



PRIVATE RI REPORT

2021 PILOT

Lloyd Fonds AG

Generated 2022-08-18

About this report

The PRI Reporting Framework helps to build a common language and industry standard for reporting responsible investment activities.

This **Private RI Report** is an export of your responses to the PRI Reporting Framework during the 2021 reporting period. It shows your responses to all completed indicators, even those you chose to keep private. It is designed for your internal review or – if you wish – to share with your stakeholders. The **Private RI Report** supports dialogue within your organisation, as well as with your clients, beneficiaries and other stakeholders if you chose to share it externally.

You will also receive a **Public RI Report**, which only includes responses to mandatory indicators and responses to voluntary indicators that you agreed to make public. Unlike this **Private RI Report**, the **Public RI Report** will be publicly available on the PRI website.

The information is presented exactly as it was reported. Where an indicator offered a multiple-choice response, all options that were available to select from are included for context. While presenting the information verbatim results in lengthy reports, the approach is informed by signatory feedback that signatories prefer that the PRI does not summarise the information.

Context

In consultation with signatories, between 2018 and 2020 the PRI extensively reviewed the Reporting and Assessment processes and set the ambitious objective of launching in 2021 a completely new investor Reporting Framework, together with a new reporting tool.

We ran the new investor Reporting and Assessment process as a pilot in its first year, and such process included providing additional opportunities for signatories to provide feedback on the Reporting Framework, the online reporting tool and the resulting reports. The feedback from this pilot phase has been, and is continuing to be analysed, in order to identify any improvements that can be included in future reporting cycles.

PRI disclaimer

This document presents information reported directly by signatories in the 2021 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.

Table of Contents

Module/Indicator	Page
Senior Leadership Statement (SLS)	4
Organisational Overview (OO)	8
Investment and Stewardship Policy (ISP)	21
Listed Equity (LE)	57
Fixed Income (FI)	73
Sustainability Outcomes (SO)	88

Senior Leadership Statement (SLS)

Senior leadership statement

Our commitment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S1	CORE	N/A	N/A	PUBLIC	Our commitment	GENERAL

- **Why does your organisation engage in responsible investment?**
- **What is your organisation's overall approach to responsible investment?**
- **What are the main differences between your organisation's approach to responsible investment in its ESG practice and in other practices, across asset classes?**

(1) At Lloyd Fonds AG, we are convinced that a comprehensive structural change of the existing economic model, using fewer resources and causing less environmental and social damage, is necessary, if prosperity is to be secured for future generations in an environment worth living in. This transformation to a more sustainable economy requires ambitious transition strategies by companies of the real economy, constructively challenged and supported by the financial sector, not least by professional investors as stewards of capital. Lloyd Fonds AG is committed to contribute its part. At the company level, relevant ESG aspects are therefore incorporated in our strategy and business conduct. Given that finance essentially is a business of trust, we attribute utmost importance to reputational integrity and good governance, which encompasses economic, environmental and social responsibility.

(2) We understand sustainability as an overarching approach on three essential levels of implementation: Firstly, our sustainability strategy is reflected in each of our three business areas. Secondly, in our active fund management segment we have fully integrated ESG analysis in the investment process with a particular emphasis on achieving specific sustainability impacts, along the lines of the SDGs. Thirdly, we are convinced that for any responsible investment approach to be credible sustainability requires a top-level commitment. For Lloyd Fonds AG, sustainability therefore is a responsibility of the executive board and a core element of the corporate strategy. We have identified eight SDGs that we feel particularly attached to and which we have mapped to the individual business activities and organisational units. For public visibility and the consistent implementation of our sustainability strategy, we have entered into various partnerships and commitments. Among these, besides being a signatory of the PRI, our partnership with the WWF Germany stands out as it underlines and supports our approach to the ecological transition of investee companies.

(3) We are convinced that sustainable investment solutions should be forward-looking and fully integrated into the investment process as well as emphasize and encourage the ability of companies to transform their businesses thereby achieving impact against transition targets based on the SDGs and the Paris accord on climate. Therefore, integration, transformation and impact are the guiding principles of our responsible investment approach. Rather than focusing on negative lists and exclusions we take a positive, constructive view towards investee companies' strive to change their business models and achieve sustainability targets, not least because they can also offer an attractive risk-return profile for investors along the way. We also believe that through active, direct or collaborative engagement the transformation to more sustainability can be better accelerated than by simple divestment.

Annual overview

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S2	CORE	N/A	N/A	PUBLIC	Annual overview	GENERAL

- 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. This might involve e.g. outlining your single most important achievement, or describing your general progress, on topics such as the following:
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policy makers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

In 2020, the sustainability strategy of Lloyd Fonds AG was further expanded. To support a consistent sustainability positioning, we entered a strategic partnership with WWF Germany on 1 January 2020. All mutual funds in our active fund management business segment (LLOYD FONDS) now fulfil the criteria of the UN Global Compact and integrate relevant ESG aspects into their active security selection. Our ambitious understanding of sustainability is comprehensively implemented in our global equity income fund, Lloyd Fonds - Green Dividend World. The fund is in line with Article 9 of the Disclosure Regulation as it strives for sustainable investment in all its holdings. In its stock selection, the global dividend fund focuses on companies that offer an attractive risk-return profile and an above-average payout, while also making a positive net contribution to the environment-related goals of the SDGs. Together with WWF Germany, 30 sub-goals of 10 SDGs with environmental relevance were identified for this purpose, including water and wastewater management, climate and energy or the responsible use of resources. In the assessment of a company's future SDG contribution, all its services, products, production processes and supply chains come under scrutiny.

Its innovative sustainable investment approach, which aims for positive impact, provides the lead for our other mutual funds where the approach is adapted to suit their respective fund concepts and investment processes. For example, our bond funds Lloyd Fonds - Special Yield Opportunities and Lloyd Fonds - ASSETS Defensive Opportunities have integrated the focus on the ecological SDGs into their selection process. Their risk management approach was also expanded to include ESG factors by setting minimum criteria for their investments, such as the requirement that issuers have a reputation rating of at least BBB on average, similar to credit ratings. Furthermore, for our more defensive, distribution-oriented multi-asset fund Lloyd Fonds - Global Multi Asset Sustainable the selection process in both, equities and bonds, was enhanced to include companies with a positive contribution to the SDGs. In addition to the 30 environmental sub-goals, the fund considers a further 10 socially relevant ones. In our second business segment LAIC (our WealthTech providing digital investment solutions) two of the five funds managed by our proprietary algorithm were launched in May 2020 with sustainability features: LAIC - Sustainable Digital Selection AC and LAIC - Sustainable Digital Selection EM). For individual investment accounts managed by the algorithm ("My Portfolio Selection" – the offering was introduced in April 2020) clients can select a preference for sustainable investments. In our third business segment LLOYD WEALTH (individual wealth management solutions), we integrate the clients' sustainability preferences into their portfolios.

On a corporate level, we started in 2020 to make our own contribution to the CO2-neutral transition of the economy by reducing and offsetting our company-specific CO2 emissions. According to our own calculations, carried out for the first time, the CO2 emissions of the operations of the Lloyd Fonds Group amounted to around 270 tons in 2020. The calculation process was validated by Prof. Dr. Timo Busch, Research Group on Sustainable Finance at the University of Hamburg. The calculation helped identify the biggest levers for CO2 reduction measures in future. For 2020, we compensated the CO2 emissions through reforestation projects near our headquarters..

Next steps

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S3	CORE	N/A	N/A	PUBLIC	Next steps	GENERAL

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

We - enhance the sustainability features of our funds with a more granular focus on impact. - measure and monitor CO2 transition paths for our fund holdings using our own Digital Asset Platform 4.0. - add analytical capacity for more detailed proprietary analysis of SDG impacts in our security selection. - expand our engagement process with more environmental and social targets and a wider scope of engagements. - develop a science-based target over the next two years for CO2-reduction across our portfolio holdings, following our commitment to the SBTi as the first independent investment firm in Germany. - implement reduction measures for the CO2 emissions from our business operations. - broaden the know-how about responsible investment within the firm by trainings and qualifications.

Endorsement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1 S4	CORE	N/A	N/A	PUBLIC	Endorsement	GENERAL

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 Michael Schmidt

Position Chief Investment Officer

Organisation's name Lloyd Fonds AG

● This endorsement is for the Senior Leadership Statement only and is not an endorsement of the information reported by Lloyd Fonds AG in the various modules of the Reporting Framework. The Senior Leadership Statement is simply provided as a general overview of Lloyd Fonds AG's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such, and 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.

Organisational Overview (OO)

Organisational information

Categorisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	Signatory category	Multiple, see guidance	PUBLIC	Categorisation	GENERAL

Select the type that best describes your organisation or the services you provide.

(O) Fund management

(1) This is our only (or primary) type

(P) Fund of funds, manager of managers or sub-advised products

(2) This is an additional (secondary) type

(R) Wealth management

(2) This is an additional (secondary) type

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 that are also PRI signatories in their own right?

☐ (A) Yes

☒ (B) No

Reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 3	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

Indicate the year-end date for your reporting year.

	Month	Day	Year
Reporting year end date:	December	31	2020

Assets under management

All asset classes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 4.1, OO 4.2	N/A	PUBLIC	All asset classes	GENERAL

What were your total assets under management (AUM) at the end of the indicated reporting year? Provide the amount in USD.

(A) AUM of your organisation, including subsidiaries	US\$ 2,036,986,000.00
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(B) AUM of subsidiaries that are PRI signatories in their own right and excluded from this submission	US\$ 0.00
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(C) AUM subject to execution, advisory, custody, or research advisory only	US\$ 0.00
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Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	Multiple, see guidance	Multiple, see guidance	PRIVATE	Asset breakdown	GENERAL

Provide a percentage breakdown of your total assets under management at the end of your indicated reporting year.

Percentage of AUM	
(A) Listed equity – internal	80.0%
(B) Listed equity – external	0.0%
(C) Fixed income – internal	20.0%
(D) Fixed income – external	0.0%
(E) Private equity – internal	0.0%
(F) Private equity – external	0.0%
(G) Real estate – internal	0.0%
(H) Real estate – external	0.0%
(I) Infrastructure – internal	0.0%
(J) Infrastructure – external	0.0%
(K) Hedge funds – internal	0.0%
(L) Hedge funds – external	0.0%
(M) Forestry – internal	0.0%
(N) Forestry – external	0.0%
(O) Farmland – internal	0.0%

(P) Farmland – external	0.0%
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(Q) Other – internal, please specify:	0.0%
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(R) Other – external, please specify:	0.0%
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(S) Off-balance sheet – internal	0.0%
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(T) Off-balance sheet – external	0.0%
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2 LE	CORE	OO 5, OO 5.1	Multiple, see guidance	PRIVATE	Asset breakdown	GENERAL

Provide a further breakdown of your listed equity assets.

