



# RI TRANSPARENCY REPORT

## 2019

Jade Invest

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	🔒	n/a							✓
OO 08	Segregated mandates or pooled funds	✓	Private							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	🔒	n/a							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	🔒	n/a							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	🔒	n/a							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	✓	Public							✓
OO PE 02	Typical level of ownership in private equity investments	✓	Private							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	🔒	n/a							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	✓	Private	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		🔒	n/a							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Public							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct – Private Equity				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PE 01	Description of approach to RI	✓	Private	✓					✓	
PE 02	Investment guidelines and RI	✓	Public		✓					
PE 03	Fund placement documents and RI	✓	Public	✓			✓		✓	
PE 04	Formal commitments to RI	✓	Public				✓			
PE 05	Incorporating ESG issues when selecting investments	✓	Public	✓						
PE 06	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PE 07	Encouraging improvements in investees	✓	Private	✓	✓					
PE 08	ESG issues impact in selection process	✓	Private	✓						
PE 09	Proportion of companies monitored on their ESG performance	✓	Public		✓					
PE 10	Proportion of portfolio companies with sustainability policy	✓	Public		✓					
PE 11	Actions taken by portfolio companies to incorporate ESG issues into operations	✓	Private		✓					
PE 12	Type and frequency of reports received from portfolio companies	✓	Private		✓	✓				
PE 13	Disclosure of ESG issues in pre-exit	✓	Private		✓					
PE 14	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PE 15	Examples of ESG issues that affected your PE investments	✓	Private	✓	✓					
PE 16	Approach to disclosing ESG incidents	✓	Private							✓
PE End	Module confirmation page	✓	-							

# Jade Invest

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

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

## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

China

OO 02.2

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

- 1
- 2-5
- 6-10
- >10



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

FTE

18

**OO 03** | **Mandatory** | **Public** | **Descriptive** | **General**

**OO 03.1** | Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

Yes

No

**OO 04** | **Mandatory** | **Public** | **Gateway/Peering** | **General**

**OO 04.1** | Indicate the year end date for your reporting year.

31/12/2018

**OO 04.2** | Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM			380	000	000
Currency	USD				
Assets in USD			380	000	000

Not applicable as we are in the fund-raising process

**OO 04.4** | Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

Not applicable as we do not have any assets under execution and/or advisory approach

**OO 06** | **Mandatory** | **Public** | **Descriptive** | **General**

**OO 06.1** | Select how you would like to disclose your asset class mix.

as percentage breakdown

as broad ranges

	Internally managed (%)	Externally managed (%)
--	------------------------	------------------------

Listed equity	0	0
Fixed income	0	0
Private equity	10-50%	10-50%
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

**OO 06.2** Publish asset class mix as per attached image [Optional].

**OO 06.3** Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

**OO 09**

**Mandatory**

**Public**

**Peering**

**General**

OO 09.1

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

Developed Markets

05

Emerging Markets

95

Frontier Markets

0

Other Markets

0

Total 100%

100%

### Asset class implementation gateway indicators

OO 12

Mandatory

Public

Gateway

General

OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Other asset classes with dedicated modules

- Private Equity

RI implementation via external managers

Closing module

- Closing module

## Peering questions

OO PE 01

Mandatory

Public

Descriptive

General

OO PE  
01.1

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

Investment strategy	Percentage of your internally managed private equity holdings (in terms of AUM)
Venture capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Growth capital	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
(Leveraged) buy-out	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Distressed/Turnaround/Special Situations	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Secondaries	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Other investment strategy, specify (1)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Other investment strategy, specify (2)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total 100%	

Other investment strategy, specify (1)

Non-leveraged growth buyouts

Jade Invest

Reported Information

Public version

Strategy and Governance

## PRI disclaimer

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

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 01.1**

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

**SG 01.2**

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**SG 01.3**

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation’s investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

