



PUBLIC TRANSPARENCY REPORT

2023

TowerBrook Capital Partners

Generated 15-12-2023

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 2023 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

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 2023 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?

Responsible Ownership is integral to TowerBrook's purpose, which is to protect and grow the savings of our investors and their families by partnering with management teams and employees to build excellent companies that make a positive impact on society. By following our values, we can demonstrate that responsible ownership is an excellent business practice that creates value for all stakeholders. We believe that responsible policies and practices concerning people, planet and partnership can drive long-term performance improvements and value creation in our portfolio companies and position them for sustainable growth.

TowerBrook's investors include public pension funds, sovereign wealth funds, financial institutions, endowments and family offices across North America, Europe and Asia.

Many of our limited partners invest with us on behalf of working and retired people around the world. A significant proportion of these are public servants, who include teachers, firefighters, and healthcare professionals. TowerBrook aims to protect the savings of these stakeholders by making thoughtful, responsible, and long-term investment decisions.

TowerBrook has a process that helps us scrutinize prospective investments, manage them responsibly and deliver sustainable results for our investors.

Responsible ownership considerations are integrated into every stage of our investment process and drive the development of policies, action plans and metrics for our portfolio companies, across our family of funds. We describe TowerBrook's approach to responsible ownership in terms of five Ps: starting from a shared Purpose, we focus on People, Planet and Partnership, all of which contribute to delivering the fifth P: Performance. We invest in companies that deliver profitable growth by providing valued products and services, offering inclusive access to worthwhile jobs and making a positive contribution to their communities. TowerBrook supports our portfolio companies to their efforts to embed responsible risk management processes, pursue Board and management diversity and implement rigorous environmental, social and governance policies.

We hold ourselves and our portfolio companies accountable to our investors, their beneficiaries and all our stakeholders.

We are committed to reporting to our investors on our responsible ownership performance, both as investors and within our own firm. We have committed to surveying 100% of our controlled portfolio companies and using best efforts to survey 100% of our other investments annually on practices and metrics relating to people, planet and partnership, and to reporting on our key findings publicly. We have formed a Responsible Ownership Committee, composed of senior TowerBrook professionals, tasked with the management and oversight of all aspects of RO and their integration into the strategy, activity and culture of TowerBrook in accordance with our purpose.

We have published a Responsible Ownership Statement which is available on our website and take steps to ensure that this Statement and our corresponding practices are understood and shared across the TowerBrook team, our portfolio companies, key service providers and stakeholders. We keep our Responsible Ownership Statement under continuous review.

TowerBrook has made several responsible investment commitments. We became the first mainstream private equity fund to receive Certified B Corporation™ recognition in 2019. B Corp certification is awarded to companies committed to ESG and responsible practices.

In 2021, TowerBrook joined the Council for Inclusive Capitalism, aiming for an inclusive, sustainable economic system. We are a founding member of the ESG Data Convergence Initiative (EDCI) and support the Terra Carta roadmap to a sustainable future.

Our approach to RO applies to all private equity investments made by TowerBrook for which TowerBrook has control or significant influence. In cases where TowerBrook is a minority investor, where other circumstances impact TowerBrook's ability to assess, set, or monitor ESG-related performance goals, or where we identify material ESG issues that cannot reasonably be addressed, TowerBrook will take reasonable efforts to encourage consideration of relevant ESG-related principles by the investee company.

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

TowerBrook demonstrated numerous instances of successful responsible investment objectives in 2022. For instance, we attained the highest ranking in the Human Rights Campaign Foundation's 2022 Corporate Equality Index, underscoring our commitment to fostering inclusivity and equality within our organization. Additionally, we were acknowledged by the Equality Group index as one of the Top 5 most inclusive firms in the private equity and venture capital sectors, further affirming our dedication to creating an inclusive work environment.

Furthermore, we received an outstanding ESG transparency rating of 97% from Preqin, a prominent data and analytics provider. Preqin evaluates firms based on 37 transparency indicators, utilizing metrics from esteemed frameworks such as SASB, ILPA, TCFD, and PRI. This high rating underscores our strong commitment to Environmental, Social, and Governance (ESG) principles and highlights our transparency in reporting relevant metrics and information.

However, our single most important responsible investment achievement was the establishment of our impact fund, TowerBrook Delta. Our impact strategy is a natural evolution of TowerBrook's differentiated and disciplined investment approach. It represents the next step for us on our Responsible Ownership journey, increasing our ability to deliver sustainable, risk-adjusted returns, as well as growing our positive handprint as a business.

In line with our purpose, ESG considerations are factored into every stage of the TowerBrook investment process, across all funds.

Within the Delta fund we intend to go further; to quantify and grow the positive impact to society created because of the products and services of the businesses we invest in. To deliver our Delta strategy, we seek to partner with exceptional entrepreneurs and management teams focused on growing businesses that generate specific, measurable social or environmental impact. These companies have business models that directly contribute to advancing one or more of the UNSDGs. Combining our experience as responsible owners with the expertise of our carefully curated, dedicated Delta Advisory Board, we have developed a robust methodology to ensure that the positive impact of our investments can be quantified. This methodology seeks to identify sector-specific key performance indicators linked to positive impact, or acceleration of impact, which can be tracked during the investment holding period.

The Delta fund is classified as SFDR Article 9 and its strategy will focus on sectors with substantial scope for positive impact, as well as those with purpose-driven businesses where positive impact can be accelerated. These sectors include financial inclusion, environmental technologies, clean energy, circular economy solutions, healthcare, and human capital development.

