

## ICG Enterprise Trust plc

**Sustainable investment labels help investors find products that have a specific sustainability goal. This product does not have a UK sustainable investment label as it does not aim to improve or pursue positive environmental and/or social outcomes.**

### **The Investment Manager's Investment Policy and Strategy**

ICG Enterprise Trust plc (“**Enterprise Trust**”), which is managed by ICG Alternative Investment Limited (the “**Investment Manager**”), incorporates, where possible, sustainability and ESG considerations throughout its investment process and during the period in which Enterprise Trust is invested.

The Investment Manager’s approach to responsible investing for the Enterprise Trust is defined by three key priorities:

- incorporating sustainability and ESG factors into investment decision-making;
- partnering with managers who share a similar approach to responsible investing; and
- identifying and monitoring sustainability and ESG risks.

Enterprise Trust makes three types of investments:

- primary funds: commitments to new private equity funds;
- secondary investments: acquiring fund interests and commitments from other investors; and
- direct investments: investing directly in companies alongside funds managed by ICG and third-party fund managers.

The sustainability and ESG factors the Investment Manager considers throughout the investment process and during the period in which it is invested depend on the type of investment.

### **Primary funds**

The Investment Manager assesses the manager’s approach to sustainability and ESG matters, including whether it has its own responsible investing policy and exclusion list. It also considers whether the manager’s approach aligns with ICG’s Responsible Investing Policy.

For primary funds, as the Investment Manager does not directly influence a manager’s portfolio construction, it seeks to partner with managers who share a similar approach to responsible investing. The Investment Manager has created a pre-investment sustainability assessment (the “**Sustainability Assessment**”) which covers matters such as whether a manager has an ESG or sustainability policy and whether the policy specifically restricts investing in businesses in ICG’s Exclusion List. The Exclusion List is contained in ICG’s Responsible Investing Policy. The Exclusion List covers activities such as those relating to forced and child labour, controversial weapons, arms and ammunition, tobacco, and coal, oil and gas industries, with certain of those industries excluded by reference to revenue thresholds (“**Excluded Investments**”) and can be found here: <https://www.icgam.com/sustainability/investing-responsibly/responsible-investing-policy/>

Where a manager’s ESG or sustainability policy does not contain such restrictions, the Investment Manager uses its best efforts to reflect the consideration of ICG’s Exclusion List in a side letter where relevant and appropriate. It is at the manager’s discretion as to whether it agrees to the inclusion of such provisions.

In terms of ongoing monitoring, the Investment Manager tracks various ESG metrics, including the manager’s adherence to international sustainability and ESG standards. A strong relationship with the manager enables active engagement to identify and mitigate potential sustainability and ESG risks.

### **Secondary investments**

For secondary investments, the Investment Manager carries out an assessment of both the manager and the investee companies.

The Investment Manager assesses the manager's approach to sustainability and ESG matters, including whether it has its own responsible investing policy and exclusion list. It also considers whether the manager's approach aligns with ICG's Responsible Investing Policy.

The Investment Manager assesses each underlying investee company, including a review of its industry, sector and the location of its operations, to ensure, to the extent possible, that Enterprise Trust does not invest in the businesses in ICG's Exclusion List. The Investment Manager assigns an ESG risk factor to each investee company based on this assessment and additional research is conducted on any company which is identified as "high risk". The Investment Manager screens the largest investee companies in a transaction using RepRisk which uses, on a daily basis, over 100,000 public sources to identify any company associated with a sustainability and ESG risk incident.

In terms of ongoing monitoring, the Investment Manager tracks various ESG metrics, including the manager's adherence to international sustainability and ESG standards. A strong relationship with the manager enables active engagement to identify and mitigate potential sustainability and ESG risks.

### **Direct investments**

The Investment Manager has a greater ability to assess sustainability and ESG considerations in its direct investments, as it has clearer visibility of the underlying companies when making an investment decision.

	<p>The Investment Manager makes reasonable enquiry as part of its pre-investment due diligence process before making a new investment. Following that enquiry, the Investment Manager does not knowingly make direct investments in the businesses in the Exclusion List. RepRisk is also used to screen investee companies.</p> <p>The Investment Manager uses the Sustainability Assessment to evaluate the environmental and/or social characteristics and impacts of investments. The Sustainability Assessment is used to identify whether prospective investments which pass the Exclusion List should nevertheless be excluded. The Sustainability Assessment is mandatory and covers a range of environmental, social and governance matters. The Sustainability Assessment is tailored to the investments contemplated by Enterprise Trust. The Sustainability Assessment is updated from time to time but always applies in a standardised and consistent manner. The Investment Manager makes reasonable efforts to obtain all the information required under the Sustainability Assessment, noting that it is possible that not all relevant information is available for all proposed investments. The Investment Manager considers such information for each proposed investment prior to making an investment decision.</p> <p>In terms of ongoing monitoring, the Investment Manager monitors sustainability and ESG risks through an active dialogue with the manager of the original investment on an ongoing basis. As well as assessments prior to investment, for the largest underlying exposures, the Investment Manager undertakes a periodic review of sustainability and ESG issues twice annually. This includes leveraging RepRisk, to screen for any significant sustainability and ESG risks that may have arisen since the previous assessment. RepRisk uses, on a daily basis, over 100,000 public sources to identify any company associated with a sustainability and ESG risk incident.</p>
<p><b>Information on the Sustainability Metrics the Investment Manager Will Use</b></p>	<p>The Investment Manager will use the following sustainability metrics to assess its performance against the investment policy and strategy described above:</p> <ul style="list-style-type: none"> <li>• the proportion of primary funds and secondary investments for which it has assessed the relevant manager’s approach to sustainability and ESG and, where relevant and</li> </ul>

	<p>appropriate, the proportion of primary funds for which the manager has in place a side letter to reflect consideration of ICG's Exclusion List;</p> <ul style="list-style-type: none"><li>• for secondary investments, the proportion of underlying investee companies, measured by both number and value, which have been screened against ICG's Exclusion List; and</li><li>• the proportion of direct investments which have passed the negative screen for Excluded Investments and where the Investment Manager has considered the information gathered as a part of the Sustainability Assessment before making its investment decision.</li></ul>
--	---