carbon intensive sectors, such as the oil and gas sector. As we consistently monitor headlines – we will engage with issuers that may be subject to an incident requiring further information. Similarly, we will engage proactively with companies following on from an issue that may have arisen from a competitor’s misstep to provide our portfolio companies the opportunity to learn and potentially mitigate similar risk. Prioritisation of Engagements.

## STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?**

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 38	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

**Describe your approach to escalation for your SSA and/or private debt fixed income assets.**

(B) Private debt - Approach to escalation

Alcentra believes that to observe meaningful changes in companies’ governance and sustainability practices, we need to be i) effective at conveying our messages; and ii) allow sufficient time for companies to take on board our input. We also recognise that in some cases, our engagements may not result in the desired outcomes. Escalation measures will depend on the scope of our engagement, the severity of the issue, the size of our holdings, the company’s response to date and likelihood of enacting change. The Investment Committee and Responsible Investment Committee participate in the monitoring of credits that pose elevated ESG risks. If an engagement with a high-risk issuer proves to be ineffective, the Responsible Investment Committee may make recommendations to the relevant Investment Committee on potential escalation measures, which depending on the asset class, may include a reduction in position on a particular credit, or divesting entirely. The time horizons for divestment or the outcome of the escalation process may differ from strategy to strategy, depending on the liquidity of the assets.

## 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

### Additional context to your response(s): (Voluntary)

Alcentra took two important steps in support of the fight against climate change. Alcentra became a signatory of the 2021 Global Investor Statement to Governments on the Climate Crisis, becoming one of 587 investors with around 40% of the world's AUM calling on governments to take action on the climate crisis. Alcentra also became a member of The Institutional Investors Group on Climate Change (IIGCC), the European membership body for investor collaboration on climate change. We advocate in support of their mission to enable the investment community to drive significant progress by 2030 towards a net zero and resilient future. We are active members of the Loan Market Association (LMA) and the European Leveraged Finance Association (ELFA). We collaborate in their working groups on sustainability and help in developing guidelines and best practices for integrating ESG considerations into investment decisions. Our Head of ESG has collaborated with the Loan Market Association (LMA) in the research and development stages of Sustainability-Linked Loan Principles (SLLP's), with the aim of working together to create industry-wide standards. The industry bodies use these frameworks when engaging with policymakers to address regulatory issues and advocate for best practices within the market.

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

Describe:

Our Head of Responsible Investment participated in a focused roundtable discussion with the LMA, banks, and investment managers on addressing greenwashing risks in private markets. The session explored evolving UK and EU regulatory frameworks and their influence on sustainable loan uptake, emphasizing that enhanced regulatory clarity and industry-based principles are crucial to distinguish genuine sustainability efforts from mere greenwashing. In addition to regulatory impacts, the conversation highlighted the importance of collaborative approaches between stakeholders to develop robust yet adaptable standards. The insights gained are set to inform the upcoming LMA insights paper on greenwashing risk, reinforcing our commitment at Alcentra to driving transparency and responsible investment practices in the market.

- (D) We engaged policy makers on our own initiative

(E) Other methods

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  
Add link(s):

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-UK-Stewardship-Code-2024.pdf>

(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

## 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:

Helping implementing an ESG Strategy

- (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.

In 2024, we actively engaged with a portfolio company to provide guidance and support in designing a robust ESG & Impact (ESGI) Strategy Report. Leveraging our position as business owners and Board of Directors' members, we were able to provide unique insights and take a leading position in this initiative. The company, which provides high-quality apprenticeship and recruitment services, self-funded training courses, and bespoke programs for employers of all sizes in both the public and private sectors, naturally achieves positive social outcomes through its core products and services. However, with rising market standards and expectations for tangible positive outcomes, we identified the need for a formal ESGI plan with actionable goals and KPIs and actively advocated for this requirement as part of our contribution to the Board's discussions.

The plan we promoted aimed to showcase and quantify both the positive changes achieved and anticipated, uncovering potential business efficiencies and enhancing the company's appeal to impact-focused market segments. Initially, the Board's decision was to prioritise setting KPIs for various social metrics. However, through discussions with internal and external stakeholders, it became evident that a structured ESGI strategy was necessary to support these objectives. This strategy would identify areas of strength and improvement, as well as market needs and internal feasibility. Given the limited specialised resources within the company, the Board, including Alcentra, recommended appointing Clearwater as a consultant to develop an ESGI strategy. Throughout the latter half of 2024, Alcentra's representative played a key role within the Board in providing guidance on the desired outcomes, the company's management advocated for the day-to-day business needs, and the consultant brought subject matter expertise.

Together, they held monthly meetings to formalise a strategy addressing market and sustainability opportunities and challenges, considering multiple priorities. As part of this, a survey was distributed to all internal stakeholders, including the Board of Directors, to gather perceptions on areas of strength and development and set priorities for the strategy. After months of iterative progress and feedback, the company has now implemented a comprehensive ESGI strategy. We strongly believe that the strategy report, which explicitly references and tracks UN SDG targets and utilises performance social metrics such as Social Return on Investment (SROI), will be crucial in creating efficiencies, setting objectives, and quantifying real-world positive outcomes. Additionally, it will provide the company with more business opportunities by expanding the pool of capital they can attract. Alcentra's representative continuously reviews the company's progress and compliance with established policies, and will continue to advocate for best-in-class sustainability performance as the company develops new capabilities.

