RESPONSIBLE INVESTING
REQUEST FOR INFORMATION

Firm Name: 17 Capital LLP

Completed By: Claire Hedley, ESG Director

Date Completed: 11/07/2022

PREAMBLE

In accordance with Queen's University's Responsible Investing Policy, as approved in May 2017, we require all of Queen's External Investment Managers to take due regard of environmental, social, and governance ("ESG") factors in making investment decisions. Managers will be asked to engage where appropriate and report to the University on their ESG activities on an annual basis.

Link to Responsible Investing Policy:
http://queensu.ca/secretariat/sites/webpublish.queensu.ca.uslcwww/files/files/policies/board/Responsible%20Investing%20Policy.pdf

To assist with our due diligence, we request that you respond to the following questions no later than July 30, 2021.

Note: Responses to this questionnaire will be posted in full on Queen's website.

GENERAL

1) Please provide your ESG-related policies.

The ESG Policy has been in place since 2014 and is updated periodically, with the most recent update in 2021.

2) Are sustainable investing and ESG factors integrated into your investment process and portfolio management decisions? If yes, please provide details.

For all potential investments, we identify whether there are any material ESG issues associated with the investment. Please see an overview of the process following:

Pre Investment Screening

Consideration of Exclusion list and Side letters

- During the screening phase, consideration is given to the Exclusion List to ensure that we do not make direct investments in companies that we consider to be incompatible with the 17Capital corporate values and the responsible investment approach of the firm.
- Review of investor side letters to ensure any "investment exclusions" are identified

Screening Questions

Screening questions include:

- Is the fund manager a signatory of the UN PRI or other ESG related standards?
- Do the underlying fund managers have appropriate controls in place for managing ESG risks?
- Are there any significant ESG issues or risks prevalent in the sectors in which the fund is invested?
- Do any of 17Capital's investors have particular sector exclusions and do the fund and its portfoli companies comply?

Draft Investment Memo

- Each Investment Memo has its own ESG section
- Initial results and potential issues are documented in the draft Investment Memos

IC Discussion

- The investment committee discusses the outcome from the screening and meetings.
- Where material issues are identified, the Investment Committee may request further action is taken to ensure these issues are properly investigated

Pre Investment Due Diligence

ESG Questionnaire

For all investments that pass screening, we identify whether there are any material ESG issues associated with the investmen We use the ESG Questionnaire as a control to guide this process.

The ESG Questionnaire identifies potential ESG risks including:

- Environmental concerns (with specific questions on climate change);
- Social concerns (incorporating community, supply chain, human resources and health and safety-related issues);
- Corporate governance and ethical concerns;