Section 3. Next steps

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

In the next two years, TowerBrook has outlined specific steps to advance our commitment to responsible investment. These steps include:

1. **Enhancing Climate Data Collection:** We aim to strengthen collection of climate-related data within our portfolio companies. Specifically, we aim to collect Scope 1, 2, and 3 emissions as well as energy, water, and waste statistics from all portfolio companies in which we have a majority stake. By improving data collection and analysis, TowerBrook can better understand and manage climate risks and opportunities, ultimately promoting sustainable practices within our investments.
2. **Incorporating Biodiversity KPIs:** TowerBrook plans to include key performance indicators (KPIs) related to biodiversity in its Responsible Ownership survey within the next two years. We acknowledge the importance of biodiversity conservation and aim to assess and manage the impacts of our portfolio companies on biodiversity.
3. **Deepening Human Rights Diligence:** TowerBrook is committed to further deepening its human rights diligence efforts across all its investment strategies. This includes working to develop and implement proportionate human rights due diligence and risk screening processes and supporting portfolio companies to integrate human rights considerations into their decision-making processes and operations.

Furthermore, TowerBrook recognizes that the legal and regulatory landscape surrounding ESG is continuously evolving. We actively monitor and stay informed about changes in the U.S., U.K., and Europe. TowerBrook is committed to adapting its practices and responding to regulatory requirements as needed to ensure compliance and uphold its responsible investment commitments.

By undertaking these specific steps and remaining attentive to regulatory developments, TowerBrook aims to continually improve its responsible investment practices and contribute to positive change within the investment industry.

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

Abrielle Rosenthal

Position

Managing Director; Chief Sustainability Officer; Chief Human Resources Officer

Organisation's Name

TowerBrook Capital Partners

A

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

B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

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

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

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

SUBSIDIARY INFORMATION

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

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

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

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

USD

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

US\$ 17,325,557,162.00

(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

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	0%	0%
(C) Private equity	>50-75%	0%
(D) Real estate	0%	0%
(E) Infrastructure	0%	0%
(F) Hedge funds	0%	0%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	>10-50%	0%
(J) Off-balance sheet	0%	0%

(I) Other - (1) Percentage of Internally managed AUM - Specify:

Structured Opportunities and Alternative Strategies

ASSET BREAKDOWN: INTERNALLY MANAGED PRIVATE EQUITY

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

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

(A) Venture capital 0%

(B) Growth capital >0-10%

(C) (Leveraged) buy-out >75%

(D) Distressed, turnaround or
special situations 0%

(E) Secondaries 0%

(F) Other 0%

GEOGRAPHICAL BREAKDOWN

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

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

AUM in Emerging Markets and Developing Economies

(F) Private equity (1) 0%

STEWARDSHIP

STEWARDSHIP

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

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

(5) Private equity

(11) Other

(A) Yes, through internal staff



(B) Yes, through service providers



(C) Yes, through external managers



(D) We do not conduct stewardship



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 into your investment decisions?

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

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

(I) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(V) Other: Structured Opportunities and Alternative Strategies	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

Internally managed
(C) Other

TowerBrook’s due diligence process for structured opportunities investments will take into account ESG considerations, as appropriate. TowerBrook uses best efforts to survey 100% of our structured opportunities investments annually on practices and metrics relating to people, planet and partnership, and to report on our key findings publicly.

In cases where TowerBrook is a minority investor, where other circumstances impact TowerBrook’s ability to assess, set, or monitor ESG-related performance goals, or where we identify material ESG issues that cannot reasonably be addressed, we may not necessarily be able to fully implement our RO Statement and RO policies. In such cases, TowerBrook will make reasonable efforts to encourage consideration of relevant ESG-related principles by the investee company.

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 AUM that your ESG and/or sustainability-marketed products or funds represent:

>75%

- (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

Additional information: (Voluntary)

100% of AUM are Article 8 or 9

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

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

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

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

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

OTHER ASSET BREAKDOWNS

PRIVATE EQUITY: SECTORS

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

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

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

PRIVATE EQUITY: OWNERSHIP LEVEL

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

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

(A) A majority stake (more than 50%)

Select from the list:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%

(4) >75%

(B) A significant minority stake (between 10–50%)

(C) A limited minority stake (less than 10%)

Select from the list:

- (1) >0 to 10%
- (2) >10 to 50%

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:

Our formal responsible investment policy also includes guidelines regarding modern slavery policy, sanctions policies, and business ethical policies.
- (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.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

(B) Guidelines on environmental factors

Add link:

https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

(C) Guidelines on social factors

Add link:

https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

(D) Guidelines on governance factors

Add link:

https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

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

Add link:

<https://www.towerbrook.com/wp-content/uploads/2023/05/TowerBrook-Human-Rights-Policy-May-2023.pdf>

(H) Specific guidelines on other systematic sustainability issues

Add link:

https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

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

(J) Guidelines on exclusions

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

(L) Stewardship: Guidelines on engagement with investees

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

(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:

Our mission is to deliver superior, risk-adjusted returns to our investors on a consistent and responsible basis. We believe that responsible policies and practices concerning people, planet and partnership can drive long term performance improvements in our portfolio companies and position them for sustainable growth.

(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

Specify:

Monitoring and board governance process for stewardship.