At the core of Jade Invest's investment philosophy is the aim to combine deep local expertise and access in China with international best practice in ESG, tax and regulatory compliance. Although China suffers from a disproportionately large number of issues in these areas compared with mature markets, the upside in backing private businesses that share our views on ESG is in our view substantial. Currently, only a small minority of private businesses in China take ESG into account but the direction is clear and as an investor, being ahead of the curve of sustainable secular trends is crucial. Our strategy incorporates ESG both at the screening stage and in port-investment portfolio management and monitoring. We apply a gradual implementation approach, starting with a focus on a small number of specific areas for improvement to build understanding and trust with management, and then accelerate our efforts into a wider scope.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Jade Invest's Responsible Investment Guidelines ("RI Guidelines") are fully integrated into the firm's overall screening, due diligence and monitoring protocols and cover environment, corporate governance, labour rights, human rights as well as tax and regulatory compliance. In the pre-due diligence phase, Jade Invest conducts a top-level assessment of the potential target company to determine whether a) the the business model and industry are compatible with the RI guidelines, i.e. if it is deemed possible to reach a satisfactory level of compliance with adequate support and guidance. In the later stages of the underwriting process, a more detailed evaluation is being carried out as part of the overall risk assessment, along with an initial action plan focusing on areas of particular concern.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02

Mandatory

Public

Core Assessed

PRI 6

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

Formalised guidelines on environmental factors



URL/Attachment

- URL
- Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

- Formalised guidelines on social factors

URL/Attachment

- URL
- Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

- Formalised guidelines on corporate governance factors

URL/Attachment

- URL
- Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

- Fiduciary (or equivalent) duties

URL/Attachment

- URL
- Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

- Asset class-specific RI guidelines
- Screening / exclusions policy

URL/Attachment

- URL
- Attachment (will be made public)

Attachment

[File 1:Jade Invest RI Policy.pdf](#)

- We do not publicly disclose our investment policy documents

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL
- Attachment

File Attachment

[Jade Invest RI Policy.pdf \[65KB\]](#)

- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches

URL/Attachment

- URL
- Attachment

File Attachment

[Jade Invest RI Policy.pdf \[65KB\]](#)

- Active ownership approaches

URL/Attachment

- URL
- Attachment

File Attachment

[Jade Invest RI Policy.pdf \[65KB\]](#)

Reporting

URL/Attachment

URL

Attachment

File Attachment

[Jade Invest RI Policy.pdf \[65KB\]](#)

Climate change

Understanding and incorporating client / beneficiary sustainability preferences

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
---------	---

Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
---------	---

Alignment of interests with founders/management is our single most important tool for managing conflicts of interests in our portfolio. This is achieved through numerous different ways, including but not limited to 1) ensuring the founder retains a significant minority stake post-investment, 2) ensuring and validating that the founder/management is dedicated to the business (i.e. no significant outside interests) and 3) Management Incentive Programs (MIP), which may include an additional equity stake subject to certain performance targets at or before exit. Moreover, Jade Invest has put in place stringent rules regarding a range of conflict of interest issues, from outside interest and corruption to insider trading. These are included in Jade Invest's internal staff policy charter, which is signed by every member of the team.

No

**Objectives and strategies**

SG 05	Mandatory	Public	Gateway/Core Assessed	General
-------	-----------	--------	-----------------------	---------

**SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

## Governance and human resources

**SG 07****Mandatory****Public****Core Assessed****General****SG 07.1**

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

### Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify  
CFO, senior investment team

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

**SG 07.2**

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

RI oversight is incorporated throughout Jade Invest's organisation, and is not the responsibility of a dedicated ESG team. Identifying and resolving ESG issues require deep understanding of a portfolio company and frequent and close interaction with founders/management. This is why the ultimate responsibility for Detection and Implementation falls under the Project Manager (i.e. the team member assigned for the overall post-investment portfolio management for a given company). However, each member of Jade Invest's investment and portfolio management teams, from investment professionals to back office, has a responsibility to report any suspected, potential or confirmed ESG issues directly to the Portfolio Manager, who in turn must disclose such issues to management without delay.

Jade Invest works closely with portfolio company management teams to define feasible near-term goals as well as the major milestones to be achieved throughout the expected holding period. This is normally done during quarterly board meetings. Our approach emphasizes the importance of building deep commercial understanding within the portfolio company management with respect to ESG. This will include a study on the impact of ESG improvements on the company's addressable market as well as the improved exit potential that may come as a result of a higher overall level of ESG, tax and regulatory compliance, particularly in the case of an overseas strategic trade buyer.

