

PRINCIPAL RISKS AND UNCERTAINTIES

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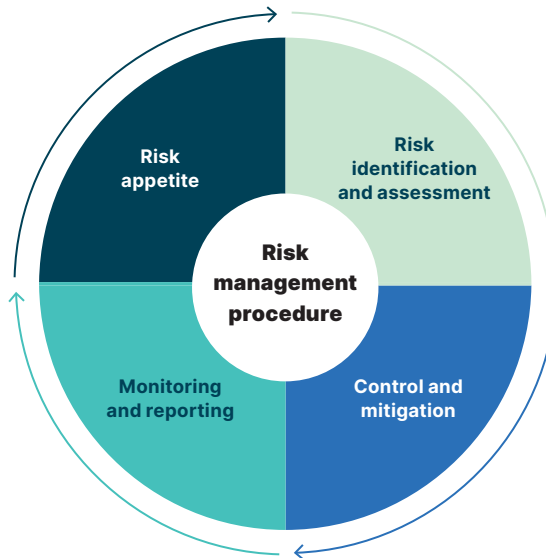
ANTHONY BICKERSTAFF
Audit and Risk Committee Chair



The Company is exposed to a variety of risks and uncertainties, and the Board is ultimately responsible for the risk management of the Company. It seeks to achieve an appropriate balance between mitigating risk and generating long-term sustainable risk-adjusted returns for shareholders. Integrity, objectivity and accountability are embedded in the Company's approach to risk management. The Board oversees the risk framework, through its Audit and Risk Committee, and undertakes a robust assessment and review of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.

The Company is reliant on the risk management frameworks of the Investment Manager and other key service providers, as well as on the risk management operations of each Portfolio Company. The Board manages risks through reports from the Investment Manager and other service providers and through regular updates on the operational and financial performance of Portfolio Companies.

For each principal risk, and for emerging risks, the likelihood and consequences are identified, and the management controls and frequency of monitoring are confirmed and reviewed during Audit and Risk Committee meetings. Please see on the next page a summary of the principal risks and their mitigation.



PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

RISK	DESCRIPTION OF RISK	MITIGATION
<p>Investment performance</p> <p>→ Level</p>	<ul style="list-style-type: none"> • A fall in demand for the Portfolio Companies' services or products below the levels used in underlying valuation assumptions could lead to adverse financial performance of the Portfolio Company. • Performance both below its target and not comparable to benchmark/industry average may lead to a fall in PINT's share price. • Consistently poor performance may lead to fall in share price and impact discount. 	<ul style="list-style-type: none"> • The Investment Manager conducts sensitivity analysis and demand stress testing in its due diligence on assets. • The Company co-invests alongside experienced Sponsors who work closely with the management teams of each Portfolio Company. • The investment strategy is to target assets that have the majority of their cash flows protected through contractual structures or regulatory underpinning, which limits demand risk. • The Board reviews the investment performance of the Company on a quarterly basis to ensure adherence to the investment policy.
<p>Market conditions and macroeconomic risk</p> <p>↑ Rising</p>	<ul style="list-style-type: none"> • Macroeconomic or market volatility, e.g. as the result of the Russian invasion of Ukraine, conflicts in the Middle East or trade wars, presents a significant threat to the global economy, resulting in a potential combination of high inflation, interest rates and uncertain supply chains, which flows through to pricing, valuations and Portfolio performance. • A change in market sentiment towards major trends such as AI or net zero carbon could affect the value of some of the Company's investments. • Change in foreign exchange rates may affect the value of the Company's investments. • Recession in Europe, the US or the UK could impact the growth prospects of one or more of the Portfolio Companies. • Rising inflation and interest rates may lead to higher financing costs for a Portfolio Company, which could adversely impact its profits. • Discount rates used in the valuation of investments may need to increase in line with increasing interest rates or for other reasons. 	<ul style="list-style-type: none"> • The Company targets a diversified infrastructure programme with exposures across sectors and geographies; historically, infrastructure sub-sectors have exhibited low to moderate correlation of returns relative to one another. • The Company has a foreign exchange hedging programme in place. • Portfolio Companies could put in place inflation protection by seeking to include inflation adjustment mechanisms in their contracts. • Certain Portfolio assets already provide inflation protection via contracted revenues linked to inflation. • Portfolio Companies could also put in place interest rate hedges. • Discount rates are reviewed regularly as part of quarterly valuations.
<p>Political and regulatory changes</p> <p>→ Level</p>	<ul style="list-style-type: none"> • Political actions and regulatory changes may adversely impact the operating and revenue structure of Portfolio Companies. • Complexity of government regulatory standards may result in litigation/disputes over interpretation and enforceability. 	<ul style="list-style-type: none"> • The Company predominantly targets investments in North America, Europe and Australasia which have broadly stable legal, political and regulatory regimes. • The Investment Manager conducts due diligence on the regulatory risks of a prospective Portfolio Company to ensure protections in the underlying contracts are in place.
<p>Share price trading below NAV</p> <p>→ Level</p>	<ul style="list-style-type: none"> • Market sentiment has resulted in the Company's share price trading below its NAV, which is currently preventing new equity capital raises. An inability to raise new equity capital is inhibitive to scaling the Portfolio. 	<ul style="list-style-type: none"> • Alternative forms of capital such as debt can be considered. • Opportunistic sale of targeted existing assets could also be considered. • The Company has in place a share buyback programme and has previously bought back shares. • The Investment Manager constantly targets new shareholders.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