(J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

RESPONSIBLE INVESTMENT POLICY COVERAGE

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

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

Combined AUM coverage of all policy elements

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

(7) 100%

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

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

AUM coverage

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

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

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

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

(C) Private equity

- (1) Percentage of AUM covered
- (1) >0% to 10%
 - (2) >10% to 20%
 - (3) >20% to 30%
 - (4) >30% to 40%
 - (5) >40% to 50%
 - (6) >50% to 60%
 - (7) >60% to 70%

- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(I) Other

(1) Percentage of AUM covered

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

GOVERNANCE

ROLES AND RESPONSIBILITIES

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

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

- (A) Board members, trustees, or equivalent
- (B) Senior executive-level staff, or equivalent

Specify:

TowerBrook has formed a Responsible Ownership Committee to direct the Responsible Ownership programme. The committee is composed of senior TowerBrook professionals including the Firm's co-CEO's, other partners and senior executives including the Chief Sustainability Officer, Chief Operating Officer, Chief Investment Officer, Head of Portfolio Group, and various Managing Directors. TowerBrook's Management Committee retains ultimate accountability for the programme.

- (C) Investment committee, or equivalent

Specify:

TowerBrook Investment's Committee oversees the execution of Responsible Investment policies as detailed in the Investment playbook. TowerBrook's Management Committee retains ultimate accountability for the programme.

- (D) Head of department, or equivalent

Specify department:

TowerBrook has appointed a Chief Sustainability Officer, who reports to the co-CEOs.

- (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)?

(2) Senior executive-level staff, investment committee, head of department, or equivalent

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

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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

Describe how you do this:

Membership or financial support of industry groups is approved by TowerBrook's Management Committee.

- (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:

All internal investment professionals are responsible for implementing our approach to responsible investment as well as our Responsible Ownership Committee referenced in PGS 11. TowerBrook also takes steps to ensure that our Responsible Ownership Statement and our corresponding practices are understood and shared across the TowerBrook Team, our portfolio companies, key service providers, our limited partners, and other stakeholders.

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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 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)

TowerBrook's annual 360° degree performance appraisal process in 2022 solicited both quantitative and qualitative feedback on every individual at the Firm from all levels and all levels across the Firm to gain as broad a picture of performance as possible. We rely on an external provider to run the process so that feedback from colleagues and peers is professionally organized and presented. A rigorous and complete process is extremely important to the Firm. It informs our decisions regarding progression and compensation and allows individuals to build on their strengths and to focus on any highlighted areas for improvement over the coming 12 months.

TowerBrook has four key responsible investment performance indicators that the Firm uses to assess the performance of its professionals in relation to their responsible investment objectives, as applicable.

- Investment Acumen: (a) Consideration of Responsible Ownership and ESG risks and opportunities when evaluating investment opportunities; (b) Focus on appropriate risk-reward when evaluating investment opportunities in adherence to the Firm's Mission Statement; and (c) Ability to evaluate investment opportunities in light of the Firm's Purpose Statement.
- Portfolio company value add: : (a) Promotion of Responsible Ownership principles and playbook, identification of relevant KPIs, and demonstration of leadership in respect to portfolio boards and management teams to ensure alignment with TowerBrook's approach to value creation; (b) Focus on Responsible Ownership steps in 200-Day / Value Creation Plan; and (c) Ability to seek opportunities to create and promote diversity, equity and inclusion initiatives and policies when working with boards and management teams.
- Cross portfolio value add: Identification of opportunities to leverage Responsible Ownership learning and initiatives across portfolio companies where possible.
- Culture and teamwork: Promotion of Responsible Ownership, diversity, equity and inclusion, and development of extraordinary talent.

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

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

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

(2) Senior executive-level staff, investment committee, head of department or equivalent

(A) Specific competence in climate change mitigation and adaptation

(B) Specific competence in investors' responsibility to respect human rights

(C) Specific competence in other systematic sustainability issues

(D) The regular training of this senior leadership role does not include any of the above responsible investment competencies

EXTERNAL REPORTING AND DISCLOSURES

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

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

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues

- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

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

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

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

(E) None of the above

Explain why: (Voluntary)

TowerBrook supports TCFD's mission and aligns with some of its recommendations today. We do not currently align officially with the framework or public disclose climate-related information in line with its recommendations.

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

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

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

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https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

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

STRATEGY

CAPITAL ALLOCATION

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

Which elements do your organisation-level exclusions cover?

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

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

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

- (A) We incorporate ESG factors into our assessment of expected asset class risks and returns
- (B) We incorporate climate change–related risks and opportunities into our assessment of expected asset class risks and returns
- (C) We incorporate human rights–related risks and opportunities into our assessment of expected asset class risks and returns
- (D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns
- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

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

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

(3) Private equity

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

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

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

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

TowerBrook internally prioritizes the entities on which to focus our stewardship efforts based on our commitment to deliver superior, risk-adjusted returns to our investors on a consistent and responsible basis. TowerBrook's practices and the frameworks and think tanks we have aligned ourselves with further illustrate our approach to stewardship prioritization.

TowerBrook integrates ESG considerations throughout its investment process.

We conduct materiality assessments for all our investees to identify the ESG issues that are most relevant and impactful to those businesses.

This assessment helps prioritize areas where stewardship efforts can generate the greatest long-term value and positive impact.

Post investment, TowerBrook actively engages with its investees to influence and drive positive change. This engagement can take various forms, such as board representation, dialogue with management teams, and collaboration with other stakeholders.

Through these efforts, we aim to maximize long-term value by addressing ESG issues and driving improvements in investees' practices.

TowerBrook seeks input from its clients and beneficiaries to inform its stewardship priorities. Understanding their values, concerns, and expectations helps align stewardship efforts with the interests of those who have entrusted their assets to TowerBrook.

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

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

- (A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**
 Select from the list:
 1
- (B) External investment managers, third-party operators and/or external property managers, if applicable**
 Select from the list:
 4
- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**
 Select from the list:
 5
- (D) Informal or unstructured collaborations with investors or other entities**
 Select from the list:
 2
- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**

Select from the list:

3

- (F) We do not use any of these channels

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

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

TowerBrook has a process that helps us scrutinize prospective investments, manage them responsibly and deliver sustainable results for our investors. Subject to and as set forth in our Responsible Ownership Statement, Responsible Ownership considerations are integrated into every stage of the investment process, and inform the development of policies, action plans and metrics for our portfolio companies.