ESG Risk Assessment

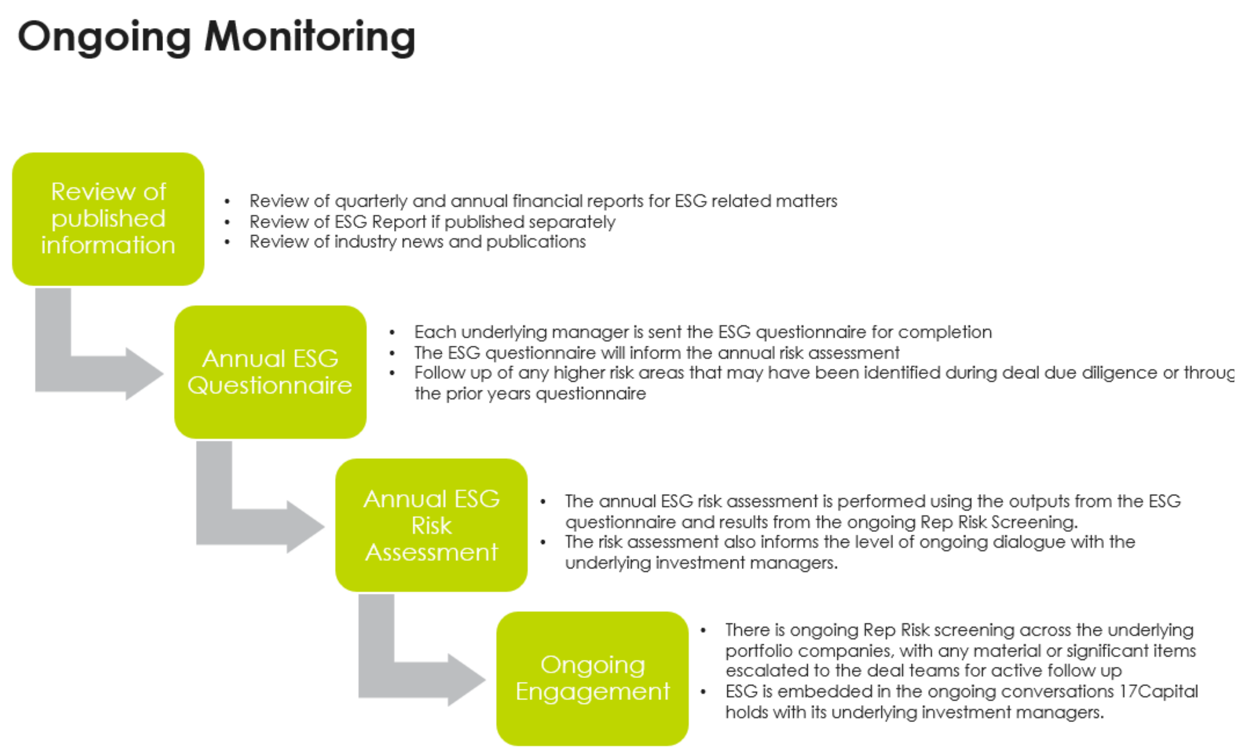
- Review and assess each ESG questionnaire response from the underlying fund manager;
- Rate the risk of each fund based on the initial screening information and the ESG questionnaire response;
- Discuss any significant ESG risks identified, including sectors with high ESG risks at interim Investment Committee meetings and detail specific ESG risks within a section of the draft Investment Memo

Rep Risk Screening

- The underlying portfolio of the investment is fully screened for any material ESG related matters using Rep Risk, which is an independent source of information.
- Any material or significant results are communicated to the deal team.

IC Discussion

- The Investment Committee will confirm that ESG-related issues have been explicitly assessed and ensure they are considered when making the investment decision.
- The Investment Committee may request specific ongoing monitoring actions to be taken following an investment.



3) a) Are you a signatory to the UNPRI?

Yes, 17Capital became a signatory of the UNPRI in April 2021.

b) If you are signatory to other coalitions, please list them.

In addition to UNPRI, 17Capital is a member of the following coalitions/organizations and fully endorses and adheres to their respective codes of conduct:

- British Private Equity & Venture Capital Association (BVCA)
- Invest Europe
- ILPA Diversity in Action

c) Indicate any other international standards, industry guidelines, reporting frameworks, or initiatives that guide your responsible investing practices.

Please refer to question 3b)

4) Please describe how ESG oversight and integration responsibilities are structured at your firm, including the process for escalation of key ESG issues. How do you obtain ESG information/data (e.g. public information, third party research, reports and statements from the company, direct engagement with the company)?

Augustin Duhamel (Managing Partner) is ultimately responsible for the oversight of ESG at 17Cpaital. In June 2022, Claire Hedley joined 17Capital as newly appointed ESG Director and is responsible for 17Capital's ESG strategy and implementation. Augustin and Claire are supported by the ESG Committee which comprises senior team members from across 17Capital. Members of the ESG Committee are:

- Augustin Duhamel (Managing Partner)

- Claire Hedley (ESG Director)
- Fokke Lucas (Partner, Investments)
- Alison Franklin (Head of People & Talent)
- Alex Walker (Director of Marketing & Communications)
- Myriam Vander Elst (Supervisory Board member)
- George Lee (Committee Secretary, IR)

The ESG Committee meets regularly to discuss the progress of existing initiatives and any new ESG related initiatives that could be implemented within the firm.