RISK	DESCRIPTION OF RISK	MITIGATION
<p>Liquidity management, including level and cost of debt</p> <p>↓ Reducing</p>	<ul style="list-style-type: none"> Failure to manage the Company's liquidity position, including cash and credit facilities, could result in insufficient liquidity to pay dividends and operating expenses or to make new or support existing investments. High levels and cost of debt within the Company and/or the special purpose vehicles which invest in the Portfolio Companies could result in covenant breaches and/or increased volatility in the Company's NAV. 	<ul style="list-style-type: none"> Regular reporting of current and projected liquidity, under both normal and stress conditions. Liquidity availability is assessed when allocating new investment opportunities, taking into account various buffers and projected operating costs over the next 12 months. The Board and the Investment Manager review Company debt levels and covenants, on a quarterly basis, to ensure they stay within the leverage cap that has been established to limit exposure to debt-related risks. Debt levels within Portfolio Companies are reviewed by the Investment Manager as part of due diligence.
<p>Portfolio concentration risk</p> <p>→ Level</p>	<ul style="list-style-type: none"> Portfolio concentration risk in relation to exposure to individual assets, operators, geographies and asset types. This could impact NAV and ultimately affect the Company's targeted rate of return. 	<ul style="list-style-type: none"> The Board conducts quarterly reviews of the investment portfolio against the Company's investment policy and criteria. Investment restrictions outlined in the investment policy are designed to reduce portfolio concentration risk. The Company currently has a balanced portfolio of 14 investments across the infrastructure sub-sectors it targets.
<p>Valuation risk</p> <p>→ Level</p>	<ul style="list-style-type: none"> In valuing its investments in Portfolio Companies and publishing its NAV, the Company relies to a significant extent on the accuracy of financial and other information provided by underlying Sponsors to the Investment Manager. There is the potential for inconsistency in the valuation methods adopted by Sponsors of these companies and/or for valuations to be misstated. 	<ul style="list-style-type: none"> The valuation of investments is based on periodically audited valuations that are provided by Sponsors. Pantheon carries out a formal valuation process involving quarterly reviews of valuations, the verification of audit reports and a review of any potential adjustments required to ensure reasonable valuations in accordance with fair market value principles under Generally Accepted Accounting Principles (GAAP); where appropriate these are independently verified. Valuations are starting to be validated by realisations of the underlying Portfolio Companies.
<p>Investment Manager</p> <p>→ Level</p>	<ul style="list-style-type: none"> An over-reliance on the Investment Manager. A failure of the Investment Manager to retain or recruit appropriately qualified personnel, or put in place an appropriate succession plan, may have a material adverse effect on the Company's overall performance. 	<ul style="list-style-type: none"> The Board performs an ongoing review of the Investment Manager's performance in addition to a formal annual review. Pantheon continues to invest in its talent and regularly considers succession planning.
<p>Tax status and legislation</p> <p>→ Level</p>	<ul style="list-style-type: none"> Failure to observe requirements to maintain investment trust tax status in the UK. Failure to understand tax risks when investing or divesting could lead to tax exposure or financial loss. Changes in tax legislation in jurisdictions relevant to the Company, including the US, that could impact tax outcomes. 	<ul style="list-style-type: none"> The Board, through the Company Secretary, ensures that the Company meets the criteria to maintain the current investment trust status of the Company. The Board has engaged a third party to provide taxation advice and Pantheon's investment process incorporates the assessment of tax risk, including consideration of cross-border tax issues where relevant.

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

RISK	DESCRIPTION OF RISK	MITIGATION
Third-party providers → Level	<ul style="list-style-type: none"> Poor performance by third-party service providers could result in an inability to perform key functions (e.g. reporting, record keeping etc.) effectively. This could result in the loss of Company information, errors in published information or damage to its reputation. 	<ul style="list-style-type: none"> The Board reviews and signs off contractual arrangements with all key service providers. The Board receives reports on any issues that have arisen with key service providers (being the Administrator, Auditor, Broker, Depositary, Custodian/Banker and Registrar) and considers the performance of the key service providers at least annually.
Cyber security → Level	<ul style="list-style-type: none"> Cyber security risk which could arise from a hacking or ransom event, or the reputational damage from theft or loss of confidential data through cyber hacking. 	<ul style="list-style-type: none"> The Audit and Risk Committee reviews service providers' cyber security arrangements, controls and business continuity processes to ensure any data loss is mitigated and reputational damage is minimised. The Investment Manager provides periodic Board training and briefings.
Climate change → Level	<ul style="list-style-type: none"> Climate change causing physical and transition risks could impact the financial performance of the Portfolio. Physical risks arising from extreme weather events could impact the operations of a Portfolio Company. In addition, transition risk in terms of policy, legal, technological, market and reputation risks could negatively impact the operations of the assets. 	<ul style="list-style-type: none"> The Investment Manager conducts due diligence in relation to climate change matters before making investment decisions. The Company invests in assets with strong management teams that have a track record of actively managing physical risks such as maintenance schedules. The Company has in place a Sustainability Policy, including taking account of sector exclusions.
Global geopolitical risk ↑ Rising	<ul style="list-style-type: none"> Geopolitical turbulence (e.g. trade wars, Ukraine/Russia, Israel/Iran conflict): medium and long-term impact of global economies, including energy prices and interest rates, and individual companies to which the Company has exposure. New or increasing geopolitical risks including further conflict, supply chain disruption (e.g. Strait of Hormuz), sanctions, new legislation (e.g. US tariffs), investment restrictions, impact of new global world order. Market and currency volatility may affect returns. Geopolitical undercurrents may disrupt long-term investment and capital allocation decision-making. 	<ul style="list-style-type: none"> Pantheon continuously monitors geopolitical developments and societal issues relevant to its business and PINT's investments. Assessment of exposures to impacted assets and monitoring of overall programme against industry benchmarks. The Company monitors the impact of geopolitical trends on the overall Portfolio as well as on individual sectors and companies. Portfolio Companies are in OECD countries.