




Crabtree		Principle PRI 12.3
Reason for interaction		
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decisions relating to the company's reputation <input checked="" type="checkbox"/> To encourage corporate practice to identify the need to improve on ESG issues <input type="checkbox"/> Other: identify	
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decisions relating to the company's reputation <input checked="" type="checkbox"/> To encourage corporate practice to identify the need to improve on ESG issues <input type="checkbox"/> Other: identify	
Service provider engagements	<input checked="" type="checkbox"/> To support investment decisions relating to the company's reputation <input checked="" type="checkbox"/> To encourage corporate practice to identify the need to improve on ESG issues <input type="checkbox"/> Other: identify	

# PRIVATE RI REPORT

## 2019

# Eastspring Investments

## About this report

This report is an export of the individual Signatory organisation responses to the PRI Reporting Framework during the reporting period specified above. 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 PRI will **not publish** this report on its website. Instead, you will be able to access the public RI Transparency report of your organisation and that of other signatories on the PRI website.

The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information.

## Confidentiality and sharing via the Data Portal

Private RI Reports are confidential and only accessible to the reporting signatory via the Reporting Tool and on the Data Portal.

However, the Data Portal does facilitate signatories to share these reports bilaterally with other signatories.

To request access, use the “Find A Report” tab to search the relevant report, and click “Request access”. To check pending requests on your own reports, go to “Settings and Requests” tab. Your nominated Data Portal Contact can approve or decline requests.

It is permitted to publish your Private RI Report outside of the Data Portal. Private RI and RI Transparency Reports are the intellectual property of PRI. In no case, can this report or any content of it be sold to other parties.

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## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

OO 02.1 Select the location of your organisation's headquarters.

Singapore

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

3000

OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04.1 Indicate the year end date for your reporting year.

31/12/2018

OO 04.2 Indicate your total AUM at the end of your reporting year.

Total AUM  
 195,000,000,000 USD  
 195,000,000,000 USD

OO 04.4 Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

Not applicable as we do not have any assets under execution and/or advisory approach

OO 05.1 Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes and investment strategies:

	Internally managed (%)	Externally managed (%)
Listed equity	44.4	0
Fixed income	42	0

Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	8.2	0
Other (1), specify	3.7	0
Other (2), specify	1.7	0

**Internally managed 'Other (1)' description**

Other (1): Balanced

**Internally managed 'Other (2)' description**

Other (2): Alternative Asset & Structured

**OO 06 Mandatory Descriptive General**

**OO 06.1 Select how you would like to disclose your asset class mix.**

- as percentage breakdown
- as broad ranges

**OO 06.3 Indicate whether your organisation has any off-balance sheet assets [Optional].**

- Yes
- No

**OO 06.5 Indicate whether your organisation uses fiduciary managers.**

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

**OO 07 Mandatory to Report, Voluntary to Disclose Gateway General**

**OO 07.1 Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.**

<b>Internally managed</b>	53	SSA
	16	Corporate (financial)
	30	Corporate (non-financial)
	1	Securitised

**OO 09 Mandatory Peering General**

**OO 09.1 Indicate the breakdown of your organisation's AUM by market.**

60.61	Developed Markets
37.75	Emerging Markets
1.63	

0	Frontier Markets
	Other Markets

OO 10	Mandatory	Gateway	General
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**OO 10.1** Select the active ownership activities your organisation implemented in the reporting year.

**Listed equity – engagement**

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

**Listed equity – voting**

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

**Fixed income SSA – engagement**

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

**Fixed income Corporate (financial) – engagement**

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

**Fixed income Corporate (non-financial) – engagement**

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

**Fixed income Corporate (securitised) – engagement**

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Gateway	General
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**OO 11.1** Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

**Listed equity**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Fixed income - SSA**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Fixed income - corporate (financial)**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Fixed income - corporate (non-financial)**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Fixed income - securitised**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Money market instruments**

- We address ESG incorporation.
- We do not do ESG incorporation.

**Other (1)**

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (2)
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.
'Other (1)' [as defined in OO 05]
Other (1): Balanced
'Other (2)' [as defined in OO 05]
Other (2): Alternative Asset & Structured

OO 12	Mandatory	Gateway	General
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OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules
<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
RI implementation directly or via service providers
Direct - Listed Equity incorporation
<input checked="" type="checkbox"/> Listed Equity incorporation
Direct - Listed Equity active ownership
<input checked="" type="checkbox"/> Engagements <input checked="" type="checkbox"/> (Proxy) voting
Direct - Fixed Income
<input checked="" type="checkbox"/> Fixed income - SSA <input type="checkbox"/> Fixed income - Corporate (financial) <input checked="" type="checkbox"/> Fixed income - Corporate (non-financial) <input type="checkbox"/> Fixed income - Securitised
Closing module
<input checked="" type="checkbox"/> Closing module

OO LE 01	Mandatory	Gateway	General
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OO LE 01.1 Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Strategies	Percentage of internally managed listed equities
Passive	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Active - quantitative (quant)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Active - fundamental and active - other	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Total 100%	

OO LE 02	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO LE 02.1 For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.