For each investment, the specific deal team is responsible for identifying any ESG risks or opportunities and detailing them in the ESG section of the Investment Memorandum, which is presented to the Investment Committee.

Each deal team ensures that major ESG issues, if any, are identified at the due diligence stage of our investment decision process. The deal team can escalate issues to our ESG Director and work with the manager to seek to obtain further information on the ESG policy of our investment counterparties. At the end of the diligence process, the deal team will produce a full investment memorandum for the Investment Committee, which includes a specific section on their ESG findings.

The Investment Committee will confirm that ESG-related issues have been explicitly assessed and ensure they are considered when making the investment decision.

Where material issues are identified, the Investment Committee may request further action is taken to ensure these issues are properly investigated or require further actions to be taken following an investment.

As noted in question 2 above, we request each manager's ESG's policies and procedures for review, in addition to our proprietary ESG manager questionnaire and screening via RepRisk.

5) What channels do you use to communicate ESG-related information to clients and/or the public? Do you produce thought leadership (written reports and publications)? If so, is the information available to the public? Please provide links, if applicable.

We have a proactive approach to DEI within 17Capital by partnering with Inclusive Group, a globally recognized consultancy.

in Europe, we are engaging with BVCA and Level 20, both active organizations who are dedicated to improving diversity in the PE industry.

In the US, we are speaking on panels to increase awareness and were selected and are now partnering with AIF Global, an independent economic think tank concentrating on institutional investment policy with a strong focus on diversity and social impact.

We are also an ILPA Diversity in Action signatory, whereby we participate in regular roundtable discussions, working groups and surveys to provide the industry on DEI topics and best practices that will move private markets forward.

6) Do you have periodic reviews of your ESG process/approach to assess its effectiveness? What are the results? What would cause you to disregard ESG issues in your investment/analysis decisions?

The 17Capital ESG policy was last updated in 2021. We review and update our procedures for managing ESG in the investment decision process on a regular basis. The ESG Committee meets frequently to discuss the progress of existing initiatives and any new initiative that could be implemented within the firm.

For each investment, the specific deal team are responsible for identifying any ESG risks or opportunities and detailing them in the ESG section of the Investment Memorandum, which is presented to the Investment Committee. ESG is also part of the 17Capital investment checklist so must be considered on each deal.

We also recently hired Claire Hedley as ESG Director, who over the next few months will review the ESG process and approach and make recommendations.

CLIMATE

7) Describe how you identify, assess, and manage climate-related risks.

Our ESG manager questionnaire is provided for new deals and to existing managers on an annual basis. The questionnaire includes a dedicated section on the environment and climate to help 17Capital seek to understand our counterparties' approach to managing ESG and climate risk. Climate specific topics covered include:

- Climate strategy and roadmap (at portfolio and management company level)
- Scenario analysis
- Public commitments on climate
- Governance of climate-related risks
- Carbon footprint analysis and reductions

Once the ESG Questionnaire has been completed, the following process is undertaken:

- Review and assess each ESG questionnaire response from the underlying fund manager
- Assess the ESG risk based (including climate) on the initial screening information and the ESG questionnaire response
- Review of the output from independent RepRisk screening
- Discuss significant ESG and/or climate risks identified, including sectors with high ESG risks at interim Investment Committee meetings and detail specific ESG risks within a section of the draft Investment Memo and minutes as appropriate
- Provide conclusion on ESG analysis in the Investment Memo

Our due diligence processes are designed to give us assurances over the management of ESG and climate at the fund and management company level, and significant ESG issues identified could result in non-investment.

8) Describe the climate-related risks and opportunities you have identified over the short, medium, and long term.

Please refer to the response of the above question. "Describe how you identify, assess, and manage climate-related risks".

9) Describe the resilience of your investment strategy, taking into consideration different climate-related scenarios.