(B) Example 2:

Title of stewardship activity:

Driving ESG excellence

(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.

In 2024, we engaged with a portfolio company in the services sector. One of its subsidiaries achieved an Eco Vadis gold rating, and management mentioned on a lender call that they aim for the other subsidiaries to achieve similarly strong ratings. Following this statement, our investment analyst engaged with management to understand the steps they were taking to align the other entities with the subsidiary's ESG profile and ensure the company had the support needed to succeed in this ambitious goal. Through this engagement, the company confirmed its commitment to improving sustainability performance and has made significant progress, including: (i) improved measurement of its GHG footprint; (ii) signing the SBTi commitment letter with the objective to reduce GHG emissions through renewable energy sources, a 100% green fleet, and sustainable procurement for scope 3 emissions; and (iii) monitoring ESG implementation progress across its supply chain. Our analysts engage with the company on specific KPIs and monitor the Eco Vadis status of subsidiaries to ensure progress towards their goals. This demonstrates that the company's efforts are valued and keeps it as a high priority on their radar.

(C) Example 3:

Title of stewardship activity:

Sharing best practice on climate disclosure

(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.

Our Head of ESG collaborated with several CLO managers with the objective of sharing knowledge on the TCFD regulation and best practices for reporting on carbon metrics for the CLOs underlying assets. The engagements took place ahead of Alcentra's annual CLO Manager questionnaire, which asks managers to detail their ESG practices as well as provide climate data on the underlying assets. This involved several calls with CLO managers to share Alcentra's experience and expertise with collecting issuer climate data. Our Responsible Investment team also put together a guide on "How to Measure the Carbon Footprint of CLO Investment Portfolios" to aid the market's understanding on climate reporting. This guide was circulated with all the CLO managers we invest in. The CLO managers confirmed they would take action to engage with borrowers to collect greenhouse gas emissions and reduction targets, allowing managers to disclose climate data at a CLO level. The climate data collected from the questionnaire will be used to inform Alcentra's TCFD reporting.

(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**

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

“Transition Risk - Policy & Regulation - Short Term: •Enhanced climate-related disclosure obligations for funds and portfolio investments  
 •Increasing regulatory pressure and litigation risk for current and potential investments in carbon-intensive portfolio companies not adequately prepared for a transition to a low-carbon economy  
 Transition Risk - Market & Technology - Short to Medium Term: •Changing preferences on climate change affecting demand for products and/or services as well as of current or potential portfolio investments •Substitution of existing products and services with lower emissions options impacting the competitiveness of current and potential portfolio investments in certain sectors •Stigmatisation of specific industries, impacting existing investment exposure  
 Transition Risk - Reputation - Short to Medium Term: •Increased stakeholder concern (clients/investors) due to reputational damage, including new disclosure and compliance requirements related to climate related disclosure and reporting

**(B) Yes, beyond our standard planning horizon**

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

Alcentra believes the economic impacts of climate change will be felt across industries and markets; however, we recognise the magnitude and timing of these impacts remain varied. Through our TCFD report, asset-by-asset climate modelling is performed to 2050, and discounted back to Net Present Values at 2025, 2030 and 2050.

Physical Risk - Acute - Medium to Long Term: •Increased severity and frequency of extreme weather events that may cause damage to physical assets or disrupt critical operations of portfolio companies operating in certain industries and/or locations •Shifts in climate patterns, such as rising temperatures or sea levels that could affect entire sectors and geographic regions that have not built resilience or adapted to such risks (typically in the longer term)

Physical Risk - Chronic - Medium to Long Term: •Business interruption caused by rising mean temperatures, changes in precipitation patterns and variability in weather patterns, and sea level rise

Transition Opportunity - Market & Reputation - Medium to Long Term: •Attracting new clients through strategies supporting the transition to low-carbon economy and investing in well positioned portfolio companies & sectors

Transition Opportunity - Physical & Physical - Medium to Long Term: •Enhanced returns on portfolio company investments which are resilient to the physical effects of climate change •Enhanced returns on portfolio investments aligned with the transition to a low carbon economy •Climate-linked financing reducing the cost of capital at deal and fund level.

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

**Additional context to your response(s): (Voluntary)**

The time horizons and materiality of the impact of climate-related risks and opportunities on our business may differ depending on a range of factors, including the nature and type of investments, geographical focus, and the external market environment. Generally, we look at three time horizons for the potential impacts of climate-related risks and opportunities: short term (0 to 5 years), medium term (5 to 10 years) and long term (10 to 30 years). These are broadly related to the length of an individual investment (short term), the length of a fund's life (medium term) and a reasonable period of visibility for the Firm as a whole (long term).

Scenario analysis is a key tool to identify the potential impact of climate change on our investment portfolios. Alcentra models three climate scenarios in line with FCA PS 21/24 regulations: <2°C orderly, <2°C disorderly and a 4°C 'hot-house' scenario. Under these scenarios, we model three core metrics used in scenario analysis: Climate Value at Risk, Implied Temperature Rise, and the Stressed Probability of Default to help quantify the potential impacts of climate scenarios on our portfolios. This asset-by-asset climate modelling is performed to 2050, and discounted back to NPV values at 2025, 2030 and 2050.