(A) Internal allocation

(1) Passive equity	0.0%
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(2) Active – quantitative	0.0%
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(3) Active – fundamental	100.0%
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(4) Investment trusts (REITs and similar publicly quoted vehicles)	0.0%
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(5) Other, please specify:	0.0%
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2 FI	CORE	OO 5, OO 5.1	Multiple, see guidance	PRIVATE	Asset breakdown	GENERAL

Provide a further breakdown of your fixed income assets.

(A) Internal allocation

(1) Passive – SSA	0.0%
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(2) Passive – corporate	0.0%
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(3) Passive – securitised	0.0%
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(4) Active – SSA	0.0%
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(5) Active – corporate	100.0%
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(6) Active – securitised	0.0%
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(7) Private debt	0.0%
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ESG strategies

Listed equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 LE	CORE	OO 5.2 LE	OO 6.1 LE, LE 13	PRIVATE	Listed equity	1

Which ESG incorporation strategy and/or combination of strategies do you apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity:

(A) Screening alone 0.0%

(B) Thematic alone 0.0%

(C) Integration alone 0.0%

(D) Screening and integration 0.0%

(E) Thematic and integration 0.0%

(F) Screening and thematic 0.0%

(G) All three strategies combined 100.0%

(H) None 0.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6.1 LE	CORE	OO 6 LE	LE 8	PRIVATE	Listed equity	1

What type of screening is applied to your internally managed active listed equity assets?

Percentage coverage out of your total listed equities where screening strategy is applied

(A) Positive/best-in-class screening only	0.0%
(B) Negative screening only	0.0%
(C) A combination of positive/best-in-class and negative screening	100.0%

Fixed income

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6 FI	CORE	OO 5.2 FI	Multiple, see guidance	PRIVATE	Fixed income	1

Which ESG incorporation strategy and/or combination of strategies do you apply to your internally managed active fixed income?

(2) Fixed income – corporate

(A) Screening alone	0.0%
(B) Thematic alone	0.0%
(C) Integration alone	0.0%
(D) Screening and integration	0.0%
(E) Thematic and integration	0.0%
(F) Screening and thematic	0.0%
(G) All three strategies combined	100.0%
(H) None	0.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6.1 FI	CORE	OO 6 FI	N/A	PRIVATE	Fixed income	1

What type of screening is applied to your internally managed active fixed income?

(2) Fixed income – corporate

(A) Positive/best-in-class screening only 0.0%

(B) Negative screening only 0.0%

(C) A combination of positive/best-in-class and negative screening 100.0%

Stewardship

Listed equity

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 LE	CORE	OO 5, OO 5.2 LE	Multiple, see guidance	PUBLIC	Listed equity	2

Does your organisation conduct stewardship activities for your listed equity assets?

(1) Engagement on listed equity – active

(3) (Proxy) voting on listed equity – active

(A) Through service providers

☐
☒

(C) Through internal staff

☒
☒

(D) Collaboratively

☒
☐

(E) We did not conduct this stewardship activity

☐
☐

Fixed income

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 FI	CORE	OO 5, OO 5.2 FI	Multiple, see guidance	PUBLIC	Fixed income	2

Does your organisation conduct stewardship activities for your fixed income assets?

(5) Active – corporate

(A) Through service providers

☐

(C) Through internal staff

☒

(D) Collaboratively

☒

(E) We did not conduct this stewardship activity for this strategy/asset type

☐

ESG incorporation

Internally managed assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 10	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Internally managed assets	1

For each internally managed asset class, select whether or not you incorporate ESG into your investment decisions.

(1) ESG incorporated into investment decisions

(2) ESG not incorporated into investment decisions

(C) Listed equity – active – fundamental

☒
☐

Voluntary reporting

Voluntary modules

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	Multiple, see guidance	Multiple, see guidance	PUBLIC	Voluntary modules	GENERAL

The following modules are mandatory to report on as they account for 10% or more of your total AUM or are over USD 10 billion. The ISP (Investment and Stewardship Policy) module is always applicable for reporting.

(1) Yes, report on the module

ISP: Investment and Stewardship Policy



(A) Listed equity



(C) Fixed income – corporate



ESG/sustainability funds and products

Labelling and marketing

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16	CORE	Multiple, see guidance	Multiple, see guidance	PRIVATE	Labelling and marketing	GENERAL

What percentage of your assets under management in each asset class are ESG/sustainability marketed funds or products, and/or ESG/RI certified or labelled assets? Percentage figures can be rounded to the nearest 5% and should combine internally and externally managed assets.

Percentage

(B) Listed equity – active

5.0%

(D) Fixed income – active

0.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 16.1	CORE	OO 16	ISP 52	PRIVATE	Labelling and marketing	GENERAL

What percentage of your total assets (per asset class) carry a formal ESG/RI certification or label? Percentage figures can be rounded to the nearest 5%.

Coverage of ESG/RI certification or label:

(A) Listed equity

0.0%

Climate investments

Asset breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17	CORE	N/A	N/A	PRIVATE	Asset breakdown	GENERAL

What percentage of your assets under management is in targeted low-carbon or climate-resilient investments?

0.0%

Other asset breakdowns

Geographical breakdown

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	Multiple, see guidance	N/A	PRIVATE	Geographical breakdown	GENERAL

What is the geographical breakdown of your organisation's assets under management by investment destination (i.e. where the investments are located)?

	(1) Listed equity	(3) Fixed income – corporate
(A) Developed	100.0%	100.0%
(B) Emerging	0.0%	0.0%
(C) Frontier	0.0%	0.0%
(D) Other	0.0%	0.0%

Fixed income constraints

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20	CORE	OO 5.2 FI	OO 20.1	PRIVATE	Fixed income constraints	GENERAL

What percentage of your fixed income assets are subject to constraints? The constraints may be regulatory requirements, credit quality restrictions, currency constraints or similar.

Internal and external fixed income assets subject to constraints

(B) Fixed income – corporate	100.0%
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Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 20.1	CORE	OO 20	N/A	PRIVATE	Fixed income constraints	GENERAL

Describe the constraints to your fixed income assets.

Fixed income constraints

(B) Fixed income – corporate	As our fixed income investments are carried out within UCITs investment funds the respective regulatory requirements and constraints apply.
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Investment and Stewardship Policy (ISP)

Responsible investment policy & governance

Responsible investment policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1	CORE	N/A	ISP 1.1, ISP 1.2	PUBLIC	Responsible investment policy	1

Does your organisation have a formal policy or policies covering your approach to responsible investment? Your approach to responsible investment may be set out in a standalone guideline, covered in multiple standalone guidelines or be part of a broader investment policy. Your policy may cover various responsible investment elements such as stewardship, ESG guidelines, sustainability outcomes, specific climate-related guidelines, RI governance and similar.

- ☒ (A) Yes, we do have a policy covering our approach to responsible investment
- ☐ (B) No, we do not have a policy covering our approach to responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.1	CORE	ISP 1	Multiple, see guidance	PUBLIC	Responsible investment policy	1

What elements does your responsible investment policy cover? The responsible investment elements may be set out in one or multiple standalone guidelines, or they may be part of a broader investment policy.

- ☒ (A) Overall approach to responsible investment
- ☐ (B) Guidelines on environmental factors
- ☐ (C) Guidelines on social factors
- ☐ (D) Guidelines on governance factors
- ☒ (E) Approach to stewardship
- ☒ (F) Approach to sustainability outcomes
- ☒ (G) Approach to exclusions
- ☐ (H) Asset class-specific guidelines that describe how ESG incorporation is implemented
- ☒ (I) Definition of responsible investment and how it relates to our fiduciary duty
- ☒ (J) Definition of responsible investment and how it relates to our investment objectives
- ☐ (K) Responsible investment governance structure

- ☒ (L) Internal reporting and verification related to responsible investment
- ☐ (M) External reporting related to responsible investment
- ☒ (N) Managing conflicts of interest related to responsible investment
- ☐ (O) Other responsible investment aspects not listed here, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 1.2	PLUS	ISP 1	N/A	PUBLIC	Responsible investment policy	1

What mechanisms do you have in place to ensure that your policies are implemented in an aligned and consistent way across the organisation?

Sustainability is a core element of Lloyd Fonds AG's business strategy. Chief Investment Officer Michael Schmidt is responsible on the management level for the further development of the sustainability strategy. He also ensures the implementation of the ISP through the general meeting and reporting structure of the investment team. Given the small size of our company and the flat hierarchies. We do not see the necessity for additional formal mechanisms.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 2	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	6

Indicate which of your responsible investment policy elements are publicly available and provide links.

- ☒ (A) Overall approach to responsible investment. Add link(s):

<https://www.lloydfonds.de/investorrelations/corporategovernance/#wwfpartnerschaft-1-1-1> <https://www.spsw-capital.com/nachhaltigkeit.php> <https://www.lange-assets.de/unsere-nachhaltigkeit/> <https://laic.de/nachhaltigkeit>

- ☐ (E) Approach to stewardship. Add link(s):
- ☐ (F) Approach to sustainability outcomes. Add link(s):
- ☐ (G) Approach to exclusions. Add link(s):
- ☐ (I) Definition of responsible investment and how it relates to our fiduciary duty. Add link(s):
- ☐ (J) Definition of responsible investment and how it relates to our investment objectives. Add link(s):
- ☐ (L) Internal reporting and verification related to responsible investment. Add link(s):
- ☐ (N) Managing conflicts of interest related to responsible investment. Add link(s):
- ☐ (P) Our responsible investment policy elements are not publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 3	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

What percentage of your total assets under management are covered by your policy elements on overall approach to responsible investment and/or guidelines on environmental, social and governance factors?

- (A) Overall approach to responsible investment

AUM coverage of all policy elements in total:

100.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 4	CORE	ISP 1.1	N/A	PUBLIC	Responsible investment policy	1

Which elements does your exclusion policy include?

- ☒ (A) Legally required exclusions (e.g. those required by domestic/international law, bans, treaties or embargoes)
- ☐ (B) Exclusions based on our organisation's values or beliefs (e.g. regarding weapons, alcohol, tobacco and/or avoiding other particular sectors, products, services or regions)
- ☒ (C) Exclusions based on screening against minimum standards of business practice based on international norms (e.g. OECD guidelines, the UN Human Rights Declaration, Security Council sanctions or the UN Global Compact)

Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 6	CORE	N/A	ISP 8	PUBLIC	Governance	1

Do your organisation's board, chief-level staff, investment committee and/or head of department have formal oversight and accountability for responsible investment?