The investment experience of 17Capital over the past decade (including the years immediately post GFC) demonstrates lower risk and greater resilience to economic and ESG-related concerns through the focus on high quality partners as well as business factors such as downside protection, low volatility, and early liquidity.

Regarding climate-related scenarios, 17Capital puts emphasis on investing alongside high quality, ESG-conscious organizations. It is important that our counterparties adhere to sustainable investment policies, as for example over 90% of our investments in Fund V are signatories to the UNPRI. Further, we keep a sector exclusion list, that entails sectors we refrain from investing in due to potential ESG concern.

Deal flow has also been resilient to economic cycles, as private equity investors seek flexible liquidity both during upturns and downturns, but for different reasons.

Investment resilience

The Fund will display the same resilience and will benefit from additional controls. Each loan advanced by the Fund will have a senior claim on a diversified portfolio of underlying companies and will include terms designed to provide significant downside protection: conservative LTV, robust maintenance covenants at portfolio level, appropriate security package, cash interest and mandatory repayment date.

- Lending against a diversified portfolio of companies with a conservative maximum LTV covenant provides downside protection for the Fund against significant negative performance of one or more individual underlying portfolio companies.
- The inclusion of robust maintenance covenants, regular cash interest payment dates and a mandatory repayment date provides the Fund, as Lender, with default triggers in the event of sufficient under-performance in the underlying portfolio and/or failure to pay by the counterparty.
- Default interest and transaction security incentivize the counterparty's good behavior and ultimately allow the Fund to affect some control if such non-performance remains uncured.

Deal flow resilience

17Capital believes its deal flow is also resilient to economic cycles, as its offer can be applied to both distressed and opportunistic situations. As such, the economic cycle impacts the source of the deal flow but does not fundamentally affect volumes or target returns.

During the lower points of the global financial crisis, 17Capital's largest source of deal flow was from private equity investors seeking liquidity to meet an obligation, for example to fund capital calls or repay debt. Project 1 completed in September 2010, is an example of a transaction which enabled the portfolio holder to meet future capital calls. The fund had an over-commitment strategy, but distributions had been insufficient to satisfy capital calls made by underlying funds.

As the economic climate improved, opportunistic situations have become more prevalent, with private equity investors seeking to take advantage of attractive investment opportunities. Project 2 completed in December 2013, is a good example of an opportunistic transaction. The senior team of a general partner wished to co-invest in one of its funds' transactions. 17Capital provided the capital to the team on the back of its interests in its own funds plus the new co-investment, allowing the team to participate in the transaction. Furthermore, in better economic times, portfolio holders are more focused on keeping the upside of their portfolios, which 17Capital's offer enables them to do.

Whilst the drivers for financing may change with the economic cycle, the deal flow volume is expected to remain robust.

10) Do you track the carbon footprint of portfolio holdings?

We engaged the services of an ESG Consultant who assessed the carbon footprint on a "top down" basis using revenue data, industry, and geographical classifications for a sample of 240 underlying portfolio companies that serve as security for the investments made by the 17Capital Funds. This was done for the period 1 July 2020 to 30 June 2021.

If yes, please describe the methodology and metrics used, and whether you have a set target for reducing the portfolio's footprint.

Given the above was performed on a sample basis, we are not yet in the position to disclose this information at this time and are working to define the most meaningful approach towards target setting.