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:

Alcentra's Climate Risk Tool was developed to support the assessment of companies' exposure and management of climate-related risks. We concentrate on sectors highly exposed to climate-related risks, either through their operations or value chains. We gather relevant climate metrics on our issuers, including companies' greenhouse gas emissions (GHG) across Scope 1, Scope 2 and Scope 3. Where companies do not disclose this information, we use third-party estimated GHG emissions data. In addition, analysts also assess how well-prepared issuers are to manage the climate transition; for example, by considering companies' climate transition plans and targets. The tool calculates a climate risk score, which feeds into the pillar scores for the ESG & Climate Checklist.

If an issuer scores 4 or 5 at a pillar or aggregate level, it will be referred to the Responsible Investment Committee. If an issuer is deemed to pose a very high risk (5) at an aggregate level, it will be excluded from the portfolio. In alignment with our purpose, over the past 12 months, we have enhanced our climate data gathering, set ambitious targets, and implemented comprehensive strategies to combat climate change. As part of this initiative, we have: Rolled out our Carbon Action Plan - our goal is to reach net zero by 2050, focusing on three key areas:

- Investment Strategies: We aim to optimize our investment portfolios to account for climate risks and opportunities. Alcentra has achieved net zero for its operational Scope 1 and Scope 2 carbon emissions as of January 2024. For our investments, we aim to achieve net zero by 2050, with an interim target of a 50% reduction by 2030 for our Direct Lending, Liquid Credit, and Special Situations strategies.

- Stewardship: Engaging with portfolio companies to increase climate disclosure and implement ambitious transition plans is central to our approach.

We support companies in setting targets to reduce emissions and align with the Paris Agreement goals.

- Advocacy: We actively work to improve market standards and promote transparency and ESG data availability. We collaborate with stakeholders and participate in working groups and committees such as PRI and the European Leveraged Finance Association (ELFA).

- o (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 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

Specify:

Alcentra models three climate scenarios in line with FCA PS 21/24 regulations: <2°C orderly, <2°C disorderly and a 4°C 'hot-house' scenario. The three scenarios assume that the projected temperature increases are met by 2100 versus pre-industrial levels, in line with climate science backed by the IPCC. Asset-by-asset modelling is performed to 2050, and discounted back to NPV values at 2025, 2030 and 2050. Beyond 2050, the level of assumptions required would reduce the decision-usefulness of the result.

- o (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

Alcentra aims to identify potential exposure to climate related risks via the associated physical risk, transition risk and litigation risk for all direct investments via our Climate Risk Tool. For Structured Credit, we work with the managers we invest with to understand their approach to identifying climate risks. We use scenario analysis to understand how climate-related risks might impact our investment strategy, and in turn our financial resilience, operational infrastructure, and franchise/reputation. Going forward, this will help guide management actions we might need to take as a result.

Alcentra's Climate Risk Tool was developed to support the assessment of companies' exposure and management of climate-related risks. We concentrate on sectors highly exposed to climate-related risks, either through their operations or value chains. We gather relevant climate metrics on our issuers, including companies' greenhouse gas emissions (GHG) across Scope 1, Scope 2 and Scope 3. Where companies do not disclose this information, we use third-party estimated GHG emissions data. In addition, analysts also assess how well-prepared issuers are to manage the climate transition; for example, by considering companies' climate transition plans and targets. The tool calculates a climate risk score, which feeds into the ESG and Climate Checklist.

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

Our risk management framework sets out how we identify, measure, monitor, manage and report on the risks to which our business, customers and wider society are, or could be, exposed to (including climate and other sustainability related risks). Risk management is embedded across the Firm, which ensures that current and emerging risks are identified and appropriately governed based on a common risk taxonomy and methodology.

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

(1) Describe your process

We use several metrics to monitor and manage our progress against our decarbonisation commitments, including operational carbon emissions and financed emissions produced either by portfolio companies or the CLO managers we invest in. We use scenario analysis as an input to our risk assessment processes to test the resilience.

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

Our risk management framework sets out how we identify, measure, monitor, manage and report on the risks to which our business, customers and wider society are, or could be, exposed to (including climate and other sustainability related risks). Risk management is embedded across the Firm, which ensures that current and emerging risks are identified and appropriately governed based on a common risk taxonomy and methodology.

(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

(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

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(B) Exposure to transition risk

(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

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(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**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

**(E) Weighted average carbon intensity**

(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**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(F) Avoided emissions

**(G) Implied Temperature Rise (ITR)**

(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**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(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**

Specify:

Alcentra calculates and reports on the Climate Value at Risk (CVaR) of all assets. The CVaR metric is a forward-looking estimate of the impact on our portfolio investments under different climate scenarios. The CVaR analysis quantifies the projected spread in portfolio company EBITDA between different climate scenarios.