- ☒ (A) Board and/or trustees
- ☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- ☐ (C) Investment committee
- ☐ (D) Other chief-level staff, please specify:
- ☐ (E) Head of department, please specify department:
- ☐ (F) None of the above roles have oversight and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 7	CORE	N/A	ISP 8	PUBLIC	Governance	1

In your organisation, which internal or external roles have responsibility for implementing responsible investment?

- ☐ (A) Board and/or trustees
- ☒ (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))
- ☐ (C) Investment committee
- ☐ (D) Other chief-level staff [as specified]
- ☐ (E) Head of department [as specified]
- ☒ (F) Portfolio managers
- ☒ (G) Investment analysts
- ☐ (H) Dedicated responsible investment staff
- ☐ (I) Investor relations
- ☒ (J) External managers or service providers
- ☒ (K) Other role, please specify:
Compliance Officer
- ☐ (L) Other role, please specify:
- ☐ (M) We do not have roles with responsibility for implementing responsible investment.

People and capabilities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8	CORE	ISP 6, ISP 7	ISP 8.1, ISP 8.2	PUBLIC	People and capabilities	General

What formal objectives for responsible investment do the roles in your organisation have?

	(1) Board and/or trustees	(2) Chief- level staff	(6) Portfolio managers	(7) Investment analysts	(10) External managers or service providers	(11) Other role
(A) Objective for ESG incorporation in investment activities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Objective for contributing to the development of the organisation's ESG incorporation approach	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) Objective for ESG performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other objective related to responsible investment [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) No formal objectives for responsible investment exist for this role	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.1	PLUS	ISP 8	N/A	PUBLIC	People and capabilities	General

Describe the key responsible investment performance indicators (KPIs) or benchmarks that your organisation uses to compare and assess the performance of your professionals in relation to their responsible investment objectives.

All mutual funds of Lloyd Fonds AG in the LLOYD FONDS segment meet the criteria of the UN Global Compact (UNGC). Compliance with the UNGC is measured monthly. Exclusion criteria are part of the pretrade compliance checks of the funds. In addition, all investment professionals are assessed yearly against their individual performance targets set for the business year, which forms the basis for their yearly variable compensation. In that assessment, responsible investment performance is by nature of our integration approach part of the fund performance evaluation as well as the qualitative assessment component.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 8.2	CORE	ISP 8	N/A	PUBLIC	People and capabilities	General

Which responsible investment objectives are linked to variable compensation for roles in your organisation?

RI objectives linked to variable compensation for roles in your organisation:

(2) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO))

(A) Objective for ESG incorporation in investment activities ☒

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(6) Portfolio managers

(A) Objective on ESG incorporation in investment activities ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(7) Investment analysts

(A) Objective for ESG incorporation in investment activities ☒

(C) Objective for contributing to the organisation's stewardship activities (e.g. through sharing findings from continuous ESG research or investment decisions) ☒

(11) Other role

(B) Objective for contributing to the development of the organisation's ESG incorporation approach ☒

(G) We have not linked any RI objectives to variable compensation ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 9	CORE	N/A	N/A	PUBLIC	People and capabilities	General

How frequently does your organisation assess the responsible investment capabilities and training needs among your investment professionals?

- ☐ (A) Quarterly or more frequently
- ☐ (B) Bi-annually
- ☒ (C) **Annually**
- ☐ (D) Less frequently than annually
- ☐ (E) On an ad hoc basis
- ☐ (F) We do not have a process for assessing the responsible investment capabilities and training needs among our investment professionals

Strategic asset allocation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 10	CORE	N/A	ISP 10.1	PUBLIC	Strategic asset allocation	1

Does your organisation incorporate ESG factors into your strategic asset allocation?

- ☐ (A) We incorporate ESG factors into calculations for expected risks and returns of asset classes
☐ (B) We specifically incorporate physical, transition and regulatory changes related to climate change into calculations for expected risks and returns of asset classes
☐ (C) No, we do not incorporate ESG considerations into our strategic asset allocation
☒ (D) Not applicable, we do not have a strategic asset allocation process

Stewardship

Stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 11	CORE	Multiple, see guidance	N/A	PRIVATE	Stewardship policy	2

What percentage of your assets under management does your stewardship policy cover?

(A) Listed equity 70.0%

(B) Fixed income 70.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12	CORE	ISP 1.1	ISP 12.1	PUBLIC	Stewardship policy	2

Which elements does your organisation's stewardship policy cover? The policy may be a standalone guideline or part of a wider RI policy.

- ☒ (A) Key stewardship objectives
- ☐ (B) Prioritisation approach of ESG factors and their link to engagement issues and targets
- ☐ (C) Prioritisation approach depending on entity (e.g. company or government)
- ☐ (D) Specific approach to climate-related risks and opportunities
- ☐ (E) Stewardship tool usage across the organisation, including which, if any, tools are out of scope and when and how different tools are used and by whom (e.g. specialist teams, investment teams, service providers, external investment managers or similar)
- ☐ (F) Stewardship tool usage for specific internal teams (e.g. specialist teams, investment teams or similar)
- ☐ (G) Stewardship tool usage for specific external teams (e.g. service providers, external investment managers or similar)
- ☐ (H) Approach to collaboration on stewardship
- ☐ (I) Escalation strategies
- ☐ (J) Conflicts of interest
- ☐ (K) Details on how the stewardship policy is implemented and which elements are mandatory, including how and when the policy can be overruled
- ☐ (L) How stewardship efforts and results should be communicated across the organisation to feed into investment decision-making and vice versa
- ☐ (M) None of the above elements are captured in our stewardship policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 12.1	PLUS	ISP 12	N/A	PUBLIC	Stewardship policy	2

Describe any additional details related to your stewardship policy elements or your overall stewardship approach.

The stewardship policy is built into the fund managers' investment decisions in a combination of individual elements related to the investment concept of each fund as well as our overall investment philosophy.

The fund managers share their views on single companies in regular exchanges, at least weekly. For holdings across several of our funds that represent either a significant share of our assets under management or a significant share of the equity capital of the investee company we implemented in 2020 a structured process to decide on engagement activities. The managing directors of the unit responsible for our active fund management segment LLOYD FONDS decide whether such holdings are to be classified as “engagement positions” to which we apply a long-term intense engagement process that could also involve active AGM engagement, including active contributions to non-executive board nominations. The engagement policy, all ongoing open engagement activities, in particular those related to the highlighted “engagement positions” are reviewed in a monthly engagement meeting. The regular monthly and quarterly internal meetings of our investment team (“Monthly Investment Cockpit Call” and “Quarterly Investment Workshop”) are used to update the whole team on the ongoing engagement activities and address stewardship issues on a more general level, e.g. related to thematic engagement topics or engagement procedures.

Stewardship policy implementation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 13	CORE	ISP 1.1	N/A	PUBLIC	Stewardship policy implementation	2

How is your stewardship policy primarily applied?

- ☐ (A) It requires our organisation to take certain actions
- ☐ (B) It describes default actions that can be overridden (e.g. by investment teams for certain portfolios)
- ☐ (C) It creates permission for taking certain measures that are otherwise exceptional
- ☒ (D) We have not developed a uniform approach to applying our stewardship policy

Stewardship objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 15	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship objectives	2

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

	(1) Listed equity	(2) Fixed income
(A) Maximise the risk–return profile of individual investments	<input type="radio"/>	<input type="radio"/>
(B) Maximise overall returns across the portfolio	<input type="radio"/>	<input type="radio"/>
(C) Maximise overall value to beneficiaries/clients	<input checked="" type="radio"/>	<input checked="" type="radio"/>
(D) Contribute to shaping specific sustainability outcomes (i.e. deliver impact)	<input type="radio"/>	<input type="radio"/>

Stewardship prioritisation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 16	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship prioritisation	2

What key criteria does your organisation use to prioritise your engagement targets? For asset classes such as real estate, private equity and infrastructure, you may consider this as key criteria to prioritise actions taken on ESG factors for assets, portfolio companies and/or properties in your portfolio. Select up to 3 options per asset class from the list.

	(1) Listed equity	(2) Fixed income
(A) The size of our holdings in the entity or the size of the asset, portfolio company and/or property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) The materiality of ESG factors on financial and/or operational performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Specific ESG factors with systemic influence (e.g. climate or human rights)	<input type="checkbox"/>	<input type="checkbox"/>
(D) The ESG rating of the entity	<input type="checkbox"/>	<input type="checkbox"/>
(E) The adequacy of public disclosure on ESG factors/performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific ESG factors based on input from clients	<input type="checkbox"/>	<input type="checkbox"/>
(G) Specific ESG factors based on input from beneficiaries	<input type="checkbox"/>	<input type="checkbox"/>
(H) Other criteria to prioritise engagement targets, please specify:	<input type="checkbox"/>	<input type="checkbox"/>

(I) We do not prioritise our engagement targets



Stewardship methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 17	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship methods	2

Please rank the methods that are most important for your organisation in achieving its stewardship objectives. Ranking options: 1 = most important, 5 = least important.

(A) Internal resources (e.g. stewardship team, investment team, ESG team or staff)

1

(B) External investment managers, third-party operators and/or external property managers (if applicable)

4

(C) External paid services or initiatives other than investment managers, third-party operators and/or external property managers (paid beyond a membership fee)

We do not use this method

(D) Informal or unstructured collaborations with peers

2

(E) Formal collaborative engagements (e.g. PRI-coordinated collaborative engagements, Climate Action 100+, the Initiative Climat International (iCI) or similar)

3

Collaborative stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 18	CORE	Multiple, see guidance	ISP 18.1	PUBLIC	Collaborative stewardship	2

Which of the following best describes your organisation's default position, or the position of the service providers/external managers acting on your behalf, with regards to collaborative stewardship efforts such as collaborative engagements?

- ☐ (A) We recognise that stewardship suffers from a collective action problem, and, as a result, we actively prefer collaborative efforts
- ☐ (B) We collaborate when our individual stewardship efforts have been unsuccessful or are likely to be unsuccessful, i.e. as an escalation tool
- ☐ (C) We collaborate in situations where doing so would minimise resource cost to our organisation
- ☒ (D) We do not have a default position but collaborate on a case-by-case basis
- ☐ (E) We generally do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 18.1	PLUS	ISP 18	N/A	PUBLIC	Collaborative stewardship	2

Describe your position on collaborating for stewardship.

In the case of significant holdings across our funds, predominantly in our core home market, we directly engage with the investee companies employing a full range of techniques, including active measures at the companies' AGM or related to their board level. Particularly for (smaller) positions in companies further afield we have started to make greater use of collaborative measures if important ESG issues need to be addressed.

Escalation strategies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 19	PLUS	Multiple, see guidance	N/A	PUBLIC	Escalation strategies	2

Which of these measures did your organisation, or the service providers/external managers acting on your behalf, use most frequently when escalating initial stewardship approaches that were deemed unsuccessful?