TowerBrook seeks to conduct robust reviews of potential ESG risks early in the investment process.

TowerBrook has drafted and continuously evolves a list of ESG Markers, including, but not limited to, certain industries or countries that present heightened ESG risk and investor sensitivities. Investment professionals reviewing potential opportunities in such industries or connected to such countries, or which otherwise could reasonably pose material ESG risks, must discuss any such issues with TowerBrook's Transaction Committee at an early stage in the investment consideration process. Materiality of ESG factors is evaluated on a case-by-case basis. TowerBrook may also seek to engage with its preferred ESG consultants at an early stage in the investment consideration process to identify ESG-related risks and opportunities.

Once an early-stage investment proceeds to due diligence, TowerBrook generally conducts ESG-related diligence targeted to the Company's industry and specific risk profile. TowerBrook has developed a standard ESG diligence request list to confirm a target company's level of compliance with TowerBrook's ESG policies and relevant legislation and regulation. Additionally, TowerBrook has developed a specific detailed ESG diligence request list for certain industries, such as consumer goods and manufacturing. TowerBrook's investment team members may also conduct site visits, as appropriate.

TowerBrook's preferred ESG consultants may be retained during the diligence stage to conduct a fulsome ESG diligence review. TowerBrook's due diligence processes are designed to identify material issues, including material ESG issues, so they can be addressed when considering and evaluating investment opportunities.

As set forth in further detail in TowerBrook's Responsible Ownership Statement, TowerBrook seeks to undertake ESG due diligence on applicable private equity investments, including, but not limited to, those with industrial manufacturing capabilities.

Environmental diligence typically comprises environmental Phase I site assessments, but this can be extended to include Phase II site assessment if necessary. TowerBrook may also conduct diligence on anti-corruption, data privacy, supply chain, safety and other governance matters, as appropriate. TowerBrook's due diligence process for structured opportunities investments may also take into account ESG considerations, as appropriate.

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

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

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

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

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

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

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

Describe:

TowerBrook has become a signatory to industry initiatives (such as the PRI and ILPA DEI Initiative) and become active in trade bodies (such as Invest Europe) that engage with policy makers

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

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https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.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:

EDCI Steering Committee

- (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.

TowerBrook is proud to have completed the inaugural round of data collection for the ESG Data Convergence Initiative (EDCI), created in partnership with a group of global GPs and LPs, with ILPA acting as secretariat of the project.

The Initiative was designed to streamline the private equity industry's historically fragmented approach to collecting and reporting ESG data, in order to create a critical mass of material, performance-based, comparable ESG data from portfolio companies.

TowerBrook and the other founding members of the Initiative believe that a standardised set of ESG metrics, as well as a mechanism for comparable reporting, will drive better financial outcomes, enable greater transparency and the provision of more comparable portfolio information for LPs.

The six initial metrics consist of: Scopes 1, 2 and 3 (optional) GHG emissions; renewable energy; board diversity; work related injuries; net new hires; and employee engagement.

As a founding member of the EDCI Steering Committee, and chair of the EDCI external engagement working group, TowerBrook is committed to collecting and reporting publicly on the EDCI metrics.

We have included the six metrics within our annual Responsible Ownership survey of portfolio companies, driving accountability across our portfolio and encouraging progress towards the integration of ESG policies and practices.

The EDCI Steering Committee meets periodically to assess the prior year's data and refine and build on these initial metrics, prioritising materiality. This collaboration is intended to be a long-term mechanism to increase the quality, availability and comparability of ESG data in private markets.

(B) Example 2:

Title of stewardship activity:

iCI Europe

(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.

TowerBrook is a founding signatory of iCI UK (now iCI Europe), the regional network of iCI (Initiative Climat International), a global community of investors who commit to mutually collaborate to share knowledge, tools, experience and best practice to help build and manage climate-aligned and climate-resilient portfolios. The network's objective is to call the global PE industry to action to tackle carbon emissions in their portfolios and accelerate the private sector's role in meeting the objectives of the Paris Agreement and Glasgow Pact.

(C) Example 3:

Title of stewardship activity:

Council for Inclusive Capitalism

(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.

As a member of the Council for Inclusive Capitalism, we publicly commit to taking action, both within our business and in our role as responsible owners, to advance a more sustainable and inclusive economic system.

In line with our commitments, we share our diversity and inclusion expectations and values with our portfolio company Board chairs, and ensure that the Boards of all our controlled portfolio companies acquired since 2021 have at least one diverse member. We also take steps towards increasing the gender and non-gender diversity of our material suppliers. During 2022, we have continued to deliver against our commitment made in 2020 to provide \$1 million in funding through our TowerBrook Foundation by the end of 2023, to selected organisations dedicated to fighting against social and racial injustice and advancing equal opportunities.

(D) Example 4:

Title of stewardship activity:

ILPA Diversity in
Action initiative

(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.

TowerBrook is a founding signatory of the ILPA Diversity in Action initiative. As signatories, we undertake four foundational actions, and have undertaken all nine optional actions, spanning talent management, training and industry engagement. We also play an active role in the ILPA Data Capture Best Practices Working Group and co-facilitated an ILPA in-person roundtable on DE&I best practice.