**SG 07.3**

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

Number
--------

1

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

<b>SG 08</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>General</b>
--------------	------------------	---------------	----------------------------	----------------

**SG 08.1** Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

Board members/Board of trustees

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Other C-level staff or head of department

CFO, senior investment team

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Portfolio managers

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Investment analysts

**SG 08.1a** RI in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

**SG 08.1b** RI in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

**SG 08.3**

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Jade Invest's performance assessment incorporates all aspects relevant to the long-term success of the firm and its portfolio companies, including RI. Since RI is included in Jade Invest's portfolio management / monitoring (through the "Issues Log"), it became a natural part of any team member's performance review. In relative terms, the bottleneck to successful RI implementation in our market is not staff training or identification of RI/ESG issues. The key challenge lies in the dialogue with portfolio company management, particularly where certain RI measures may result in a negative short-term impact on profitability. China has been a hyper-growth market for two decades and long-term strategies have until recently been associated with a negative premium to profitability and valuations. Through dialogue, case studies and detailed analysis (e.g. of exit valuation scenarios at different levels of RI implementation), Jade Invest strives to build trust and understanding with portfolio company management teams/founders regarding the significant long-term upside that can be realized through patient and systematic improvement of ESG, tax and regulatory compliance.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

**SG 09.1**

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

**Select all that apply**

- Principles for Responsible Investment



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

- Basic
- Moderate
- Advanced
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

**SG 10.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes
- No

**SG 10.3** Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

We operate in a market where ESG/RI lags behind mature markets with a significant margin. Consequently, Jade Invest's primary objective is to improve ESG/RI standards within its own portfolio. Our philosophy builds on the assumption that real-life success stories around ESG/RI with commercially sound outcomes are the single most effective promotion tool for RI.

### Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 12.1** Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

### ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

**SG 13.1** Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

### Innovation

SG 18	Voluntary	Public	Descriptive	General
-------	-----------	--------	-------------	---------

<b>SG 18.1</b>	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
----------------	--

Yes

<b>SG 18.2</b>	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
----------------	---

One important feature of Jade Invest's RI approach is the focus on commercially grounded dialogue with founder management teams. ESG, tax and regulatory compliance matter not only to most overseas potential trade buyers today, but also to a growing number of large domestic trade buyers. We help founder management teams to measure the impact of their addressable universe of exit routes deriving from improved compliance. In addition, we highlight emerging trends with respect to Chinese consumer preferences by comparing with mature overseas markets to help management build a more tangible understanding of the commercial upside in stronger ESG standards.

No

## Communication

<b>SG 19</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2, 6</b>
--------------	------------------	---------------	----------------------	-----------------

<b>SG 19.1</b>	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
----------------	---

**Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.**

If you are transferring data from an offline document, please check your response carefully.

	Private equity
--	----------------

	Do you disclose?
--	------------------

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

<b>Disclosure to clients/beneficiaries</b>	
Disclosure to clients/beneficiaries	<input type="checkbox"/> ESG information in relationship to our pre-investment activities <input checked="" type="checkbox"/> ESG information in relationship to our post-investment monitoring and ownership activities <input checked="" type="checkbox"/> Information on our portfolio companies' ESG performance <input type="checkbox"/> Other
Frequency	<input type="checkbox"/> Quarterly or more frequently <input checked="" type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested

Jade Invest

Reported Information

Public version

Direct – Private Equity

## PRI disclaimer

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

## Overview

PE 02	Mandatory	Public	Core Assessed	PRI 2
-------	-----------	--------	---------------	-------

**PE 02.1** Indicate whether your organisation's investment activities are guided by a responsible investment policy / follow responsible investment guidelines.

- Our investment activities are guided by a responsible investment policy
- Our investment activities are not guided by a responsible investment policy
- We do not have a responsible investment policy

## Fundraising of private equity funds

PE 03	Mandatory	Public	Core Assessed	PRI 1,4,6
-------	-----------	--------	---------------	-----------

**PE 03.1** Indicate if your most recent fund placement documents (private placement memorandums (PPM) or similar) refer to responsible investment.