	(1) Listed equity	(2) Fixed income
(A) Collaboratively engaging the entity with other investors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Filing/co-filing/submitting a shareholder resolution or proposal	<input type="checkbox"/>	<input type="checkbox"/>
(C) Publicly engaging the entity (e.g. open letter)	<input type="checkbox"/>	<input type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input type="checkbox"/>	<input type="checkbox"/>
(E) Voting against the chair of the board of directors	<input type="checkbox"/>	<input type="checkbox"/>
(F) Voting against the annual financial report	<input type="checkbox"/>	<input type="checkbox"/>
(G) Divesting or implementing an exit strategy	<input type="checkbox"/>	<input type="checkbox"/>
(H) We did not use any escalation measures during the reporting year. Please explain why below	<input type="checkbox"/>	<input checked="" type="checkbox"/>

You have selected "(H) We did not use any escalation measures during the reporting year", please explain why.

While we in principle consider all of the escalation measures mentioned we typically use those listed under A, B, D, E, G. In 2020, we had very few escalation cases that would have required more stringent measures, which is also a function of our concentrated portfolios with relatively few holdings. In 2020, there were no incidents in the majority of the investments. In one case, the investment was so small in proportion that an escalation was not carried out.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 20	CORE	Multiple, see guidance	N/A	PUBLIC	Escalation strategies	2

If initial stewardship approaches were deemed unsuccessful, which of the following measures are excluded from the potential escalation actions of your organisation or those of the service providers/external managers acting on your behalf?

	(1) Listed equity	(2) Fixed income
(A) Collaboratively engaging the entity with other investors	<input type="checkbox"/>	<input type="checkbox"/>
(B) Filing/co-filing/submitting a shareholder resolution or proposal	<input type="checkbox"/>	<input type="checkbox"/>
(C) Publicly engaging the entity (e.g. open letter)	<input type="checkbox"/>	<input type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input type="checkbox"/>	<input type="checkbox"/>
(E) Voting against the chair of the board of directors	<input type="checkbox"/>	<input type="checkbox"/>
(F) Voting against the annual financial report	<input type="checkbox"/>	<input type="checkbox"/>
(G) Divesting or implementing an exit strategy	<input type="checkbox"/>	<input type="checkbox"/>
(H) We do not have any restrictions on the escalation measures we can use	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Alignment and effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 21	PLUS	Multiple, see guidance	N/A	PUBLIC	Alignment and effectiveness	2

Describe how you coordinate stewardship across your organisation to ensure that stewardship progress and results feed into investment decision-making and vice versa.

The stewardship policy is built into the fund managers' investment decisions in a combination of individual elements related to the investment concept of each fund as well as our overall investment philosophy. The fund managers share their views on single companies in regular exchanges, at least weekly. For holdings across several of our funds that represent either a significant share of our assets under management or a significant share of the equity capital of the investee company we implemented in 2020 a structured process to decide on engagement activities. The managing directors of the unit responsible for our active fund management segment LLOYD FONDS decide whether such holdings are to be classified as “engagement positions” to which we apply a long-term intense engagement process that could also involve active AGM engagement, including active contributions to non-executive board nominations. The engagement policy, all ongoing open engagement activities, in particular those related to the highlighted “engagement positions” are reviewed in the managing director’s “Monthly Engagement Meeting”. The regular monthly and quarterly internal meetings of our investment team (“Monthly Investment Cockpit Call” and “Quarterly Investment Workshop”) are used to update the whole team on the ongoing engagement activities and address stewardship issues on a more general level, e.g. related to thematic engagement topics or engagement procedures.

Stewardship examples

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 22	PLUS	Multiple, see guidance	N/A	PUBLIC	Stewardship examples	2

Describe stewardship activities that you participated in during the reporting year that led to desired changes in the entity you interacted with. Include what ESG factor(s) you engaged on and whether your stewardship activities were primarily focused on managing ESG risks and opportunities or delivering sustainability outcomes.

	(1) Engagement type	(2) Primary goal of stewardship activity
(A) Example 1	a) Internally (or service provider) led	a) Managing ESG risks/opportunities

Engaging policymakers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23	CORE	N/A	Multiple, see guidance	PUBLIC	Engaging policymakers	2

How does your organisation, or the external investment managers or service providers acting on your behalf, engage with policymakers for a more sustainable financial system?

☒ (A) We engage with policymakers directly

☐ (B) We provide financial support, are members of and/or are in another way affiliated with third-party organisations, including trade associations and non-profit organisations, that engage with policymakers

☐ (C) We do not engage with policymakers directly or indirectly

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.1	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

What methods do you, or the external investment managers or service providers acting on your behalf, use to engage with policymakers for a more sustainable financial system?

☐ (A) We participate in "sign-on" letters on ESG policy topics. Describe:

☒ (B) We respond to policy consultations on ESG policy topics. Describe:

At Lloyd Fonds AG, the sustainability strategy is a core element of the corporate strategy and is therefore directly assigned to Chief Investment Officer Michael Schmidt. Through his work on the board of DVFA, including as chair of the DVFA Commission on Governance & Stewardship, as a member of the High Level Expert Group on Sustainable Finance of the EU Commission and as a member of the Sustainable Finance Committee of the Federal Government of Germany, his interest in the issues of sustainable finance go beyond his professional role. It is through these voluntary roles that our views are channeled into the overall policy debate with a view to further the development of sustainable finance, responsible investment and corporate governance in Germany.

☐ (C) We provide technical input on ESG policy change. Describe:

☒ (D) We proactively engage financial regulators on financial regulatory topics regarding ESG integration, stewardship, disclosure or similar. Describe:

Our CIO, Michael Schmidt, has directly and in his voluntary roles engaged in exchanges with BaFin, the German financial regulator, as well as the responsible federal ministries on the role of stewardship and collaborative engagement in the context of the German market with the goal to ease the hurdles for more collaborative investor action, which is still muted in Germany by international comparison.

☐ (E) We proactively engage regulators and policymakers on other policy topics. Describe:

☒ (F) Other methods used to engage with policymakers. Describe:

In addition to direct, personal engagements we make use of our strategic partnership with the WWF Germany and memberships like CDP and PRI to leverage our policy views, inter alia by endorsing selectively their wider initiatives.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 23.2	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers	2

Do you have governance processes in place (e.g. board accountability and oversight, regular monitoring and review of relationships) that ensure your policy activities, including those through third parties, are aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?

☐ (A) Yes, we have governance processes in place to ensure that our policy activities are aligned with our position on sustainable finance and our commitment to the 6 Principles of the PRI. Describe your governance processes:

☒ (B) No, we do not have these governance processes in place. Please explain why not:

Sustainability is a core element of Lloyd Fonds AG's business strategy. Chief Investment Officer Michael Schmidt is responsible on the management level for the further development of the sustainability strategy. The implementation of the PRI principles by Lloyd Fonds AG is a key element here as well as the consistency in our various communication channels. Given the small size of our company and the high transparency of our position on sustainable finance we do not see the necessity for additional formal governance processes.

Engaging policymakers – Policies

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 24	CORE	ISP 23	ISP 24.1	PUBLIC	Engaging policymakers – Policies	2

Do you have policies in place that ensure that your political influence as an organisation is aligned with your position on sustainable finance and your commitment to the 6 Principles of the PRI?

○ (A) Yes, we have a policy(ies) in place. Describe your policy(ies):

● **(B) No, we do not a policy(ies) in place. Please explain why not:**

Given the small size of our company and the high transparency of our position on sustainable finance we do not see the necessity for additional formal policies. Consistency of sustainable finance positions and communication is ensured by the high-level engagement of our CIO, Michael Schmidt.

Engaging policymakers – Transparency

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 25	CORE	ISP 23	N/A	PUBLIC	Engaging policymakers – Transparency	2

During the reporting year, did your organisation publicly disclose your policy engagement activities or those conducted on your behalf by external investment managers/service providers?

- ☐ (A) We publicly disclosed details of our policy engagement activities. Add link(s):
- ☐ (B) We publicly disclosed a list of our third-party memberships in or support for trade associations, think-tanks or similar that conduct policy engagement activities with our support or endorsement. Add link(s):
- ☒ (C) No, we did not publicly disclose our policy engagements activities during the reporting year. Explain why:
 We have no explicit publication regarding our policy engagements as they were mainly conducted by our CIO Michael Schmidt through his voluntary engagement roles for example in the Sustainable Finance Committee of the Federal German Government and the DVFA.
- ☐ (D) Not applicable, we did not conduct policy engagement activities

Climate change

Public support

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 26	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Paris Agreement?

- ☒ (A) Yes, we publicly support the Paris Agreement Add link(s) to webpage or other public document/text expressing support for the Paris Agreement:
<https://sciencebasedtargets.org/companies-taking-action?country=Germany§or=Banks%2C%20Divers%20Financials%2C%20Insurance#table>
- ☐ (B) No, we currently do not publicly support the Paris Agreement

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 27	CORE	N/A	N/A	PUBLIC	Public support	General

Does your organisation publicly support the Task Force on Climate-Related Financial Disclosures (TCFD)?

☒ (A) Yes, we publicly support the TCFD Add link(s) to webpage or other public document/text expressing support for the TCFD:

■ In public statements of Michael Schmidt (CIO).

☐ (B) No, we currently do not publicly support the TCFD

Governance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 28	CORE	N/A	N/A	PUBLIC	Governance	General

How does the board or the equivalent function exercise oversight over climate-related risks and opportunities?

☒ (A) By establishing internal processes through which the board or the equivalent function are informed about climate-related risks and opportunities. Specify:

■ Through the mandatory risk-management reporting required for listed companies.

☐ (B) By articulating internal/external roles and responsibilities related to climate. Specify:

☐ (C) By engaging with beneficiaries to understand how their preferences are evolving with regard to climate change. Specify:

☒ (D) By incorporating climate change into investment beliefs and policies. Specify:

■ Climate change is integrated into our investment analysis as an investment criterion.

☐ (E) By monitoring progress on climate-related metrics and targets. Specify:

☒ (F) By defining the link between fiduciary duty and climate risks and opportunities. Specify:

■ Climate change is integrated into our investment analysis as an investment criterion.

☐ (G) Other measures to exercise oversight, please specify:

☐ (H) The board or the equivalent function does not exercise oversight over climate-related risks and opportunities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 29	CORE	N/A	N/A	PUBLIC	Governance	General

What is the role of management in assessing and managing climate-related risks and opportunities?

☒ (A) Management is responsible for identifying climate-related risks/opportunities and reporting them back to the board or the equivalent function. Specify:

Through the mandatory risk-management reporting required for listed companies.