(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:

See Case Studies around climate risk and opportunities in our Responsible Ownership Report:
https://www.towerbrook.com/TowerBrook_Responsible_Ownership-2022.pdf

(B) Yes, beyond our standard planning horizon

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

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

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

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

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

TowerBrook's process for addressing climate-related risk is embedded in our overall Responsible Ownership Committee's charter, which informs our Responsible Ownership Committee's approach on key ESG issues, including climate-related risks, and the integration of ESG considerations into business processes. We also include climate-related indicators on our list of ESG Markers. TowerBrook seeks to conduct robust reviews of potential climate related issues early in the investment process. Investment professionals reviewing potential opportunities which present material climate-related issues, or which impact industries which could reasonably present material climate-related issues, will generally raise such issues with TowerBrook's Transaction Committee at an early stage in the investment consideration process. Materiality of climate-related issues are evaluated on a case-by-case basis. TowerBrook also generally seeks to engage with its preferred ESG consultants at an early stage in the investment consideration process to identify climate-related risks and value creation opportunities. Teams also seek to partner with the relevant portfolio companies to resolve any material climate-related issues and escalate to the executive team where appropriate.

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

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

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

- (A) Coal
- (B) Gas
- (C) Oil
- (D) Utilities
- (E) Cement
- (F) Steel
- (G) Aviation
- (H) Heavy duty road
- (I) Light duty road
- (J) Shipping
- (K) Aluminium
- (L) Agriculture, forestry, fishery
- (M) Chemicals
- (N) Construction and buildings
- (O) Textile and leather
- (P) Water
- (Q) Other

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

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

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

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios
- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

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

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

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

TowerBrook's process for addressing climate-related risk is embedded in our overall Responsible Ownership Committee's charter, which directs the firm on key ESG issues, including climate-related risks, and the integration of ESG considerations into business processes. We also include climate-related indicators on our list of ESG Markers. TowerBrook seeks to conduct robust reviews of potential climate-related issues early in the investment process. Investment professionals reviewing potential opportunities which present climate-related issues, or which impact industries which could reasonably present climate-related issues, must discuss any such issues with TowerBrook's Transaction Committee at an early stage in the investment consideration process. Materiality of climate-related issues are evaluated on a case-by-case basis. TowerBrook also seeks to engage with its preferred ESG consultants at an early stage in the investment consideration process to identify climate-related risks and value creation opportunities. Teams also partner with the relevant portfolio companies to resolve any given climate-related issues and escalate to the executive team where needed.

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

As there is no established industry risk framework for managing climate-related risks and opportunities, TowerBrook intends to develop and implement our own organization-wide framework to analyse such risks and opportunities. TowerBrook continues to collaborate with other GPs and organizations such as the PRI and SASB on PE industry best practice.

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

TowerBrook collects data on climate-related factors from a portion of our portfolio companies via our annual Responsible Ownership survey. TowerBrook surveyed our portfolio companies in 2022 on their Scope 1, 2, and 3 emissions, any climate-related incidents or factors that impacted the business over the past year, whether the company has (or is developing) a climate strategy, and whether the company addresses climate risk at the board level. We plan to survey our portfolio companies in greater detail in 2023 on climate related data. TowerBrook reports on the results of our portfolio company climate-related metrics on an annual basis. TowerBrook also considers climate-related risks as part of our ESG value creation strategy. We seek to help companies define the climate issues most material to them, understand the sources of their Scope 1, 2, and 3 emissions, and set sustainable performance targets related to climate risks.

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

As there is no established industry risk framework for managing climate-related risks and opportunities, TowerBrook intends to develop and implement our own organization-wide framework to analyse such risks and opportunities. TowerBrook continues to collaborate with other GPs and organizations such as the PRI and SASB on PE industry best practice

- o (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 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**
 - o (2) Metric or variable used and disclosed
 - o (3) Metric or variable used and disclosed, including methodology
- (B) Exposure to transition risk**
 - (1) Indicate whether this metric or variable was used and disclosed, including the methodology
 - (1) Metric or variable used**
 - o (2) Metric or variable used and disclosed
 - o (3) Metric or variable used and disclosed, including methodology
- (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**
 - o (2) Metric or variable used and disclosed
 - o (3) Metric or variable used and disclosed, including methodology
- (E) Weighted average carbon intensity
- (F) Avoided emissions
- (G) Implied Temperature Rise (ITR)
- (H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals
- (I) Proportion of assets or other business activities aligned with climate-related opportunities
- (J) Other metrics or variables
 - o (K) Our organisation did not use or 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 disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

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

SUSTAINABILITY OUTCOMES

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

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

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

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

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

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)

- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

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

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

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

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

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

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

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

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

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons

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

PRIVATE EQUITY (PE)

POLICY

INVESTMENT GUIDELINES

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

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

- (A) Guidelines on our ESG approach tailored to the sector(s) and geography(ies) where we invest
- (B) Guidelines on our ESG approach tailored to the strategy(ies) and company stage(s) where we invest, e.g. venture capital, buy-out and distressed
- (C) Guidelines on pre-investment screening
- (D) Guidelines on minimum ESG due diligence requirements
- (E) Guidelines on our approach to ESG integration into short-term or 100-day plans (or equivalent)
- (F) Guidelines on our approach to ESG integration into long-term value-creation efforts
- (G) Guidelines on our approach to monitoring ESG risks, ESG opportunities and ESG incidents
- (H) Guidelines on our approach to ESG reporting
- (I) Our responsible investment policy(ies) does not cover private equity-specific ESG guidelines

FUNDRAISING

COMMITMENTS TO INVESTORS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 2	CORE	OO 21	N/A	PUBLIC	Commitments to investors	1, 4

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

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

PRE-INVESTMENT

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 3	CORE	OO 21	PE 3.1	PUBLIC	Materiality analysis	1