- Yes

**PE 03.2** Indicate how your most recent fund placement documents (PPM or similar) refer to the following responsible investment:

- Policy and commitment to responsible investment
- Approach to ESG issues in pre-investment processes
- Approach to ESG issues in post-investment processes
- Approach to ESG reporting

**PE 03.3** Describe how your organisation refers to responsible investment in fund placement documents (PPMs or similar). [Optional]

Our RI policy is shared in our datarooms along with numerous other documents which incorporate RI, including our investment due diligence and portfolio monitoring deliverables.

- No
- Not applicable as our organisation does not fundraise

PE 04	Voluntary	Public	Additional Assessed	PRI 4
-------	-----------	--------	---------------------	-------

**PE 04.1** Indicate whether your organisation made formal commitments to responsible investment in the Limited Partnership Agreement (LPA) of your most recent fund(s), or through side letters when requested by investors.

- Yes

If yes
--------

- In LPA, incorporated in the original draft as standard procedure
- In LPA, as requested by investors
- In side letter(s)
- Other

No

<b>PE 04.2</b>	Additional information. [OPTIONAL]
----------------	------------------------------------

This is currently not applicable to Jade Invest since its current buyout activities are being carried out on a "deal-by-deal" basis, as opposed to a fund. When Jade Invest's next fund is being launched, there will be numerous explicit commitments to RI as part of the offering documents, including the LPA.

<b>Pre-investment (selection)</b>				
-----------------------------------	--	--	--	--

<b>PE 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------	--------------

<b>PE 05.1</b>	During due-diligence indicate if your organisation typically incorporates ESG issues when selecting private equity investments.
----------------	---

Yes

<b>PE 05.2</b>	Describe your organisation's approach to incorporating ESG issues in private equity investment selection.
----------------	---

Our investment screening is subject to several restrictions, i.e. certain criteria that need to be fulfilled prior to initial commercial due diligence. As a result, Jade Invest will refrain from investing in the following areas:

- Companies that have been found to be in serious and systematic breach of environmental regulation, e.g. illegal disposal of hazardous waste or highly polluting manufacturing and/or sourcing
- Products or substances harmful to human health, including tobacco and alcohol
- Products or services in breach of fundamental Socially Responsible Investing (SRI) standards, including gambling and adult entertainment
- Weapons and munitions
- Companies involved in serious and systematic corruption, fraud or violation of local and international regulation
- Companies associated with activities that are violating human rights
- Companies engaged in business activities deemed to be in violation of international sanctions

No

<b>PE 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1,3</b>
--------------	------------------	---------------	----------------------	----------------

**PE 06.1**

Indicate what type of ESG information your organisation typically considers during your private equity investment selection process.

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

**PE 06.2**

Describe how this information is reported to, considered and documented by the Investment Committee or similar.

RI issues are reported in the initial phase of due diligence, prior to a completed IM, and thereafter incorporated into the final IM. Every member of a deal team is responsible for the RI issues relevant to her/his specific area of responsibility and the project manager is responsible for ensuring that all RI issues are aggregated and accounted for in the final IM.

### Post-investment (monitoring)

**PE 09**

**Mandatory**

**Public**

**Gateway/Core Assessed**

**PRI 2**

**PE 09.1**

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

- Yes

**PE 09.2**

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

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

(in terms of total number of portfolio companies)

**PE 09.3**

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

**ESG issues**

- Environmental



List up to three example targets of environmental issues

Example 1

Environmentally friendly packaging

Example 2 (optional)

Drinking water safety and usage

Social

List up to three example targets of social issues

Example 1

Labour rights (social security compliance)

Example 2 (optional)

Working conditions

Governance

List up to three example targets of governance issues

Example 1

Management remuneration

Example 2 (optional)

Internal budget and cash controls

Example 3 (optional)

Resolving conflicts of interests (e.g. supplier relationships)

We do not set and/or monitor against targets

No

PE 10	Mandatory	Public	Core Assessed	PRI 2
-------	-----------	--------	---------------	-------

**PE 10.1** Indicate if your organisation tracks the proportion of your portfolio companies that have an ESG/sustainability-related policy (or similar guidelines).

Yes

No

**PE 10.3**

## Additional information. [Optional]

Jade Invest manages a highly concentrated portfolio with deep and frequent interaction with management and ESG issues are not separated out from the overall portfolio management process, but fully integrated throughout the portfolio. All portfolio companies are subject to Jade Invest's RI policy and PE 10.1 is therefore not relevant to Jade Invest.