(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**

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(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**

(1) Indicate whether this metric was disclosed, including the methodology

- (1) Metric disclosed
  - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(B) Scope 2 emissions

- (1) Indicate whether this metric was disclosed, including the methodology
- (1) Metric disclosed
  - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

(C) Scope 3 emissions (including financed emissions)

- (1) Indicate whether this metric was disclosed, including the methodology
- (1) Metric disclosed
  - (2) Metric and methodology disclosed
- (2) Provide links to the disclosed metric and methodology, as applicable

<https://www.alcentra.com/assets/filemanager/documents/Alcentra-TCFD-Report-2025.pdf>

- (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

**Additional context to your response(s): (Voluntary)**

For our Private Debt and Infrastructure Strategies, we have proactively adopted market-leading frameworks and developed a proprietary Impact Tool to be leveraged throughout our investment process to assess new investments' potential for generating positive outcomes and their alignment with Alcentra's sustainable goals. For Private Debt, once invested, we also evaluate embedding outcome KPIs in loan facilities to ensure tangible outcomes are achieved through the borrowers' products, services, and operations as well. Our goal is to support the expansion of impact-like features within the asset classes in which we operate and generate positive change.

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)

Specify:

i) Five Dimension of Impact Framework, and ii) GIIN Iris+, iii) SASB

(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

# MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

## OVERALL APPROACH

### EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

#### (8) Hedge funds

##### Organisation

(A) Commitment to and experience in responsible investment



(B) Responsible investment policy(ies)



(C) Governance structure and senior-level oversight and accountability



##### People and Culture

(D) Adequate resourcing and incentives



(E) Staff competencies and experience in responsible investment



##### Investment Process

(F) Incorporation of material ESG factors in the investment process



(G) Incorporation of risks connected to systematic sustainability issues in the investment process

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(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment

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**Stewardship**

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(I) Policy(ies) or guidelines on stewardship

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(J) Policy(ies) or guidelines on (proxy) voting

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(K) Use of stewardship tools and activities

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(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices

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(M) Involvement in collaborative engagement and stewardship initiatives

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(N) Engagement with policy makers and other non-investee stakeholders

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(O) Results of stewardship activities

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**Performance and Reporting**

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(P) ESG disclosure in regular client reporting

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(Q) Inclusion of ESG factors in contractual agreements

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(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers

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## SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

**Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?**

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) **Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers**

## POOLED FUNDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 3	PLUS	OO 5.2, OO 21	N/A	PUBLIC	Pooled funds	4

**If you invest in pooled funds, describe how you incorporate responsible investment aspects into the selection, appointment and/or monitoring of external investment managers.**

**Provide example(s) below**

(A) Selection

Alcentra's Structured Credit strategy invests predominantly in CLO securities which offers indirect exposure to a specific and diverse portfolios of loans. CLOs are dynamic and allow reinvestment with the asset pool, therefore we are not able to control what the CLO Manager is purchasing. Due to the nature of these investments, analysts' engagement regarding ESG issues is with the CLO manager rather than the issuers of the underlying loans.

Nevertheless, as part of the selection process we ask CLO Managers to confirm the following questions related to their ESG & responsible investment policies & integration efforts:

- "Do you have ESG policy with regard to picking or analysing credits? If so, please share it with us"
- "Do you assign an ESG rating to the credits you invest in? What factors are considered?"
- "Do you have a list of sectors or companies that you exclude from investing?"
- "Are there any internal risk limits / tolerances based on ESG ratings / scores?"
- "What internal ESG governance arrangements are in place? Is there an internal group/committee that review and/or assigns the ratings?"
- "How often are the ESG scores / ratings / exclusions reviewed?"
- "How often do you engage with borrowers on ESG issues?"
- "Are you a PRI signatory? If so, can you please provide your latest reporting and also the last score received?"
- "What is your policy regarding the exclusion of controversial weapons?"
- "What is your policy on financing new oil and gas projects?"
- "What dedicated ESG resourcing & staffing do you have? What experience do the key individuals have including their track record?"

(B) Appointment  
 Appointment of the CLO Managers is based on several factors, including their responses to our questions on their ESG & responsible investment policies & integration efforts.  
 At the point of appointment, for primary deal that we participate in across our Structured Credit platform, we request wording in the CLO documentation to be included that would prevent CLO Managers from buying assets with exposure to certain industries including weapons, illegal drugs, tobacco and cigarettes, pornography and prostitution. Most Managers are quite constructive in including this wording in the CLO documentation and they've accepted wording in the majority of deals.

(C) Monitoring  
 - Alcentra's Structured Credit team speaks to CLO Managers that we invest with on a regular basis. The calls are to get updates on underlying loans, the Manager's platform and also to engage with managers on their ESG policies  
 - Alcentra sends out an annual ESG questionnaire to a large proportion of CLO Managers to get a formal update on their ESG processes and policies, and request a number of key data points on climate and engagement activities  
 - Alcentra requests CLO Managers to share their ESG & responsible investment reports (both public & private) annually at a minimum  
 - Alcentra requests regular updates regarding CLO Managers' dedicated ESG staff & resourcing, and we monitor the appropriateness & suitability of the staff  
 - Following the engagement, Alcentra produces an annual SC Responsible Investment Report to circulate with investors. The report includes: ESG questionnaire outputs, internal benchmarking of CLO managers, select insights from CLO managers responses, our CLO manager engagement plan, plus select examples of engagement with managers and TCFD & climate metrics for the strategy

## SELECTION

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

**During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?**

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

#### Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

#### People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

#### Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates

- (3) for a minority of our mandates

### Performance and Reporting

**(I) ESG disclosure in regular client reporting**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(J) Inclusion of ESG factors in contractual agreements**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, OO 21, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

**(A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(C) Their participation in collaborative engagements and stewardship initiatives**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

**(D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(E) Details of their engagement activities with policy makers

**(F) Their escalation process and the escalation tools included in their policy on stewardship**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

**Additional context to your response(s): (Voluntary)**

Alcentra sends an annual ESG questionnaire to all CLO managers it invests with to get a formal update on their ESG processes, policies and data collection capabilities. We utilise our proprietary questionnaire to engage with and monitor all CLO managers we invest with. The core focus of the questionnaire is to understand managers' ESG integration; policy; process; engagement activities; and external signatory status (e.g., UN PRI). Since 2024, the questionnaire has been enhanced to give additional focus to TCFD & climate metrics and general engagement activity with underlying borrowers.