☐ (B) Management implements the agreed-upon risk management measures. Specify:

☐ (C) Management monitors and reports on climate-related risks and opportunities. Specify:

☐ (D) Management ensures adequate resources, including staff, training and budget, are available to assess, implement and monitor climate-related risks/opportunities and measures. Specify:

☐ (E) Other roles management takes on to assess and manage climate-related risks/opportunities, please specify:

☐ (F) Our management does not have responsibility for assessing and managing climate-related risks and opportunities

Strategy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30	CORE	N/A	Multiple, see guidance	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified within its investment time horizon(s)?

☐ (A) Specific financial risks in different asset classes. Specify:

☐ (B) Specific sectors and/or assets that are at risk of being stranded. Specify:

☐ (C) Assets with exposure to direct physical climate risk. Specify:

☐ (D) Assets with exposure to indirect physical climate risk. Specify:

☐ (E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:

☐ (F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:

☒ (G) Other climate-related risks and opportunities identified. Specify:

As we apply a fundamental bottom-up selection approach we assess climate-related risks and opportunities on an individual basis for our investee companies.

☐ (H) We have not identified specific climate-related risks and opportunities within our organisation's investment time horizon

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 30.1	CORE	ISP 30	N/A	PUBLIC	Strategy	General

For each of the identified climate-related risks and opportunities, indicate within which investment time-horizon they were identified.

	(1) 3–5 months	(2) 6 months to 2 years	(3) 2–4 years	(4) 5–10 years
(G) Other climate-related risks and opportunities identified [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	(5) 11–20 years	(6) 21–30 years	(7) >30 years	
(G) Other climate-related risks and opportunities identified [as specified]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 31	CORE	N/A	N/A	PUBLIC	Strategy	General

Which climate-related risks and opportunities has your organisation identified beyond its investment time horizon(s)?

- ☐ (A) Specific financial risks in different asset classes. Specify:
- ☐ (B) Specific sectors and/or assets that are at risk of being stranded. Specify:
- ☐ (C) Assets with exposure to direct physical climate risk. Specify:
- ☐ (D) Assets with exposure to indirect physical climate risk. Specify:
- ☐ (E) Specific sectors and/or assets that are likely to benefit under a range of climate scenarios. Specify:
- ☐ (F) Specific sectors and/or assets that contribute significantly to achieving our climate goals. Specify:
- ☒ (G) Other climate-related risks and opportunities identified, please specify:
- As we apply a fundamental bottom-up selection approach we assess climaterelated risks and opportunities on an individual basis for our investee companies.
- ☐ (H) We have not identified specific climate-related risks and opportunities beyond our organisation's investment time horizon

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 32	PLUS	N/A	N/A	PUBLIC	Strategy	General

Describe the impact of climate-related risks and opportunities on your organization's investment strategy, products (where relevant) and financial planning.

Climate-related risks and opportunities are an important part of our sustainability strategy which is integrated in our overall business strategy and financial planning. As a result, sustainability and particular climate issues play an increasing role for our product development.

Strategy: Scenario analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 33	CORE	N/A	ISP 33.1	PUBLIC	Strategy: Scenario analysis	General

Does your organisation use scenario analysis to assess climate-related investment risks and opportunities? Select the range of scenarios used.

- ☐ (A) An orderly transition to a 2°C or lower scenario
- ☐ (B) An abrupt transition consistent with the Inevitable Policy Response
- ☐ (C) A failure to transition, based on a 4°C or higher scenario
- ☐ (D) Other climate scenario, specify:
- ☒ (E) We do not use scenario analysis to assess climate-related investment risks and opportunities

Risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 34	PLUS	ISP 30	N/A	PUBLIC	Risk management	General

Which risk management processes do you have in place to identify and assess climate-related risks?

- ☐ (A) Internal carbon pricing. Describe:
- ☐ (B) Hot spot analysis. Describe:
- ☐ (C) Sensitivity analysis. Describe:
- ☐ (D) TCFD reporting requirements on external investment managers where we have externally managed assets. Describe:
- ☒ (E) TCFD reporting requirements on companies. Describe:
 We encourage investee companies to report according to TCFD.
- ☐ (F) Other risk management processes in place, please describe:
- ☐ (G) We do not have any risk management processes in place to identify and assess climate-related risks

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 35	PLUS	Multiple, see guidance	N/A	PUBLIC	Risk management	General

In which investment processes do you track and manage climate-related risks?

- ☒ (A) In our engagements with investee entities, and/or in engagements conducted on our behalf by service providers and/or external managers. Describe:
 Climate-related risks are an integral part of our investment dialogue with companies.
- ☐ (B) In (proxy) voting conducted by us, and/or on our behalf by service providers and/or external managers. Describe:
- ☐ (E) In the asset class benchmark selection process. Describe:
- ☒ (F) In our financial analysis process. Describe:
 It is integrated in our fundamental bottom-up investment analysis and monitoring.
- ☐ (G) Other investment process(es). Describe:
- ☐ (H) We are not tracking and managing climate-related risks in specific investment processes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 36	PLUS	N/A	N/A	PUBLIC	Risk management	General

How are the processes for identifying, assessing and managing climate-related risks incorporated into your organisation's overall risk management?

☐ (A) The risk committee or the equivalent function is formally responsible for identifying, assessing and managing climate risks. Describe:

☒ (B) Climate risks are incorporated into traditional risks (e.g. credit risk, market risk, liquidity risk or operational risk).

Describe:

They are integrated in our fundamental bottom-up investment analysis and monitoring as well as in the mandatory risk-management reporting required for listed companies.

☐ (C) Climate risks are prioritised based on their relative materiality, as defined by our organisation's materiality analysis. Describe:

☐ (D) Executive remuneration is linked to climate-related KPIs. Describe:

☐ (E) Management remuneration is linked to climate-related KPIs. Describe:

☒ (F) Climate risks are included in the enterprise risk management system. Describe:

Through the mandatory risk-management reporting required for listed companies.

☐ (G) Other methods for incorporating climate risks into overall risk management, please describe:

☐ (H) Processes for identifying, assessing and managing climate-related risks are not integrated into our overall risk management

Metrics and targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 37	PLUS	N/A	ISP 37.1	PUBLIC	Metrics and targets	General

Have you set any organisation-wide targets on climate change?

☐ (A) Reducing carbon intensity of portfolios

☐ (B) Reducing exposure to assets with significant climate transition risks

☐ (C) Investing in low-carbon, energy-efficient climate adaptation opportunities in different asset classes

☐ (D) Aligning entire group-wide portfolio with net zero

☒ (E) Other target, please specify:

Regarding the CO2 emissions from our business operations we are going to implement reduction measures (by at least 20%) based on the evidence we established in 2020. For 2020, we compensated the CO2 emissions through reforestation projects in the region near our headquarters in Hamburg.

☐ (F) No, we have not set any climate-related targets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 37.1	PLUS	ISP 37	N/A	PUBLIC	Metrics and targets	General

Provide more details about your climate change target(s).

	(1) Absolute- or intensity-based	(2) The timeframe over which the target applies: Years [Enter a value between 1 and 100]
(E) Other target [as specified]	(1) Absolute-Based	1
	(3) Baseline year [between 1900–2020]	(4) Baseline amount
(E) Other target [as specified]	2020	270 Tons
	(5) Target date dd/mm/yyyy	(6) Target value/amount
(E) Other target [as specified]	31/12/2021	216 Tons

Metrics and targets: Transition risk

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 38	PLUS	N/A	ISP 38.1	PUBLIC	Metrics and targets: Transition risk	General

What climate-related metric(s) has your organisation identified for transition risk monitoring and management?

- ☒ (A) Total carbon emissions
- ☒ (B) Carbon footprint
- ☒ (C) Carbon intensity
- ☐ (D) Weighted average carbon intensity
- ☐ (E) Implied temperature warming
- ☐ (F) Percentage of assets aligned with the EU Taxonomy (or similar taxonomy)
- ☐ (G) Avoided emissions metrics (real assets)
- ☐ (H) Other metrics, please specify:
- ☐ (I) No, we have not identified any climate-related metrics for transition risk monitoring

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 38.1	PLUS	ISP 38	N/A	PUBLIC	Metrics and targets: Transition risk	General

Provide details about the metric(s) you have identified for transition risk monitoring and management.

(1) Coverage of AUM

(A) Total carbon emissions	(3) for a minority of our assets
(B) Carbon footprint	(3) for a minority of our assets
(C) Carbon intensity	(3) for a minority of our assets

Metrics and targets: Physical risk

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 39	PLUS	N/A	ISP 39.1	PUBLIC	Metrics and targets: Physical risk	General

What climate-related metric(s) has your organisation identified for physical risk monitoring and management?

- ☐ (A) Weather-related operational losses for real assets or the insurance business unit
☐ (B) Proportion of our property, infrastructure or other alternative asset portfolios in an area subject to flooding, heat stress or water stress
☐ (C) Other metrics, please specify:
☐ (D) Other metrics, please specify:
☒ (E) We have not identified any metrics for physical risk monitoring

Sustainability outcomes

Set policies on sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 40	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Where is your approach to sustainability outcomes set out? Your policy/guideline may be a standalone document or part of a wider responsible investment policy.

- ☒ (A) Our approach to sustainability outcomes is set out in our responsible investment policy
☐ (B) Our approach to sustainability outcomes is set out in our exclusion policy
☐ (C) Our approach to sustainability outcomes is set out in our stewardship policy
☒ (D) Our approach to sustainability outcomes is set out in asset class-specific investment guidelines
☐ (E) Our approach to sustainability outcomes is set out in separate guidelines on specific outcomes (e.g. the SDGs, climate or human rights)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 41	CORE	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

Which global or regionally recognised frameworks do your policies and guidelines on sustainability outcomes refer to?

- ☒ (A) The SDG goals and targets
- ☐ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☒ (E) Other frameworks, please specify:
☐ The UN Global Compact
- ☐ (F) Other frameworks, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 42	PLUS	ISP 1.1	N/A	PUBLIC	Set policies on sustainability outcomes	1, 2

What are the main reasons that your organisation has established policies or guidelines on sustainability outcomes? Select a maximum of three options.

- ☒ (A) Because we understand which potential financial risks and opportunities are likely to exist in (and during the transition to) an SDG-aligned world
- ☒ (B) Because we see it as a way to identify opportunities, such as through changes to business models, across supply chains and through new and expanded products and services
- ☐ (C) Because we want to prepare for and respond to legal and regulatory developments, including those that may lead to stranded assets
- ☐ (D) Because we want to protect our reputation and licence-to-operate (i.e. the trust of beneficiaries, clients and other stakeholders), particularly in the event of negative sustainability outcomes from investments
- ☐ (E) Because we want to meet institutional commitments on global goals (including those based on client or beneficiaries' preferences), and communicate on progress towards meeting those objectives
- ☐ (F) Because we consider materiality over longer time horizons to include transition risks, tail risks, financial system risks and similar
- ☒ (G) Because we want to minimise negative sustainability outcomes and increase positive sustainability outcomes of investments

Identify sustainability outcomes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 43	CORE	N/A	Multiple, see guidance	PUBLIC	Identify sustainability outcomes	1

Has your organisation identified the intended and unintended sustainability outcomes from any of its activities?