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

- (A) We assessed ESG materiality at the portfolio company level, as each case is unique**
 - Select from dropdown list
 - (1) for all of our potential private equity investments
 - (2) for the majority of our potential private equity investments**
 - (3) for a minority of our potential private equity investments
- (B) We performed a mix of industry-level and portfolio company-level ESG materiality analyses
- (C) We assessed ESG materiality at the industry level only
- (D) We did not conduct ESG materiality analyses for our potential private equity investments

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

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

- (A) We used GRI standards to inform our private equity ESG materiality analysis
- (B) We used SASB standards to inform our private equity ESG materiality analysis
- (C) We used the UN Sustainable Development Goals (SDGs) to inform our private equity ESG materiality analysis
- (D) We used environmental and social factors detailed in the IFC Performance Standards (or other similar standards used by development-focused financial institutions) in our private equity ESG materiality analysis
- (E) We used climate disclosures, such as the TCFD recommendations or other climate risk and/or exposure analysis tools, to inform our private equity ESG materiality analysis
- (F) We used the UN Guiding Principles on Business and Human Rights (UNGPs) to inform our private equity ESG materiality analysis
- (G) We used geopolitical and macro-economic considerations in our private equity ESG materiality analysis
- (H) We engaged with the prospective portfolio company to inform our private equity ESG materiality analysis
- (I) Other

Specify:

Internal impact assessment tool

DUE DILIGENCE

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

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

- (A) Material ESG factors were used to identify risks
 - Select from dropdown list
 - (1) for all of our potential private equity investments
 - (2) for the majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- (B) Material ESG factors were discussed by the investment committee (or equivalent)
 - Select from dropdown list
 - (1) for all of our potential private equity investments
 - (2) for the majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- (C) Material ESG factors were used to identify remedial actions for our 100-day plans (or equivalent)
 - Select from dropdown list
 - (1) for all of our potential private equity investments
 - (2) for the majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- (D) Material ESG factors were used to identify opportunities for value creation
 - Select from dropdown list
 - (1) for all of our potential private equity investments
 - (2) for the majority of our potential private equity investments
 - (3) for a minority of our potential private equity investments
- (E) Material ESG factors informed our decision to abandon potential investments in the due diligence phase in cases where ESG risks were considered too high to mitigate

Select from dropdown list

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

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

Select from dropdown list

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

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

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 5	CORE	OO 21	N/A	PUBLIC	Due diligence	1

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

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

Select from dropdown list

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

(B) We send detailed ESG questionnaires to target companies

Select from dropdown list

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

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

Select from dropdown list

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

(D) We conduct site visits

Select from dropdown list

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

(E) We conduct in-depth interviews with management and/or personnel

Select from dropdown list

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

(F) We conduct detailed external stakeholder analyses and/or engagement

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

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

Select from dropdown list

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

(I) Other

- (J) We do not conduct due diligence on material ESG factors for potential private equity investments

POST-INVESTMENT

MONITORING

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

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

(A) Yes, we tracked KPIs on environmental factors

Percentage of portfolio companies this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

(B) Yes, we tracked KPIs on social factors

Percentage of portfolio companies this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

(C) Yes, we tracked KPIs on governance factors

Percentage of portfolio companies this applies to:

- (1) >0 to 10%
- (2) >10 to 50%
- (3) >50 to 75%
- (4) >75 to 95%
- (5) >95%

- (D) We did not track KPIs on material ESG factors across our private equity investments

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

Provide examples of KPIs on material ESG factors you tracked across your private equity investments during the reporting year.

(A) ESG KPI #1

Gender diversity FTEs and boards %

(B) ESG KPI #2

Racial and ethnic diversity FTEs and boards %

(C) ESG KPI #3

Carbon emissions (each scope) – Tons eq CO2

(D) ESG KPI #4

Trainings provided (discrimination and harassment, unconscious bias, inequalities, culture...) – average hour of trainings

(E) ESG KPI #5

Does your company have a responsible purchasing policy / Code of Conduct for suppliers?

(F) ESG KPI #6

Is your company a member of any RO-focused industry communities or associations (e.g. B Corp, Rainforest Alliance, Common Thread, etc.)?

(G) ESG KPI #7

Do you participate in any activities that negatively affect biodiversity-sensitive areas?

(H) ESG KPI #8

Please provide the amounts of hazardous waste and radioactive waste generated by the company (in tonnes)

(I) ESG KPI #9

Does your company have a company-wide recovery and recycling programme that includes the following? Select all that apply and approximate the proportion of waste recycled in 2022

(J) ESG KPI #10

Does your company publicly report on its GHG emissions?

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

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

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

Select from dropdown list

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

- (B) We implement international best practice standards, such as the IFC Performance Standards, to guide ongoing assessments and analyses
- (C) **We implement certified environmental and social management systems across our portfolio**
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (D) **We make sufficient budget available to ensure that the systems and procedures needed are established**
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (E) **We hire external verification services to audit performance, systems, and procedures**
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (F) **We conduct ongoing engagement with all key stakeholders at the portfolio company level, e.g. local communities, NGOs, governments, and end-users**
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (G) **We implement 100-day plans, ESG roadmaps and similar processes**
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (H) **Other**
 - Specify:
 - We create an ESG community by connecting ESG leads between PortCos
 - Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
 - (I) We do not have processes in place to help meet our targets on material ESG factors for our private equity investments

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

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

(A) Process one

To meet our targets on material ESG factors, we established a process that involved engaging specialized advisors in carbon measurement. We carefully selected a few advisors with expertise in this area to guide us through the process. One of the first steps was to request [all our Portfolio Companies (PortCos)] to measure their emissions across the three scopes defined by the Greenhouse Gas Protocol.