## MONITORING

### RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

#### (8) Hedge funds

##### Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)

(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

##### People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

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### Investment Process

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(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

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### Performance and Reporting

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(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)

(J) Inclusion of ESG factors in contractual agreements

(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.**

Alcentra sends an annual ESG questionnaire to all CLO managers it invests with to get a formal update on their ESG processes, policies and data collection capabilities. Over the last two years, Alcentra has internally benchmarked the CLO managers we invest with based on their responses to our ESG questionnaire, we benchmark and score them according to whether they were able to meet 7 core ESG integration criteria. This allows us to understand the level of managers' ESG integration, internally map leaders and laggards, and helps focus our engagement activities and track year-on-year improvements. Over the last year, we have engaged with managers to encourage more advance integration of ESG into their investment processes and better climate disclosure across the market. We did this through initiatives including circulating a white paper on 'ESG integration in the CLO Market' and offering individual calls with managers to educate them on market standards. To help CLO managers understand their climate data reporting requirements and reduce their carbon footprints, our Responsible Investment and Structured Credit teams collaborated to produce a climate guide which was circulated to all CLO managers we invest with. When comparing questionnaire responses from 2025 to 2024, there is now a higher proportion of managers scoring 5 and above, evidencing more robust levels of integration and a lower proportion of managers scoring 4 or less, as well as a higher number of managers reporting climate data compared to last year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

**For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?**

**(8) Hedge funds**

(A) At least annually	<input checked="" type="checkbox"/>
(B) Less than once a year	<input type="checkbox"/>
(C) On an ad hoc basis	<input checked="" type="checkbox"/>

## STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2

**For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?**

### (8) Hedge funds

(A) Any changes in their policy(ies) or guidelines on stewardship



(B) The degree of implementation of their policy(ies) or guidelines on stewardship



(C) How they prioritise material ESG factors



(D) How they prioritise risks connected to systematic sustainability issues



(E) Their investment team's level of involvement in stewardship activities



(F) Whether the results of stewardship actions were fed back into the investment process and decisions



(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities



(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful



(I) Whether they participated in collaborative engagements and stewardship initiatives

(J) Whether they had an active role in collaborative engagements and stewardship initiatives

(K) Other

(L) We did not monitor our external investment managers' stewardship practices during the reporting year

## ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

### Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

Alcentra sends an annual ESG questionnaire to all CLO managers it invests with to get a formal update on their ESG processes, policies and data collection capabilities. Over the last two years, Alcentra has internally benchmarked the CLO managers we invest with based on their responses to our ESG questionnaire, we benchmark and score them according to whether they were able to meet 7 core ESG integration criteria. This allows us to understand the level of managers' ESG integration, internally map leaders and laggards, and helps focus our engagement activities and track year-on-year improvements. Over the last year, we have engaged with managers to encourage more advanced integration of ESG into their investment processes and better climate disclosure across the market. We did this through initiatives including circulating a white paper on 'ESG integration in the CLO Market' and offering individual calls with managers to educate them on market standards. To help CLO managers understand their climate data reporting requirements and reduce their carbon footprints, our Responsible Investment and Structured Credit teams collaborated to produce a climate guide which was circulated to all CLO managers we invest with. When comparing questionnaire responses from 2025 to 2024, there is now a higher proportion of managers scoring 5 and above, evidencing more robust levels of integration and a lower proportion of managers scoring 4 or less, as well as a higher number of managers reporting climate data compared to last year.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

**What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?**

**(8) Hedge funds**

(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>
(B) Notification about their placement on a watch list or relationship coming under review	<input checked="" type="checkbox"/>
(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input checked="" type="checkbox"/>
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input checked="" type="checkbox"/>
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>
(F) Other	<input type="checkbox"/>
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>

## VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

**For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?**

### (8) Hedge funds

(A) We checked that the information reported was verified through a third-party assurance process

(B) We checked that the information reported was verified by an independent third party

(C) We checked for evidence of internal monitoring or compliance

(D) Other

(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year

#### (D) Other - Specify:

Alcentra asks external CLO Managers to provide us with both public and private ESG & responsible investment reports (e.g., their PRI reports).