- ☐ (A) No, we have not identified the sustainability outcomes from our activities
- ☒ (B) Yes, we have identified one or more sustainability outcomes from some or all of our activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44	CORE	ISP 43	ISP 44.1	PUBLIC	Identify sustainability outcomes	1

What frameworks/tools did your organisation use to identify the sustainability outcomes from its activities? Indicate the tools or frameworks you have used to identify and map some or all of your sustainability outcomes.

- ☐ (A) The UN Sustainable Development Goals (SDGs) and targets
- ☐ (B) The Paris Agreement
- ☐ (C) The UN Guiding Principles on Business and Human Rights (UNGPs)
- ☐ (D) The OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors
- ☐ (E) The EU Taxonomy
- ☐ (F) Other taxonomies (e.g. similar to the EU Taxonomy), please specify:
- ☒ (G) Other framework/tool, please specify:
 Regarding the CO2 emissions from our business operations we established our own calculation tool. The calculation process was validated by Prof. Dr. Timo Busch, Research Group on Sustainable Finance at the University of Hamburg.
- ☐ (H) Other framework/tool, please specify:
- ☐ (I) Other framework/tool, please specify:

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 44.1	CORE	ISP 44	N/A	PUBLIC	Identify sustainability outcomes	1

At what level(s) did your organisation identify the sustainability outcomes from its activities?

- ☐ (A) At the asset level
- ☐ (B) At the economic activity level
- ☒ (C) **At the company level**
- ☐ (D) At the sector level
- ☐ (E) At the country/region level
- ☐ (F) At the global level
- ☐ (G) Other level(s), please specify:
- ☐ (H) We do not track at what level(s) our sustainability outcomes were identified

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 45	CORE	ISP 43	SO 1	PUBLIC	Identify sustainability outcomes	1

How has your organisation determined your most important sustainability outcome objectives?

- ☒ (A) **Identifying sustainability outcomes that are closely linked to our core investment activities**
- ☐ (B) Consulting with key clients and/or beneficiaries to align with their priorities
- ☐ (C) Assessing the potential severity (e.g. probability and amplitude) of specific negative outcomes over different timeframes
- ☐ (D) Focusing on the potential for systemic impacts (e.g. due to high level of interconnectedness with other global challenges)
- ☐ (E) Evaluating the potential for certain outcome objectives to act as a catalyst/enabler to achieve a broad range of goals (e.g. gender or education)
- ☒ (F) **Analysing the input from different stakeholders (e.g. affected communities, civil society or similar)**
- ☐ (G) Understanding the geographical relevance of specific sustainability outcome objectives
- ☐ (H) Other method, please specify:
- ☐ (I) We have not yet determined our most important sustainability outcome objectives

Transparency & Confidence-Building Measures

Information disclosed – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 46	CORE	OO 16	N/A	PUBLIC	Information disclosed – ESG assets	6

For the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets, what information about your ESG approach do you (or the external investment managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☐ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☐ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)
- ☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Client reporting – ESG assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 48	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – ESG assets	6

What ESG information is included in your client reporting for the majority of your ESG/sustainability marketed funds or products, and/or your ESG/RI certified or labelled assets?

- ☒ (A) Qualitative analysis, descriptive examples or case studies
- ☐ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☐ (C) Progress on our sustainability outcome objectives
- ☐ (D) Stewardship results
- ☐ (E) Information on ESG incidents, where applicable
- ☐ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our ESG/sustainability marketed funds or products, and/or our ESG/RI certified or labelled assets

Information disclosed – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 49	CORE	N/A	N/A	PUBLIC	Information disclosed – All assets	6

For the majority of your total assets under management, what information about your ESG approach do you (or the external managers/service providers acting on your behalf) include in material shared with clients, beneficiaries and/or the public? The material may be marketing material, information targeted towards existing or prospective clients or information for beneficiaries.

- ☒ (A) A commitment to responsible investment (e.g. that we are a PRI signatory)
- ☐ (B) Industry-specific and asset class-specific standards that we align with (e.g. TCFD, or GRESB for property and infrastructure)
- ☒ (C) Our responsible investment policy (at minimum a summary of our high-level approach)
- ☒ (D) A description of our investment process and how ESG is considered
- ☒ (E) ESG objectives of individual funds
- ☐ (F) Information about the ESG benchmark(s) that we use to measure fund performance
- ☒ (G) Our stewardship approach
- ☒ (H) A description of the ESG criteria applied (e.g. sectors, products, activities, ratings and similar)
- ☒ (I) The thresholds for the ESG criteria applied in our investment decisions or universe construction
- ☒ (J) A list of our main investments and holdings
- ☒ (K) ESG case study/example from existing fund(s)

☐ (L) We do not include our approach to ESG in material shared with clients/beneficiaries/the public for the majority of our assets under management

Client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 50	CORE	Multiple, see guidance	N/A	PUBLIC	Client reporting – All assets	6

What ESG information is included in your client reporting for the majority of your assets under management?

- ☒ (A) Qualitative ESG analysis, descriptive examples or case studies
- ☐ (B) Quantitative analysis or key performance indicators (KPIs) related to ESG performance
- ☐ (C) Progress on our sustainability outcome objectives
- ☐ (D) Stewardship results
- ☐ (E) Information on ESG incidents where applicable
- ☐ (F) Analysis of ESG contribution to portfolio financial performance
- ☐ (G) We do not include ESG information in client reporting for the majority of our assets under management

Frequency of client reporting – All assets

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 51	CORE	Multiple, see guidance	N/A	PUBLIC	Frequency of client reporting – All assets	6

For the majority of each asset class, how frequently do you report ESG-related information to your clients?

(A) Listed equity (1) Quarterly

(B) Fixed income (1) Quarterly

Confidence-building measures

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 52	CORE	OO 16.1	Multiple, see guidance	PUBLIC	Confidence-building measures	6

What verification has your organisation had regarding the information you have provided in your PRI Transparency Report this year?

- ☐ (A) We received third-party independent assurance of selected processes and/or data related to our responsible investment processes, which resulted in a formal assurance conclusion
- ☐ (B) We conducted a third-party readiness review and are making changes to our internal controls/governance or processes to be able to conduct an external assurance next year
- ☐ (C) The internal audit function team performed an independent audit of selected processes/and or data related to our responsible investment processes reported in this PRI report
- ☒ **(D) Our board, CEO, other C-level equivalent and/or investment committee has signed off on our PRI report**
- ☐ (F) We conducted an external ESG audit of our ESG/sustainability marketed funds or products (excluding ESG/RI certified or labelled assets)
- ☐ (G) We conducted an external ESG audit of our holdings to check that our funds comply with our RI policy (e.g. exclusion list or investee companies in portfolio above certain ESG rating)
- ☐ (H) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- ☒ **(I) Responses related to our RI practices documented in this report have been internally reviewed before submission to the PRI**
- ☐ (J) None of the above

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
ISP 58	CORE	ISP 52	N/A	PUBLIC	Confidence-building measures	6

Who has reviewed/verified the entirety of or selected data from your PRI report?

- | | |
|---|-------------------------|
| (A) Board and/or trustees | (4) report not reviewed |
| (B) Chief-level staff (e.g. Chief Executive Officer (CEO), Chief Investment Officer (CIO) or Chief Operating Officer (COO)) | (1) the entire report |
| (C) Investment committee | (4) report not reviewed |

(D) Other chief-level staff, please specify:

N/A

(4) report not reviewed

(E) Head of department, please specify:

N/A

(4) report not reviewed

(F) Compliance/risk management team

(1) the entire report

(G) Legal team

(4) report not reviewed

(H) RI/ ESG team

(4) report not reviewed

(I) Investment teams

(3) parts of the report

Listed Equity (LE)

Pre-investment phase

Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 10	LE 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors across listed equities?

(3) Active – fundamental

(A) Yes, we have a formal process to identify material ESG factors for all of our assets



(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets



(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets

○

(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion

○

(E) No, we do not have a formal process to identify material ESG factors

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1.1	CORE	LE 1	N/A	PUBLIC	Materiality analysis	1

How does your current investment process incorporate material ESG factors?

(3) Active - Fundamental

(A) The investment process incorporates material governance factors

☒

(B) The investment process incorporates material environmental and social factors

☒

(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon

☐

(D) The investment process incorporates the effect of material ESG factors on revenues and business operations

☒

Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your listed equity assets?

(3) Active – fundamental

(A) We monitor long-term ESG trends for all assets



(B) We monitor long-term ESG trends for the majority of assets



(C) We monitor long-term ESG trends for a minority of assets



(D) We do not continuously monitor long-term ESG trends in our investment process



ESG incorporation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 10	LE 3.1	PUBLIC	ESG incorporation	1

How does your financial modelling and equity valuation process incorporate material ESG risks?

(3) Active – fundamental

(A) We incorporate governance-related risks into financial modelling and equity valuations



(B) We incorporate environmental and social risks into financial modelling and equity valuations ☒

(C) We incorporate environmental and social risks related to companies' supply chains into financial modelling and equity valuations ☐

(D) ESG risk is incorporated into financial modelling and equity valuations at the discretion of individual investment decision-makers, and we do not track this process ☐

(E) We do not incorporate ESG risks into our financial modelling and equity valuations ☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3.1	CORE	LE 3	N/A	PUBLIC	ESG incorporation	1

In what proportion of cases do you incorporate the following material ESG risks into your financial modelling and equity valuation process?

(3) Active - Fundamental

(B) We incorporate environmental and social risks into financial modelling and equity valuations (2) in the majority of cases

Assessing ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 10	LE 4.1	PUBLIC	Assessing ESG performance	1

What information do you incorporate when you assess the ESG performance of companies in your financial modelling and equity valuation process?

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics



(B) We incorporate information on historical performance across a range of ESG metrics



(C) We incorporate information enabling performance comparison within a selected peer group across a range of ESG metrics



(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability



(E) We do not incorporate ESG factors when assessing the ESG performance of companies in our financial modelling or equity valuation



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4.1	CORE	LE 4	N/A	PUBLIC	Assessing ESG performance	1

In what proportion of cases do you incorporate the following information when assessing the ESG performance of companies in your financial modelling and equity valuation process?

(3) Active – fundamental

(A) We incorporate information on current performance across a range of ESG metrics (2) in the majority of cases

(D) We incorporate information on ESG metrics that may impact or influence future corporate revenues and/or profitability (2) in the majority of cases

ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 10	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Outline one best practice or innovative example where ESG factors have been incorporated into your equity selection and research process.