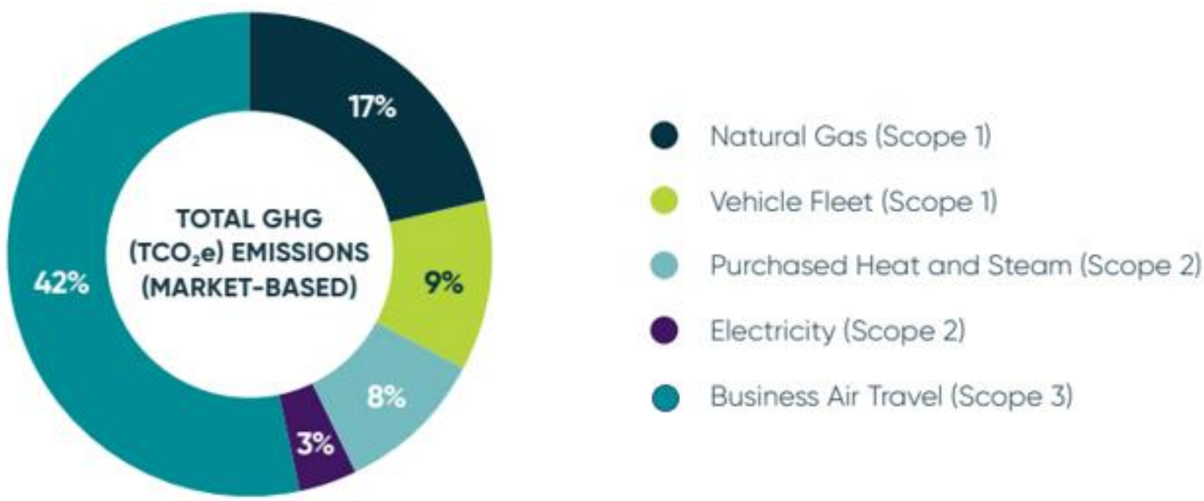
11) What are your firm's emissions? Please demonstrate how/whether you are taking steps to reduce these scenarios?

17Capital is committed to reducing the impact of our activities on the environment, through a combination of reducing and offsetting our GHG emissions, reducing the waste we generate and increasing energy efficiency. Steps we have taken include the following:

- Paper reduction exercises and monitoring paper usage: this has resulted in a significant reduction in use
- Video conferencing equipped meeting rooms to reduce travel
- Zero landfill policy
- Zero plastic bottles
- Motion sensor lighting
- iPads used for presentations to reduce printing

17Capital engaged with an environmental consultant in 2021 to establish and report on the GHG emissions that it controls (scopes 1 and 2), as well as the scope 3 emissions associated with air travel undertaken by its employees.

17Capital's 2021 footprint covers the period from 1 July 2020 to 30 June 2021 and was calculated in alignment with the GHG Protocol Corporate Accounting and Reporting Standard. We became carbon neutral by purchasing carbon credits through Natural Capital Partners, the leading experts on carbon neutrality and climate finance.



12) For the mandate you manage for Queen's, what percentage of equity holdings (if applicable) have credible net zero commitments?

In the 2021 updated annual ESG questionnaire for investment counterparties, data on climate commitments, including net zero, is requested. We expect to have more information on the underlying managers net zero commitments when we receive responses to the annual questionnaire later in 2022.

13) How do you assess the credibility of a company's emission reduction targets?

It is vital to 17Capital's investment strategy to only invest alongside high quality, ESG-conscious organizations. We seek to assess ESG policies and procedures through our thorough due diligence and dedicated ESG review process (See question 2 for details).

14) What forward-looking metrics do you use to assess an investment's alignment with global temperature goals?

Given the nature of the 17Capital investments (ie investments in existing fund managers), we are in the process of assessing the most meaningful approach with regards to forward-looking metrics on global temperature goals.

DIVERSITY

15) Please provide the composition of your senior leadership team and board of directors, including women and visible minorities. How do you encourage diversity of perspectives and experience?

Board of Directors

The Board of Directors is comprised of five independent Supervisory Board members, Carsten Eckert, Andy Moysiuk, Beverly Berman, Dee Dee Sklar and Myriam Vander Elst and the two Managing Partners, Pierre-Antoine de Selancy and Augustin Duhamel.

The main function of the board is to support and oversee the strategic development of 17Capital and its business. This includes fundraising, deal sourcing, recruitment, and corporate governance matters, such as the investment process and best practice valuation methodology.

We firmly believe in the superior performance of a diverse workforce, our people are from a range of backgrounds, cultures, education, experience, and perspectives. Our Supervisory board includes 2 female Senior Advisors, Beverly Berman, and Dee Dee Sklar, who bring a wealth of industry experience to the firm and are actively helping us to drive forwards on all fronts.