# FIXED INCOME (FI)

## OVERALL APPROACH

### MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?**

	(2) Corporate	(4) Private debt
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?**

### (2) Corporate

(A) Yes, we have a formal process that includes scenario analyses

(1) for all of our AUM

(B) Yes, we have a formal process, but does it not include scenario analyses

(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion

○

(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets

○

### (A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

Physical Risk - Acute - Medium to Long Term: •Increased severity and frequency of extreme weather events that may cause damage to physical assets or disrupt critical operations of portfolio companies operating in certain industries and/or locations •Shifts in climate patterns, such as rising temperatures or sea levels that could affect entire sectors and geographic regions that have not built resilience or adapted to such risks (typically in the longer term)

Physical Risk - Chronic - Medium to Long Term: •Business interruption caused by rising mean temperatures, changes in precipitation patterns and variability in weather patterns, and sea level rise

Transition Opportunity - Market & Reputation - Medium to Long Term: •Attracting new clients through strategies supporting the transition to low-carbon economy and investing in well positioned portfolio companies & sectors

Transition Opportunity - Transition & Physical - Medium to Long Term: •Enhanced returns on portfolio company investments which are resilient to the physical effects of climate change •Enhanced returns on portfolio investments aligned with the transition to a low carbon economy •Climate-linked financing reducing the cost of capital at deal and fund level

Scenario analysis is a key tool to identify the potential impact of climate change on our investment portfolios. Alcentra models three climate scenarios in line with FCA PS 21/24 regulations: <2°C orderly, <2°C disorderly and a 4°C 'hot-house' scenario. Under these scenarios, we model three core metrics used in scenario analysis: Climate Value at Risk, Implied Temperature Rise, and the Stressed Probability of Default to help quantify the potential impacts of climate scenarios on our portfolios. This asset-by-asset climate modelling is performed to 2050, and discounted back to NPV values at 2025, 2030 and 2050.

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?**

	(2) Corporate	(4) Private debt
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?**

	(2) Corporate	(4) Private debt
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="checkbox"/>	<input type="checkbox"/>

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

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**Additional context to your response(s): (Voluntary)**

Within our climate analysis for TCFD, metrics are impacted by region and sector differences.

Sector: We model the sector output under each scenario differently, considering the current sector growth under 4oC BAU scenario and the impact to the demand for sector in a decarbonising economy. For example, under the 4oC BAU scenario, the Oil, Gas and Consumable Fuels sector is projected to grow, however, under the 2oC scenarios, the economy is required to transition away from this sector and, therefore, we model the sector to decline to 2050. As a result, the initial sector mapping of portfolio companies is a key assumption

Region: In order to model the cost impact under 2oC scenarios, we introduce a carbon price to each region and uses the portfolio company's Scope 1 emissions, projected using a 2oC-aligned emissions pathway, to model potential carbon costs to the asset. The date and price that the carbon price is introduced varies by region with more advanced regions, in terms of decarbonisation ambitions, introducing a carbon price earlier and at a higher price than less advanced regions. Secondly, the economic variables and emissions projections for each scenario differ by region due to the varying decarbonisation ambitions and current state, and due to regional differences in market and labour dynamics, e.g. labour cost and sector output. Therefore, the geographical location of portfolio companies and the starting EBITDA margin are key inputs that can impact the results.

In addition to this, physical risk impacts are assessed through the potential impact to lost revenue, e.g. the impact of prolonged business disruption in key locations. Physical risk data includes hazard projections and empirical loss data. Empirical data is used to estimate the losses and reduction to asset value due to physical hazards in a given sector and location

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your organisation incorporate material ESG factors when selecting private debt investments during the due diligence phase?**

**(A) We use a qualitative ESG checklist**

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

**(B) We assess quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity**

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

**(C) We check whether the target company has its own responsible investment policy, sustainability policy or ESG policy**

Select from dropdown list:

- (1) in all cases**
- (2) in a majority of cases
- (3) in a minority of cases

**(D) We hire third-party consultants to do technical due diligence on specific material ESG factors where internal capabilities are not available**

Select from dropdown list:

- (1) in all cases
- (2) in a majority of cases
- (3) in a minority of cases**

**(E) We require the review and sign-off of our ESG due diligence process by our investment committee, or the equivalent function**

Select from dropdown list:

- (1) in all cases
  - (2) in a majority of cases
  - (3) in a minority of cases
- (F) We use industry-recognised responsible investment due diligence questionnaire (DDQ) templates
- (G) We use another method of incorporating material ESG factors when selecting private debt investments during the due diligence process
  - (H) We do not incorporate material ESG factors when selecting private debt investments during the due diligence phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?**

	(2) Corporate	(3) Private debt
(A) We incorporate it into the forecast of financial metrics or other quantitative assessments	(1) for all of our AUM	(1) for all of our AUM
(B) We make a qualitative assessment of how material ESG factors may evolve	(1) for all of our AUM	(1) for all of our AUM
(C) We do not incorporate significant changes in material ESG factors	○	○

## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?**

### (2) Corporate

(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways

(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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**Additional context to your response(s): (Voluntary)**

Alcentra aligns to the USA, UN, UK, and EU sanctions regime, meaning we will have geographic sanctions against countries like Russia, Iran, and North Korea.

## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

	(2) Corporate	(4) Private debt
(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations	(1) for all of our AUM	(1) for all of our AUM
(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits	(1) for all of our AUM	(1) for all of our AUM
(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors	(1) for all of our AUM	(1) for all of our AUM
(D) We use another method of incorporating material ESG factors into our portfolio's risk management process		
(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process	o	o

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

	(2) Corporate	(4) Private debt
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion	<input type="checkbox"/>	<input type="checkbox"/>
(F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process	<input type="checkbox"/>	<input type="checkbox"/>

## PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 21	N/A	PUBLIC	Performance monitoring	1

During the reporting year, how did your organisation incorporate material ESG factors when monitoring private debt investments?

