

Verifier Statement

Independent Verification Report

Prepared for Partners Group: 21 March 2022

Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles)¹, Partners Group engaged BlueMark to undertake an independent verification of the alignment of PG LIFE's impact management (IM) system with the Impact Principles. Partners Group's assets under management covered by the Impact Principles (Covered Assets) totals \$8,717million², for the period ending 02/2022.

Summary assessment conclusions

BlueMark has independently verified Partners Group's extent of alignment with the Impact Principles. Key takeaways from BlueMark's assessment are as follows:

Principle 1: PG LIFE aims to advance SDG-related impact and identifies target thematic strategies. At the transaction-level the firm uses industry research to develop logic models establishing company-level contribution to SDG-targets.

Principle 2: PG LIFE's IM Framework draws on the IMP's 5 dimensions. IM practices are detailed in the Impact Methodology and portfolio-level impact is presented in the Annual Report. To further align, the firm should align staff-incentive systems more explicitly to the achievement of impact.

Principle 3: PG LIFE aims to contribute to each investee as an active investor and the Impact Methodology includes a transaction-level ex-ante assessment of three elements of potential contribution. To further align, PG LIFE should compile more consistent evidence of investor contribution ex-post.

Principle 4: The Impact Committee (PLIC) assesses the expected impact of investments prior to voting on their inclusion in PG LIFE. PLIC decisions are informed by rigorous impact due diligence assessments aligned to a bespoke IM framework, which draws on the IMP's 5 Dimensions. PG LIFE uses impact metrics aligned to industry standards, where relevant.

Principle 5: PG LIFE utilises Partners Group's broader approach for assessing ESG factors and the ESG DD Assessment Tool integrates industry standards such as SASB and OECD. ESG factors are monitored annually for each investment via an ESG Survey and underperformance is considered within the transaction review process.

Principle 6: PG LIFE's Impact Methodology requires alignment with management on metrics and data collection plans within 100 days post investment. The firm reports on company progress in Annual Reports. To further align, PG should ensure consistency in their approach to setting targets and formalise a protocol in instances of underperformance.

Principle 7: PG LIFE have developed an Exit Framework outlining an assessment of the impact implications for each investment at or near the time of exit. To align further, PG should aim to consistently implement its exit framework and document consideration of relevant criteria within exit templates.

Principle 8: Annual Impact Reports document and review impact performance of each investment. Annual meetings with the LIFE Council convey a protocol for using review findings to make changes to management processes and investment decisions. To align further, the firm could offer a more detailed review of positive and negative unintended impacts.

¹ Principle 9 states that signatories "shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns."

² Assets under management figure as reflected in the 2022 Disclosure Statement as of 02/28/2022. BlueMark's assessment did not include verification of the AUM figure.

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Assessment methodology and scope

Partners Group provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system applicable to the Covered Assets. The scope of BlueMark’s work was limited to processes in place related to the Covered Assets as of 18 March, 2022. BlueMark’s assessment of the IM system included an evaluation of both the system itself and supporting documentation, as well as the consistency of the draft disclosure statement with the IM system. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.³

BlueMark’s full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IM system in relation to the Impact Principles, using BlueMark’s proprietary rubric, and examining processes and policies against the following criteria:
 - *Compliance* of the IM system with a threshold level of practice;
 - *Quality* of the IM system’s design in terms of its consistency and robustness; and
 - *Depth* of sub-components of the system, focused on completeness
2. Interviews with Partners Group staff responsible for defining and implementing the IM system;
3. Testing of selected Partners Group transactions to check the application of the IM system; and
4. Delivery of detailed assessment findings to Partners Group, outlining areas of strong alignment and recommended improvement, as well as BlueMark’s proprietary benchmark ratings on the extent of alignment to each of the Impact Principles.

Permissions

This statement, including our conclusions, has been prepared solely for Partners Group in accordance with the agreement between our firms, to assist Partners Group in fulfilling Principle 9 of the Operating Principles for Impact Management. We permit Partners Group to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate Partners Group’s alignment with the Operating Principles for Impact Management. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Partners Group for our work or this statement except where terms are expressly agreed between us in writing.

About BlueMark

BlueMark, a Tideline company, is a leading provider of impact verification services in the impact investing market. BlueMark was founded with a mission to “strengthen trust in impact investing” and to help bring more accountability to the impact investment process. BlueMark is a wholly owned subsidiary of Tideline Advisors, LLC, a certified women-owned advisory firm in impact investing. Since its founding in 2014, Tideline has become a recognized leader in impact measurement and management, working with leading asset owners and managers to design and implement impact management systems.

BlueMark has conducted this verification with an independent and unconflicted team experienced in relevant impact measurement and management issues. BlueMark has implemented a Standard of Conduct requiring our employees to adhere to the highest standards of professional integrity, ethics, and objectivity in their conduct of business activities.

BlueMark has office locations in London, UK; New York, NY; Portland, OR; and San Francisco, CA and is headquartered at 915 Battery St, San Francisco, CA 94111, USA. For more information, please visit www.bluemarktideline.com.

³ The scope of BlueMark’s assessment procedures does not include the verification of the resulting impacts achieved. BlueMark’s assessment is based on its analyses of publicly available information and information in reports and other material provided by Partners Group. BlueMark has relied on the accuracy and completeness of any such information provided by Partners Group. The assessment results represent BlueMark’s professional judgment based on the procedures performed and information obtained from Partners Group.