Rather than focusing on negative lists, exclusions and backward-looking, static ESG scores we take a positive, constructive view towards investee companies' strive to change their business models and achieve sustainability targets as derived from the SDGs. In particular, traditional industrial companies that embark on a transition path with ambitious goals and credible measures are important for the success of the transformation and can also offer an attractive risk-return profile for investors along the way. From the 17 SDGs we - supported by WWF Germany - have identified 30 investible targets related to the environment and 10 investible targets related to social factors, which we incorporate in our forward-looking bottom-up security analysis.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 10	LE 6.1	PUBLIC	ESG incorporation in portfolio construction	1

How do ESG factors influence your portfolio construction?

(3) Active – fundamental

(A) The selection of individual assets within our portfolio is influenced by ESG factors



(B) The holding period of individual assets within our portfolio is influenced by ESG factors



(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors



(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process



(E) Other expressions of conviction (please specify below)



(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6.1	CORE	LE 6	N/A	PUBLIC	ESG incorporation in portfolio construction	1

In what proportion of cases did ESG factors influence your portfolio construction?

(3) Active – fundamental

(A) The selection of individual assets within our portfolio is influenced by ESG factors (1) in all cases

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors (1) in all cases

ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 8	CORE	OO 6.1 LE	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- ☐ (A) We have an independent committee that oversees the screening implementation process, but only for our ESG/sustainability labelled funds that are subject to negative exclusionary screening
- ☐ (B) We have an independent committee that oversees the screening implementation process for all of our listed equity assets that are subject to negative exclusionary screening
- ☐ (C) We have an independent committee that verifies that we have correctly implemented pre-trade checks in our internal systems to ensure no execution is possible without their pre-clearance

☒ **(D) Other, please specify:**

We have hard-coded the exclusion lists for our funds in the pre-trade compliance system, which is externally administered and controlled.

- ☐ (E) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Post-investment phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do your regular reviews incorporate ESG risks?

(3) Active – fundamental

(A) Our regular reviews include quantitative information on material ESG risks specific to individual listed equities

☐

(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level

☒

(C) Our regular reviews only highlight fund holdings where ESG ratings have changed

☐

(D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency

☐

(E) We do not conduct reviews

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do you regularly identify and incorporate ESG incidents into the investment process for your listed equity assets?

(3) Active – fundamental

(A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions

☐

(B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions

☐

(C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions

☐

(D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents

☒

(E) Other

☐

(F) We currently do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making

☐

Reporting/Disclosure

Sharing ESG information with stakeholders

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 13	CORE	OO 6 LE	N/A	PUBLIC	Sharing ESG information with stakeholders	6

How do you ensure that clients and/or beneficiaries understand ESG screens and their implications?

	(1) for all of our listed equity assets subject to ESG screens	(2) for the majority of our listed equity assets subject to ESG screens	(3) for a minority of our listed equity assets subject to ESG screens	(4) for none of our assets subject to ESG screens
(A) We publish a list of ESG screens and share it on a publicly accessible platform such as a website or through fund documentation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) We publish any changes in ESG screens and share them on a publicly accessible platform such as a website or through fund documentation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
(C) We outline any implications of ESG screens, such as deviation from a benchmark or impact on sector weightings, to clients and/or beneficiaries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 14	CORE	OO 10	N/A	PUBLIC	Sharing ESG information with stakeholders	6

What ESG information is covered in your regular reporting to stakeholders such as clients or beneficiaries?

(3) Active – fundamental

(A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation	2) In the majority of our regular stakeholder reporting
(B) Our regular stakeholder reporting includes quantitative ESG engagement data	4) In none of our stakeholder reporting
(C) Our regular stakeholder reporting includes quantitative ESG incorporation data	3) In a minority of our stakeholder reporting

Stewardship

Voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15	CORE	OO 9 LE	LE 15.1, LE 16	PUBLIC	Voting policy	2

Does your organisation have a publicly available (proxy) voting policy? (The policy may be a standalone policy, part of a stewardship policy or incorporated into a wider RI policy.)

- (A) Yes, we have a publicly available (proxy) voting policy Add link(s):
- (B) Yes, we have a (proxy) voting policy, but it is not publicly available
- (C) No, we do not have a (proxy) voting policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 15.1	CORE	OO 9 LE, LE 15	N/A	PUBLIC	Voting policy	2

What percentage of your listed equity assets does your (proxy) voting policy cover?

(A) Actively managed listed equity covered by our voting policy (12) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 16	CORE	LE 15	N/A	PUBLIC	Voting policy	2

Does your organisation's policy on (proxy) voting cover specific ESG factors?

- ☐ (A) Our policy includes voting guidelines on specific governance factors Describe:
- ☐ (B) Our policy includes voting guidelines on specific environmental factors Describe:
- ☐ (C) Our policy includes voting guidelines on specific social factors Describe:
- ☒ (D) **Our policy is high-level and does not cover specific ESG factors Describe:**
 Our policy allows for company-specific flexibility by observing the following high-level principles: - suitability of skills and diversity on the board - long-term incentives including sustainability factors - strategic consideration of transformation effects particularly related to climate - no unfounded shareholder dilution

Alignment & effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 17	CORE	OO 9 LE	N/A	PUBLIC	Alignment & effectiveness	2

When you use external service providers to give voting recommendations, how do you ensure that those recommendations are consistent with your organisation's (proxy) voting policy?

(A) We review service providers' controversial and high-profile voting recommendations before voting is executed (2) in the majority of cases

(B) Before voting is executed, we review service providers' voting recommendations where the application of our voting policy is unclear (2) in the majority of cases

Security lending policy

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 18	CORE	OO 9 LE	LE 18.1, LE 18.2	PUBLIC	Security lending policy	2

Does your organisation have a public policy that states how voting is addressed in your securities lending programme? (The policy may be a standalone guideline or part of a wider RI or stewardship policy.)

- (A) We have a public policy to address voting in our securities lending programme. Add link(s):
- (B) We have a policy to address voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our service provider(s)
- (D) We do not have a policy to address voting in our securities lending programme
- (E) **Not applicable, we do not have a securities lending programme**

Shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 19	CORE	OO 9 LE	N/A	PUBLIC	Shareholder resolutions	2

Which of the following best describes your decision-making approach regarding shareholder resolutions, or that of your service provider(s) if decision-making is delegated to them?

- (A) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors or on our stewardship priorities
- (B) In the majority of cases, we support resolutions that, if passed, are expected to advance progress on the underlying ESG factors but only if the investee company has not already committed publicly to the action requested in the proposal
- (C) **In the majority of cases, we only support shareholder resolutions as an escalation tactic when other avenues for engagement with the investee company have not achieved sufficient progress**
- (D) In the majority of cases, we support the recommendations of investee company management by default
- (E) In the majority of cases, we do not vote on shareholder resolutions

Pre-declaration of votes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 20	CORE	OO 9 LE	N/A	PUBLIC	Pre-declaration of votes	2

How did your organisation or your service provider(s) pre-declare votes prior to AGMs/EGMs?

- ☐ (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system
- ☐ (B) We pre-declared our voting intentions publicly (e.g. through our own website) Link to public disclosure:
- ☐ (C) We pre-declared our voting intentions publicly through the PRI's vote declaration system, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain
- ☐ (D) We pre-declared our voting intentions publicly, including the rationale for our (proxy) voting decisions where we planned to vote against management proposals or abstain Link to public disclosure:
- ☐ (E) Prior to the AGM/EGM, we privately communicated our voting decision to investee companies in cases where we planned to vote against management proposals or abstain
- ☒ (F) We did not privately or publicly communicate our voting intentions
- ☐ (G) We did not cast any (proxy) votes during the reporting year

Voting disclosure post AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 21	CORE	OO 9 LE	LE 21.1	PUBLIC	Voting disclosure post AGM/EGM	2

Do you publicly report your (proxy) voting decisions, or those made on your behalf by your service provider(s), in a central source?

- ☐ (A) Yes, for >95% of (proxy) votes Link:
 - ☐ (B) Yes, for the majority of (proxy) votes Link:
 - ☐ (C) Yes, for a minority of (proxy) votes 1) Add link and 2) Explain why you only publicly disclose a minority of (proxy) voting decisions:
 - ☒ (D) No, we do not publicly report our (proxy) voting decisions Explain why you do not publicly report your (proxy) voting decisions:
- 18 Legally, our fund administrator, Universal Investment, is responsible for the voting process.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22	CORE	OO 9 LE	LE 22.1	PUBLIC	Voting disclosure post AGM/EGM	2

Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions?

- ☒ (A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company
- ☐ (B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly
- ☐ (C) In cases where we voted against management recommendations or abstained, we did not communicate the rationale
- ☐ (D) We did not vote against management or abstain

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 22.1	CORE	LE 22	N/A	PUBLIC	Voting disclosure post AGM/EGM	2

Indicate the proportion of votes where you and/or the service provider(s) acting on your behalf communicated the rationale for your voting decisions.

(A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company (5) >95%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 23	CORE	OO 9 LE	LE 23.1	PUBLIC	Voting disclosure post AGM/EGM	2, 5

Did your organisation and/or the service provider(s) acting on your behalf communicate the rationale for your voting decisions when voting against a shareholder resolution proposed/filed by a PRI signatory?

- ☐ (A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly
- ☐ (B) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was not disclosed publicly
- ☒ (C) We did not vote against any shareholder resolution proposed/filed by a PRI signatory

Alignment & effectiveness

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 24	PLUS	OO 9 LE	N/A	PUBLIC	Alignment & effectiveness	2

How are you contributing to the integrity of the end-to-end voting chain and confirmation process?

We have an intense dialogue with our fund administrator, Universal Investment, on voting events that are important for our funds and follow-up with them on the voting process.

Fixed Income (FI)

Pre-investment phase

Materiality analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 10	FI 1.1	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify material ESG factors for its fixed income assets?

(2) Corporate

(A) Yes, we have a formal process to identify material ESG factors for all of our assets



(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets



(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets



(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their own discretion

○

(E) No, we do not have a formal process to identify material ESG factors

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1.1	CORE	FI 1	N/A	PUBLIC	Materiality analysis	1

How does your current investment process incorporate material ESG factors?

(2) Corporate

(A) The investment process incorporates material governance factors

☒

(B) The investment process incorporates material environmental and social factors

☒

(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon

☐

(D) The investment process incorporates the effect of material ESG factors on revenues and business operations

☐

ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 10	FI 2.1	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

(2) Corporate

(A) Investment committee members, or the equivalent function/group, have a qualitative ESG veto

☐

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits

☒

(C) Overall exposure to specific ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on individual issuers' sensitivity to these factors

☐

(D) Other method of incorporating ESG factors into risk management process, please specify below:

☐

(E) We do not have a process to incorporate ESG factors into our portfolio risk management

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2.1	CORE	FI 2	N/A	PUBLIC	ESG risk management	1

For what proportion of your fixed income assets are material ESG factors incorporated into your portfolio risk management process?