- (A) We used a qualitative ESG checklist  
Select from dropdown list:
  - (1) in all cases
  - (2) in the majority of cases
  - (3) in the minority of cases
- (B) We assessed quantitative information on material ESG factors, such as energy consumption, carbon footprint and gender diversity  
Select from dropdown list:
  - (1) in all cases
  - (2) in the majority of cases
  - (3) in the minority of cases
- (C) We hired third-party consultants to do technical assessment on specific material ESG factors where internal capabilities were not available  
Select from dropdown list:
  - (1) in all cases
  - (2) in the majority of cases
  - (3) in the minority of cases
- (D) We used industry body guidelines  
Select from dropdown list:
  - (1) in all cases
  - (2) in the majority of cases
  - (3) in the minority of cases
- (E) We used another method to incorporate material ESG factors into the monitoring of private debt investments
- (F) We did not incorporate material ESG factors when monitoring private debt investments

## THEMATIC BONDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 16	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Thematic bonds	1

What pre-determined criteria does your organisation use to identify which non-labelled thematic bonds to invest in?

- (A) The bond's use of proceeds
- (B) The issuers' targets
- (C) The issuers' progress towards achieving their targets
- (D) The issuer profile and how it contributes to their targets
- (E) We do not use pre-determined criteria to identify which non-labelled thematic bonds to invest in
- (F) Not applicable; we do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 17	CORE	Multiple, see guidance	N/A	PUBLIC	Thematic bonds	1, 2, 6

**During the reporting year, what action did you take in the majority of cases when you felt that the proceeds of a thematic bond were not allocated appropriately or in accordance with the terms of the bond deal or prospectus?**

- (A) We engaged with the issuer
- (B) We alerted thematic bond certification agencies
- (C) We sold the security
- (D) We blacklisted the issuer
- (E) Other action
- (F) We did not take any specific actions when the proceeds of a thematic bond were not allocated according to the terms of the bond deal during the reporting year
- (G) **Not applicable; in the majority of cases, the proceeds of thematic bonds were allocated according to the terms of the bond deal during the reporting year**

## DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

**For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?**

- (A) **We share a list of ESG screens**
- (B) **We share any changes in ESG screens**
- (C) **We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings**
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

# HEDGE FUNDS (HF)

## POLICY

### INVESTMENT GUIDELINES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 1	CORE	OO 21	N/A	PUBLIC	Investment guidelines	1, 4, 6

**What activities, practices and/or relationships are covered by your organisation's responsible investment policy(ies) for the majority of your hedge fund assets?**

- (A) Our ESG requirements of prime brokers
- (B) Our ESG requirements for administrators and custodians
- (C) Our ESG requirements regarding (proxy) voting service providers (or other third-party providers), where applicable
- (D) How breaches in our responsible investment policy are communicated to clients
- (E) How ESG is incorporated into our long and/or short exposures
- (F) Whether sectors, issuers, equities and/or asset types are excluded from the portfolio due to ESG factors
- (G) How we engage with underlying investees, issuers or real assets
- (H) Our responsible investment policy(ies) does not specifically cover activities, practices and/or relationships for our hedge fund assets

# OVERALL APPROACH

## MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 2	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

**Does your organisation have a formal investment process to identify and incorporate material ESG factors across your hedge fund strategies?**

### (4) Distressed, special situations and event-driven fundamental

(A) Yes, our investment process incorporates material governance factors (1) for all of our AUM

(B) Yes, our investment process incorporates material environmental and social factors (1) for all of our AUM

(C) Yes, our investment process incorporates material ESG factors into risk assessment and the risk profile of the underlying exposures (1) for all of our AUM

(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion ○

(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors ○

## MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 3	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

**Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your hedge fund strategies?**

### (4) Distressed, special situations and event-driven fundamental

(A) Yes, we have a formal process that includes scenario analyses

(1) for all of our AUM

(B) Yes, we have a formal process but it does not include scenario analyses

(C) We do not have a formal process for our hedge fund strategies; our investment professionals monitor and review the implications of changing ESG trends at their discretion

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(D) We do not monitor and review the implications of changing ESG trends on our hedge fund strategies

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#### (A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

Physical Risk - Acute - Medium to Long Term: •Increased severity and frequency of extreme weather events that may cause damage to physical assets or disrupt critical operations of portfolio companies operating in certain industries and/or locations •Shifts in climate patterns, such as rising temperatures or sea levels that could affect entire sectors and geographic regions that have not built resilience or adapted to such risks (typically in the longer term)

Physical Risk - Chronic - Medium to Long Term: •Business interruption caused by rising mean temperatures, changes in precipitation patterns and variability in weather patterns, and sea level rise

Transition Opportunity - Market & Reputation - Medium to Long Term: •Attracting new clients through strategies supporting the transition to low-carbon economy and investing in well positioned portfolio companies & sectors

Transition Opportunity - Transition & Physical - Medium to Long Term: •Enhanced returns on portfolio company investments which are resilient to the physical effects of climate change •Enhanced returns on portfolio investments aligned with the transition to a low carbon economy •Climate-linked financing reducing the cost of capital at deal and fund level

Scenario analysis is a key tool to identify the potential impact of climate change on our investment portfolios. Alcentra models three climate scenarios in line with FCA PS 21/24 regulations: <2°C orderly, <2°C disorderly and a 4°C 'hot-house' scenario. Under these scenarios, we model three core metrics used in scenario analysis: Climate Value at Risk, Implied Temperature Rise, and the Stressed Probability of Default to help quantify the potential impacts of climate scenarios on our portfolios. This asset-by-asset climate modelling is performed to 2050, and discounted back to NPV values at 2025, 2030 and 2050.