Not just within our Supervisory Board, but throughout the whole form Diversity & Inclusion (D&I) is a key focus for 17Capital

In Europe, we are engaging with ILPA and the BVCA, both active organisations regarding D&I, we are attending round tables and speaking on panels to increase awareness.

In the US, we were selected and are now partnering with AIF Global, an independent economic think tank concentrating on institutional investment policy with a strong focus on diversity and social impact.

As a firm we know it is important to integrate fair and equal treatment throughout our people processes particularly in relation to activities such as recruitment, reward and promotion and we will continue to do so. As of 31st of March 2022 this is reflected in the following female statistics:

- 42% of 17Capital's employees are female
- 24% of the 17Capital investment team are female

MONITORING

16) After making the decision to invest in a fund/company, what is your process for monitoring the investment's ESG performance during your ownership period?

In 2021, we implemented an annual ESG questionnaire for investment counterparties. For each of the 17Capital investments, an ESG questionnaire is sent to the underlying fund manager that requests comprehensive data on environmental, social and governance issues. We are actively collecting the data on an annual basis, in order to monitor potential risks, but also to be able to provide guidance and help our counterparties to become more sustainable.

17) How do you ensure that your investments' management devotes sufficient resources to ESG factors?

As part of the ESG diligence questionnaire we collect information about dedicated ESG resources at each firm as well as current and future ESG plans and assess whether the resources are appropriate for the size and strategy of the organization.

18) Do you engage with your investments' management teams on ESG issues? If so, please provide a recent example including the ultimate outcome.

17Capital invests in existing managers and funds instead of directly into underlying portfolio companies. This means 17Capital has a limited level of influence regarding the direct management of ESG at the underlying portfolio company level in most of its investments.

17Capital is committed to implementing appropriate management processes and controls to achieve responsible investment. 17Capital believes that doing so will add value to investors and the wider investment community.

As a provider of finance solutions, 17Capital's approach to managing ESG differs from those fund managers that make direct investments. The ESG policy is geared towards implementing controls to ensure awareness of and appropriately manage significant ESG risks in the investments at the time of acquisition, where it is possible to do so, and on an ongoing basis.

19) Does ESG performance influence your decision to exit an investment and/or reinvest with a fund manager?

For 17Capital, responsible investment means systematically integrating environmental, social, corporate governance, regulatory compliance, data safety and responsibility, and cultural and ethical considerations across all stages of the investment lifecycle, from pre-investment activities and through the post-investment holding period.

Before entering or re/investing with a manager each deal team ensures that major ESG issues, if any, are identified at the due diligence stage of our investment. Based on this diligence various past deal opportunities were rejected on the grounds of ESG-related concerns. For example, an investment that was turned down was on an advisor-led potentially large transaction with an established and institutionalized North American manager, in 2020. The manager is active predominantly in energy (including oil & gas) and mining sectors. After careful review of provided materials (both on the manager and underlying portfolio) and having consulted with members of our IC, the opportunity was declined at the initial IC consultation.

Such opportunities with high ESG concerns are typically filtered after deal team review of information. In the majority of cases, such opportunities do not reach investment committee discussion (declined beforehand).

Another example of an investment opportunity turned down due to ESG concerns, is a deal we declined because one of the key companies of the fund's portfolio was a Macao based casino group. Despite the quality of the manager and the promising key metrics of the deal, 17Capital declined the opportunity as our ESG policy prohibits us from investing into companies that operate gambling ventures.

For standing investments 17Capital's ESG policy is geared towards implementing controls to ensure awareness of and appropriately manage significant ESG risks in the investments at the time of acquisition, where it is possible to do so, and on an ongoing basis.

20) Do you measure whether your approach to ESG affected the financial performance of your investments? If yes, please describe your approach.

Not yet, but we will seek to consider the most suitable approach given that 17Capital does not have direct access to the underlying portfolio companies.