To facilitate the measurement process, we connected PortCos with the appropriate advisor when needed.

Additionally, we implemented regular meetings with PortCos to track their progress and address any challenges they encountered. These meetings also served as an opportunity to provide support, share best practices, and clarify any uncertainties regarding the measurement process.

(B) Process two

In order to support our PortCos in addressing ESG factors, we implemented a process focused on understanding their needs and expectations. We conducted an assessment to identify the specific requirements of each PortCo in terms of ESG learning and the sharing of best practices.

To facilitate this, we organized an online ESG roundtable where each PortCo had the opportunity to discuss their ESG advancements, ongoing projects, and challenges. Prior to the roundtable, we conducted a survey to gather insights into the topics of interest. Based on the survey results, a few PortCos were selected to present case studies that aligned with the identified priorities.

To promote knowledge sharing and collaboration, we developed an in-house online platform.

This platform intends to be a central hub for sharing documentation, connecting PortCos' ESG leads, and fostering an active ESG community. Through this platform, PortCos can access relevant resources, exchange ideas, and seek guidance from their peers.

The ESG roundtable and the online platform are just the initial steps in our ongoing efforts. We are committed to organizing future roundtables to continue the dialogue and address emerging ESG topics. By fostering a community of practice, we aimed to facilitate the exchange of experiences, promote learning, and drive continuous improvement across our portfolio of companies.

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

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

In TowerBrook's 200-day plans, we integrate material ESG risks and opportunities to actively address these factors within our portfolio. We have implemented a process which aims to measure and reduce carbon emissions across the majority of our portfolio companies (PortCos). This is achieved through the involvement of specialized advisors and by connecting PortCos to these advisors when needed. Each PortCo is asked to measure their carbon emissions in accordance with the three scopes defined by the Greenhouse Gas Protocol. We monitor their progress by conducting regular meetings with the PortCos to track their progress and address any challenges they encountered.

The success of this process is measured by the extent to which PortCos are able to effectively measure and reduce their carbon footprint.

To address diversity, we collect data on an annual basis through surveys that capture information on the diversity of our Portcos' employees and board members. We use this data to identify gaps and challenges related to diversity.

In regular meetings with PortCos, we address the issue of diversity and discuss initiatives that can be undertaken to support it. At the board level, we have set a target of achieving at least 2 gender diverse board members in each controlled private equity investment by 2025. We monitor progress towards this target by tracking the composition of board members and assessing the level of gender diversity achieved.

For each PortCo, we seek to address different ESG risks and opportunities based on the findings from the pre-deal ESG due diligence process.

This process helps us identify the specific ESG risks and opportunities that are material to each company. By tailoring our approach to the unique characteristics and circumstances of each PortCo, we aim to address the ESG factors that are most relevant to their operations.

During ownership, ESG related risks are managed by the boards and management teams of the individual portfolio companies. Since TowerBrook invests in a wide range of sectors, ESG risks vary widely from company to company. TowerBrook seeks to discuss the importance of ESG with each CEO of private equity portfolio companies, together with the board chair, who would have been separately instructed during onboarding with a Welcome Pack that explicitly addresses Responsible Ownership and the board chair's role therein. TowerBrook also works with the board chair to on diversity initiatives, including with respect to board composition.

TowerBrook actively monitors ESG at the portfolio company level, including that systems and resources are in place to enable ESG risks to be effectively managed and that each Portco assigns specific management responsibility for ESG operations. TowerBrook's approach to ESG has been to ask each Portco's Audit & Risk Management Committee (or equivalent) to review regularly such ESG risks as are material to that company. TowerBrook seeks to establish a dedicated ESG (or similar) committee on each controlled portfolio board. Portfolio company management is encouraged to engage directly with third parties (such as suppliers, developers, and contractors) to verify sound ESG practices.

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

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

(A) We develop company-specific ESG action plans based on pre-investment research, due diligence and materiality findings

Select from dropdown list

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

(B) We adjust our ESG action plans based on performance monitoring findings at least yearly

Select from dropdown list

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

(C) We, or the external advisors that we hire, support our private equity investments with specific ESG value-creation opportunities

Select from dropdown list

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

(D) We engage with the board to manage ESG risks and ESG opportunities post-investment

Select from dropdown list

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

(E) Other

Specify:

Assist with the selection of advisors

Select from dropdown list

- (1) for all of our private equity investments
- (2) for a majority of our private equity investments
- (3) for a minority of our private equity investments
- (F) We do not manage material ESG risks and opportunities post-investment

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

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

TowerBrook Responsible Ownership™ statement applies to all private equity investments made by TowerBrook for which TowerBrook has control or significant influence. In cases where TowerBrook is a minority investor, where other circumstances impact TowerBrook's ability to assess, set, or monitor ESG-related performance goals, or where we identify material ESG issues that cannot reasonably be addressed, we may not necessarily be able to fully implement TowerBrook Responsible Ownership™. In such cases, TowerBrook will make reasonable efforts to encourage consideration of relevant ESG-related principles by the portfolio company.

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

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

At TowerBrook, ESG is key component of our investment strategy and is integral to our commitment to responsible investing. ESG action plans are initially defined during the pre-deal ESG due diligence process. We conduct thorough assessments to identify material ESG risks and opportunities specific to each private equity investment. This may include evaluating factors such as carbon emissions, diversity, governance practices, and social impact. Based on the findings, we develop tailored action plans that outline the key ESG objectives and initiatives to be pursued during the investment period. These plans are designed to align with industry best practices and relevant frameworks, taking into account the unique characteristics and circumstances of each investment.

