A 21st Century Take on Risk

- Albourne views ESG as a modern take on risk.
- It can be thought of as a ‘holistic’ risk framework which broadens the window frame and extends the time horizon of more traditional frameworks.
- The speed and ease of modern information flows, and corresponding decentralization of narratives, may be creating a more potent feedback effect from issues that affect a wider group of stakeholders than previously.
# A Take on the ESG/Sustainable Investing Spectrum

## ESG: Investors’ motives, objectives & approaches, Albourne’s focus, and funds in scope

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**Majority of Albourne’s Clients**

**Notes**
1. An Investor can occupy multiple points on this spectrum.
2. Socially Responsible Investing (SRI)

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ESG is integrated into our Investment Due Diligence (IDD) and Operational Due Diligence offerings (ODD). We also help our clients engage and participate in Sustainable Investing opportunities via our research and specialized due diligence services.

We help our clients evaluate the extent to which Sustainability considerations are integrated into risk management across their portfolios and their exposure to potentially Sustainability-challenged investments. We facilitate development of portfolios seeking financial and extra-financial (impact) returns to capital. We also provide governance advisory services and specialized training.

Clients can use our Portfolio Coverage service to collect the Albourne ESG Questionnaire, including Albourne’s ESGi Score, and the DEI Questionnaire across their portfolio funds.

“Integrating ESG into every aspect of our services is crucial to empowering our clients to be the best investors that they can be”

Dr. John Claisse, CEO
Industry Engagement & Advocacy

- **Albourne**: Core Supporter, SBAI
- **Albourne**: Special Member, Asset Management Association of China
- **Adrian Sales**: Member, Sound Practices Committee, AIMA
- **David Harmston**: Member, Board of Directors, Connecticut Hedge Fund Association
- **Debra Ng**: Member, Executive Committee, AIMA Singapore
- **Emlyn Palmer**: Member, Responsible Investment Working Group, SBAI
- **Gaurav Amin**: Co-chair, Working Group, The Open Protocol
- **Jessica Ross**: Member, SBAI EMEA Committee
- **John Claisse**: Member, Board of Trustees, SBAI
- **Jonathan Koerner**: Member, Advisory Committee, Alignment of Interests Association
- **Masaya Hara**: Member, Executive Committee, AIMA Japan
- **Richard Johnston**: Deputy Chair, Asia - Pacific (APAC) Regional Committee, SBAI
- **Stephen Kennedy**: Chair, Hedge Funds Steering Committee, UNPRI
- **Susan Lee**: Chair, Culture & Diversity Asia-Pacific Regional Committee, SBAI
- **Tom Cawkwell**: Member, Portfolio Company Template Working Group, ILPA

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Albourne DEI Initiatives

- **2012 MWBE Coverage Initiative**
  - Albourne MoatSpace manager portal - Hedge Funds self classify
  - Quarterly prime broker survey and manager outreach

- **2018 D&I/ESG Commandment**
  - Investor Manifesto II - Responsible investing: D&I & ESG Proposals
  - Initiated ILPA, AIMA and SBAI Discussions

- **2019 ODD ESG Section (Including D&I)**
  - Employment practices & diversity: Anti-harassment / Equal Pay / D&I Policy
  - Launched 2Q 2019

- **2020 AIMA D&I Questionnaire**
  - ILPA inspired with addition of ownership, veterans, persons w/disabilities and LGBTQ+ community plus additional policy questions
  - Launched 17 August 2020

- **2021 – 2022 Initiatives**
  - ILPA Diversity in Action initiative signatory
  - WK Kellogg Foundation Expanding Equity Program participant
  - Ongoing collaboration with AIMA, ILPA, SBAI and CFA Institute on D&I best practices and transparency
  - Further integration of the D&I Questionnaire into the ODD process
  - Engagement with industry organizations to support diverse manager sourcing

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