## PRE-INVESTMENT

### ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

**How does your investment research incorporate material ESG risks and opportunities into the selection of listed companies or issuers of corporate debt?**

#### (4) Distressed, special situations and event-driven fundamental

(A) We incorporate material governance-related risks and opportunities that may affect the products and services delivered by listed companies or issuers of corporate debt

(1) in all cases

(B) We incorporate material environmental and social risks and opportunities that may affect the products and services delivered by listed companies or issuers of corporate debt

(1) in all cases

(C) We incorporate material environmental and social risks and opportunities that may arise from how listed companies or issuers of corporate debt undertake their operations

(1) in all cases

(D) We incorporate material environmental and social risks and opportunities linked to a listed company or issuer or corporate debt supply chain

(1) in all cases

(E) Other

(F) Our investment research does not incorporate material ESG risks and opportunities into the selection of listed companies or issuers of corporate debt

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(G) Not applicable, our strategy does not invest directly in listed companies or issuers of corporate debt

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## ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

**How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?**

### (4) Distressed, special situations and event-driven fundamental

(A) Material ESG factors contribute to the selection of individual assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(B) Material ESG factors contribute to the portfolio weighting of individual assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(C) Material ESG factors contribute to the sector, country or regional weighting of assets and financial instruments within our portfolio construction and/or benchmark selection process

(1) for all of our AUM

(D) Material ESG factors contribute to determining the construction of short positions

(1) for all of our AUM

(E) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process

(F) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors

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## POST-INVESTMENT

### ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 8	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**What compliance processes do you have in place to ensure that your hedge fund assets subject to negative exclusionary screens meet the screening criteria?**

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens
- (E) Not applicable; we do not conduct negative exclusionary screening on our hedge fund assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
HF 9	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

**For the majority of your hedge funds, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?**

**(4) Distressed, special situations and event-driven fundamental**

(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual securities, issuers and financial instruments

(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other securities, issuers and financial instruments exposed to similar risks and/or incidents

(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities

(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents

(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their own discretion

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

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# 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 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.

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

(A1) Sustainability Outcome #1:	Net Zero Targets
(1) Target name	Interim Target
(2) Baseline year	2024
(3) Target to be met by	2030
(4) Methodology	Set interim targets for 2030, for assets under management (excluding Structured Credit) to be managed in line with the net zero goal, consistent with 50% global reduction in CO2 required to limit global warming to within 1.5-2.0°C
(5) Metric used (if relevant)	
(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	78%
(10) Do you also have a longer-term target for this?	

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

(A2) Sustainability Outcome #1:	Net Zero Targets
(1) Target name	2050 Target
(2) Baseline year	2024
(3) Target to be met by	2050
(4) Methodology	Implement a stewardship and engagement strategy, that is consistent with the ambition for all assets under management to achieve net zero emissions by 2050 or sooner.
(5) Metric used (if relevant)	
(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	
(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?

#### (A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: Net Zero Targets

Target name: Interim Target

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

#### (A2) Sustainability outcome #1:

(A2) Sustainability outcome #1: Net Zero Targets

Target name: 2050 Target

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

# 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**  
Select from drop down list:
  - (1) **Individually**
  - (2) With other investors or stakeholders
- (C) **Stewardship: engagement with policy makers**  
Select from drop down list:
  - (1) **Individually**
  - (2) **With other investors or stakeholders**
- (D) **Stewardship: engagement with other key stakeholders**  
Select from drop down list:
  - (1) **Individually**
  - (2) **With other investors or 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

# 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) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (F) We did not verify the information submitted in our PRI report this reporting year

## INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

#### What responsible investment processes and/or data were audited through your internal audit function?

- (A) Policy, governance and strategy  
Select from dropdown list:
  - (1) Data internally audited
  - (2) Processes internally audited
  - (3) Processes and data internally audited
- (B) Manager selection, appointment and monitoring  
Select from dropdown list:
  - (1) Data internally audited
  - (2) Processes internally audited
  - (3) Processes and data internally audited
- (D) Fixed income  
Select from dropdown list:
  - (1) Data internally audited
  - (2) Processes internally audited
  - (3) Processes and data internally audited
- (H) Hedge funds  
Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited
- (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

**Provide details of the internal audit process regarding the information submitted in your PRI report.**

The internal audit and compliance monitoring of the PRI report submission included a comprehensive review - firmwide - to ensure that all strategies were accurately represented and the management and Heads of the respective strategies were in agreement with all statements made. The Responsible Investment team collaborated with the internal auditing team - especially the Head of Compliance - to ensure that our processes and procedures are accurately reflected throughout the report. Moreover, there was an analysis done to ensure that our PRI Report and Responsible Investment Policy are wholly aligned.

Following the internal audit, we then reviewed with investment managements and the senior leadership team for final sign-off.

## 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