Once the investment is made, we work closely with portfolio companies to implement the defined ESG action plans.

This involves engaging with the company's management and board to ensure buy-in and commitment to the identified ESG objectives. We support portfolio companies in developing and implementing strategies, policies, and procedures that address the identified ESG risks and opportunities. We actively collaborate with portfolio company management and provide resources, expertise, and guidance to support the successful implementation of the ESG action plans.

ESG performance and progress are closely monitored throughout the investment period. We encourage clear accountability by assigning responsibility for ESG operations to specific individuals within each portfolio company.

Regular reporting and data collection processes are put in place to track and measure ESG performance against the defined objectives. This includes monitoring key performance indicators (KPIs) related to ESG metrics and milestones. We may conduct periodic reviews and assessments to evaluate the effectiveness of the implemented initiatives and identify areas for improvement. In addition, we promote ESG as a recurring topic on the board agenda to facilitate ongoing oversight and discussion of ESG matters.

We prioritize continuous improvement and learning in our ESG approach.

Lessons learned from previous investments and industry developments inform the refinement of our ESG action plans and strategies. We stay abreast of evolving ESG frameworks, regulatory requirements, and industry trends to help keep our action plans relevant and effective. Through ongoing engagement, monitoring, and evaluation, we aim to drive positive ESG outcomes and create long-term value for our investments.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PE 12	CORE	OO 21	PE 12.1	PUBLIC	Monitoring	1, 2

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

- (A) We assign the board responsibility for ESG matters**
 Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments**
 - (3) for a minority of our private equity investments
- (B) We ensure that material ESG matters are discussed by the board at least yearly**
 Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments**
 - (3) for a minority of our private equity investments
- (C) We provide training on ESG aspects and management best practices relevant to the portfolio company to C-suite executives only**
 Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments**
 - (3) for a minority of our private equity investments
- (D) We provide training on ESG aspects and management best practices relevant to the portfolio company to employees (excl. C-suite executives)**
 Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments**
 - (3) for a minority of our private equity investments
- (E) We support the portfolio company in developing and implementing its ESG strategy**

Select from dropdown list

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

(F) We support portfolio companies by finding external ESG expertise, e.g. consultants or auditors

Select from dropdown list

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

(G) We share best practices across portfolio companies, e.g. educational sessions or the implementation of environmental and social management systems

Select from dropdown list

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

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

Select from dropdown list

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

(I) Other

- (J) We do not ensure that adequate ESG-related competence exists at the portfolio company level

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

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

(A) Initiative 1

Diversity and inclusion (D&I) are considered essential elements of the responsible business approach within TowerBrook's portfolio companies. At one PortCo during the reporting year, TowerBrook through our board representation supported company initiatives to focus on building competence in D&I. The company has long recognized the significance of attracting, developing, and retaining talent from diverse backgrounds. Their current D&I strategy, launched in 2020, focuses on three primary priorities: celebrating diversity, raising awareness and providing education, and establishing employee networks to foster inclusion. These networks include dedicated groups addressing Race and Ethnicity, LGBTQ+, Disability, Body Image, and Gender, with additional sub-groups focusing on specific areas such as menopause and men's mental health.

The commitment to D&I is deeply embedded within the company's culture, extending throughout all levels of the organization. An Executive Board-level sponsor is appointed to oversee D&I efforts, receiving support from a dedicated Head of Culture and Inclusion, as well as a separate D&I Board. Moreover, senior leaders actively serve as prominent sponsors of the employee networks. During the reporting year, ongoing training initiatives are given high priority, covering essential aspects of D&I, including bias awareness, inclusive leadership, and understanding race. Notably, over 212 D&I training hours were conducted within the first six months of 2022. To promote LGBTQ+ inclusion, employees are encouraged to specify their preferred pronouns within the company's HR system.

(B) Initiative 2

In line with our environmental principles and goals, TowerBrook supported an automotive portfolio company in fostering a carbon reduction effort in 2022. In January 2022, the company underwent a restructuring to prioritize sustainability and launched the FIT4FUTURE program. This program aims to achieve net-zero emissions by 2040 and is based on six key principles. The company intends to make decarbonization a strategic priority and focuses on material carbon reduction rather than relying on carbon offsetting. The program is supported by a set of comprehensive Key Performance Indicators (KPIs) that hold equal importance to financial and commercial metrics. The PortCo aims for its improved carbon performance to be a distinguishing factor for the business.

EXIT

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

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

- (A) Our firm's high-level commitment to responsible investment, e.g. that we are a PRI signatory**
Select from dropdown list
 - (1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (B) A description of what industry and asset class standards our firm aligns with, e.g. TCFD**
Select from dropdown list
 - (1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (C) Our firm's responsible investment policy (at minimum, a summary of key aspects and firm-specific approach)**
Select from dropdown list
 - (1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (D) Our firm's ESG risk assessment methodology (topics covered in-house and/or with external support)**
Select from dropdown list
 - (1) for all of our private equity investments**
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments
- (E) The outcome of our latest ESG risk assessment on the asset or portfolio company**
Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments
 - (3) for a minority of our private equity investments**
- (F) Key ESG performance data on the asset or portfolio company being sold**
Select from dropdown list
 - (1) for all of our private equity investments
 - (2) for a majority of our private equity investments**
 - (3) for a minority of our private equity investments
- (G) Other

- (H) No responsible investment information was shared with potential buyers of private equity investments during the reporting year
- (I) Not applicable; we had no sales process (or control over the sales process) during the reporting year

DISCLOSURE OF ESG PORTFOLIO INFORMATION

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

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

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

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

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

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

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy

- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI**
 - (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL REVIEW

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

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

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