(2) Corporate

(B) Companies, sectors, countries and currency are monitored for changes in ESG exposure and for breaches of risk limits (2) for the majority of our assets

ESG incorporation in asset valuation

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 10	FI 3.1	PUBLIC	ESG incorporation in asset valuation	1

How do you incorporate the evolution of ESG factors into your fixed income asset valuation process?

(2) Corporate

(A) We incorporate it into the forecast of cash flow, revenues and profitability



(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer



(C) We do not incorporate the evolution of ESG factors into our fixed income asset valuation process



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3.1	CORE	FI 3	N/A	PUBLIC	ESG incorporation in asset valuation	1

In what proportion of cases do you incorporate the evolution of ESG factors into your fixed income asset valuation process?

(2) Corporate

(A) We incorporate it into the forecast of cash flow, revenues and profitability (3) in a minority of cases

(B) We anticipate how the evolution of ESG factors may change the ESG profile of the debt issuer (2) in the majority of cases

ESG incorporation in portfolio construction

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5	CORE	OO 10	FI 5.1	PUBLIC	ESG incorporation in portfolio construction	1

How do ESG factors influence your portfolio construction?

(2) Corporate

(A) The selection of individual assets within our portfolio is influenced by ESG factors ☒

(B) The holding period of individual assets within our portfolio is influenced by ESG factors ☒

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors ☒

(D) The allocation of assets across multi-asset portfolios is influenced by ESG factors through the strategic asset allocation process

☐

(E) Other expressions of conviction, please specify below:

☐

(F) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors

☐

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 5.1	CORE	FI 5	N/A	PUBLIC	ESG incorporation in portfolio construction	1

In what proportion of cases do ESG factors influence your portfolio construction?

(2) Corporate

(A) The selection of individual assets within our portfolio is influenced by ESG factors

(1) in all cases

(B) The holding period of individual assets within our portfolio is influenced by ESG factors

(1) in all cases

(C) The portfolio weighting of individual assets within our portfolio or benchmark is influenced by ESG factors

(1) in all cases

ESG incorporation in assessment of issuers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 7	CORE	OO 10	N/A	PUBLIC	ESG incorporation in assessment of issuers	1

When assessing issuers'/borrowers' credit quality, how does your organisation incorporate material ESG risks in the majority of cases?

(2) Corporate

(A) In the majority of cases, we incorporate material governance-related risks

☐

(B) In addition to incorporating governance-related risks, in the majority of cases we also incorporate material environmental and social risks

☒

(C) We do not incorporate material ESG risks for the majority of our credit quality assessments of issuers/borrowers

☐

ESG performance

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 10	N/A	PUBLIC	ESG performance	1

In the majority of cases, how do you assess the relative ESG performance of a borrower within a peer group as part of your investment process?

(2) Corporate

(A) We use the relative ESG performance of a borrower to adjust the internal credit assessments of borrowers by modifying forecasted financials and future cash flow estimates



(B) We use the relative ESG performance of a borrower to make relative sizing decisions in portfolio construction



(C) We use the relative ESG performance of a borrower to screen for outliers when comparing credit spreads to ESG relative performance within a similar peer group



(D) We consider the ESG performance of a borrower only on a standalone basis and do not compare it within peer groups of other benchmarks



(E) We do not have an internal ESG performance assessment methodology



ESG risk management

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9	CORE	OO 10	FI 9.1	PUBLIC	ESG risk management	1

For your corporate fixed income, does your organisation have a framework that differentiates ESG risks by issuer country and sector?

- ☒ (A) Yes, it differentiates ESG risks by country/region (for example, local governance and labour practices)
- ☒ (B) Yes, it differentiates ESG risks by sector
- ☐ (C) No, we do not have a framework that differentiates ESG risks by issuer country/region and sector

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 9.1	CORE	FI 9	N/A	PUBLIC	ESG risk management	1

For what proportion of your corporate fixed income assets do you apply your framework for differentiating ESG risks by issuer country/sector?

	(1) for all of our corporate fixed income assets	(2) for the majority of our corporate fixed income assets	(3) for a minority of our corporate fixed income assets
(A) We differentiate ESG risks by country/region (for example, local governance and labour practices)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(B) We differentiate ESG risks by sector	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Post-investment phase

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do your regular reviews incorporate ESG risks?

(2) Corporate

(A) Our regular reviews include quantitative information on material ESG risks specific to individual fixed income assets	<input type="checkbox"/>
(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level	<input checked="" type="checkbox"/>
(C) Our regular reviews only highlight fund holdings where ESG ratings have changed	<input type="checkbox"/>

(D) We do not conduct regular reviews. Risk reviews of ESG factors are conducted at the discretion of the individual fund manager and vary in frequency



(E) We do not conduct reviews that incorporate ESG risks



Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 13	CORE	OO 10	N/A	PUBLIC	ESG risk management	1

Do you regularly identify and incorporate ESG incidents into the investment process for your fixed income assets?

(2) Corporate

(A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions



(B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions



(C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions



(D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents



(E) We do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making



Time horizons

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	CORE	OO 10	N/A	PUBLIC	Time horizons	1

In the majority of cases, how does your investment process account for differing time horizons of holdings and how they may affect ESG factors?

(2) Corporate

(A) We take into account current risks



(B) We take into account medium-term risks



(C) We take into account long-term risks



(D) We do not take into account differing time horizons of holdings and how they may affect ESG factors



Long-term ESG trend analysis

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 15	CORE	OO 10	N/A	PUBLIC	Long-term ESG trend analysis	1

Do you continuously monitor a list of identified long-term ESG trends related to your fixed income assets?

(2) Corporate

(A) We monitor long-term ESG trends for all of our assets



(B) We monitor long-term ESG trends for the majority of our assets

○

(C) We monitor long-term ESG trends for a minority of our assets

○

(D) We do not continuously monitor long-term ESG trends in our investment process

○

Thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	PLUS	OO 6 FI	FI 18.1	PRIVATE	Thematic bonds	1

What proportion of your total thematic investments are labelled green bonds, social bonds and/or sustainability bonds by the issuers in accordance with the four ICMA Social/Green Bond Principles?

Proportion out of total thematic fixed income investments:

(A) Proportion of green/SDG bonds linked to environmental goals

5.0%

(B) Proportion of social/SDG bonds linked to social goals

0.0%

(C) Proportion of sustainability/SDG bonds (i.e. combination of green and social bonds linked to multiple SDG categories)

5.0%

(D) None of the above

90.0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18.1	PLUS	FI 18	N/A	PUBLIC	Thematic bonds	3

What proportion of your social, green and/or sustainability labelled bonds has been subject to an independent review arranged by the issuer?

(A) Second-party opinion

(5) >75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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FI 19	CORE	OO 6 FI	N/A	PUBLIC	Thematic bonds	1
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How do you determine which non-labelled thematic bonds to invest in?

- ☐ (A) By reviewing the bond's use of proceeds
- ☐ (B) By reviewing companies' ESG targets
- ☐ (C) By reviewing companies' progress towards achieving ESG targets
- ☒ (D) We do not invest in non-labelled thematic bonds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
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FI 20	CORE	OO 6 FI	N/A	PUBLIC	Thematic bonds	1, 2, 6
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What action do you take in the majority of cases where proceeds of a thematic bond issuer are not allocated to the original plan?

- ☒ (A) We engage with the issuer
- ☐ (B) We alert regulators
- ☒ (C) We alert thematic bond certification agencies
- ☒ (D) We sell the security
- ☐ (E) We publicly disclose the breach
- ☐ (F) We blacklist the issuer
- ☐ (G) Other action, please specify:
- ☐ (H) We do not take any specific actions when proceeds from bond issuers are not allocated in accordance with the original plan

Reporting/Disclosure

ESG screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 21	CORE	OO 6 FI	N/A	PUBLIC	ESG screens	6

How do you ensure that clients and/or beneficiaries understand ESG screens and their implications?

(A) We publish a list of ESG screens and share it on a publicly accessible platform such as a website or through fund documentation Voluntary URL link(s) to list of ESG screens: (1) for all of our fixed income assets subject to ESG screens

(B) We publish any changes in ESG screens and share it on a publicly accessible platform such as a website or through fund documentation Voluntary URL link(s) to ESG screen changes: (4) for none of our assets subject to ESG screens

(C) We outline any implications of ESG screens, such as deviation from a benchmark or impact on sector weightings, to clients and/or beneficiaries (4) for none of our assets subject to ESG screens

Engagement

Engaging with issuers/borrowers

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22	CORE	OO 9 FI	FI 22.1	PUBLIC	Engaging with issuers/borrowers	2

At which stages does your organisation engage with issuers/borrowers?

(2) Corporate

(A) At the pre-issuance/pre-deal stage ☒

(B) At the pre-investment stage ☒

(C) During the holding period ☒

(D) At the refinancing stage ☒

(E) When issuers/borrowers default ☒

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 22.1	PLUS	FI 22	N/A	PUBLIC	Engaging with issuers/borrowers	2

Describe your approach to engagement.

Engagement approach per fixed income asset type or general description for all your fixed income engagement:

(D) Description of engagement approach for our corporate fixed income

Our corporate bond selection process is very active in nature and results in concentrated portfolios of around 50 issuers. Given our focus on special situations and opportunities outside the mainstream, we consider it paramount to engage with the management of existing or prospective portfolio companies both, before we undertake investments and over the entire holding period. The engagement, conducted directly by our fixed- income investment team, forms an integral part of our fundamental due diligence in security analysis and risk management. While we place a particular focus on management quality and governance issues, we engage with issuers also on material environmental and social matters triggered either by our fundamental analysis before investing or by our monitoring of controversies with our proprietary Controversy Radar while being invested. **(response continued in row below)**

In addition, engagement may also be triggered by opportunities to promote SDG-oriented transformation processes of the issuer's business model as we aim at investing predominantly in issuers that strive to make a positive impact on the environment-related SDGs and targets. Our engagements are prioritised by the size of our holdings as well as the materiality and urgency of the ESG issue or controversy. Engagements are typically performed directly with the issuer but may involve collaborative action..

Sustainability Outcomes (SO)

Set targets on sustainability outcomes

Outcome objectives

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	ISP 45	SO 1.1, SO 2	PRIVATE	Outcome objectives	1

Has your organisation chosen to shape any specific sustainability outcomes?

☐ (A) Yes

☒ (B) No