All active strategies
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Yes

No

OO FI 01	Mandatory	Gateway	General
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**OO FI 01.1** Provide a breakdown of your internally managed fixed income securities by active and passive strategies

Type	Passive	Active - quantitative	Active - fundamental & others	Total internally managed fixed income security
SSA	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Securitised	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>

**OO FI 01.2** Additional information. [Optional]

Eastspring Investments does not have a breakdown for active and passive assets -- the classification is usually tagged at the product level rather than the underlying asset level. For example, we may hold the same government bond in both active and passive bond portfolios, but we do not split the AUM by how much of the security is held in the active fund, and how much in the passive.

OO FI 03	Mandatory	Descriptive	General
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**OO FI 03.1** Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.

SSA	42	Developed markets
	58	Emerging markets

**OO FI 03.2** Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Securitized	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>

**SG 01.1** Indicate if you have an investment policy that covers your responsible investment approach.

✓ Yes

**SG 01.2** Indicate the components/types and coverage of your policy.

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM

**SG 01.3** Indicate if the investment policy covers any of the following

- Your organisation’s definition of ESG and/or responsible investment and it’s relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4** Describe your organisation’s investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

We believe that the quality of corporate governance practices, and how companies manage the environmental and social aspects of their operations, can be material to delivering superior longer-term shareholder value. We apply a holistic approach by incorporating material risks, including ESG issues, as part of our investment decision making processes. Responsible investing principles drive our asset management practice -- it includes the explicit incorporation of relevant ESG issues into every aspect of our activities as an investor, both before we make investment decisions and during the time we hold an investment.

In our role as a steward of clients' assets, we maintain a dialogue with the entities in which we invest, where this is feasible. In this dialogue, we address relevant ESG issues, to ensure that they are understood and managed appropriately. The goal of our proxy voting policy and decisions is to protect our clients' interests and to reflect our belief that sustainability and ESG issues can be material to us as an investor, and significant for society as a whole.

Each of our investment teams has its own approach to integrating ESG matters, which is dependent on the characteristics of each asset class and each investment strategy.

**SG 01.5** Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

We believe our Responsible Investment Standards in relation to ESG, Stewardship, Proxy Voting, and Best Execution are consistent with our fiduciary duty to our clients.

**Engagement**

Engagement is core to our Stewardship responsibilities. We aim to encourage business and management practices that support sustainable financial performance through constructive engagement based on our in-depth knowledge of the companies and their business environment. Where appropriate, we will play an active role in seeking to effect changes to maximise shareholder value. We are also active members of collaborative organisations -- from time to time, we may participate in collaborative engagement initiatives where we believe it to be in our client’s best interests to do so.

**ESG Integration**

Each of our investment teams has its own approach to integrating ESG matters, which is dependent on the characteristics of each asset class and each investment strategy. Accordingly, investment teams have developed ESG policies that formalise their specific approach to ESG issues, and are explicitly integrated into investment processes. All investment professionals are responsible for incorporating all factors deemed to impact the investment decision-making process. As part of this, investment teams are responsible for the integration of ESG issues into the investment process, rather than outsourcing this responsibility to dedicated ESG or stewardship specialists.

**Proxy Voting**

An active and informed voting policy is an integral part of our investment philosophy and forms a core part of our approach to engagement.



Eastspring Investments follow a principles-based approach. All votes are considered in the context of the principles as set out in our investment teams' Proxy Voting Policies.

#### Stewardship Codes

Eastspring Investments is supportive in the application of Stewardship Codes in markets where we operate. Where applicable, we have developed policies to inform how we fulfill our stewardship responsibilities in respect of a particular Stewardship Code.

#### Collaboration

We believe that collaboration among investors is an effective way to address ESG issues and maximise investor influence. It helps to ensure consistency in the messages that companies, regulators and others receive from investors. We, therefore, take part in relevant collaborative initiatives and lead such activities where appropriate.

#### Climate Change

Climate change is a sustainability challenge facing us all. For investors, climate change and the need for a rapid transition to a low-carbon economy present significant financial risks and well as investment opportunities. Accordingly, we seek to consider material risks in our decision making processes – including current and potential regulatory changes, physical impacts and technology developments relating to climate change.

#### Transparency and Reporting

We strive for transparency to clients and other interested stakeholders in our implementation of this policy. In addition to our annual reporting to the PRI, we will publish an annual responsible investment report and other updates.

#### Responsible Investment Framework and Governance Structure

We are committed to an ongoing and long term process of improving our approach to integrating ESG into our investment processes. We expect that ESG Policies will evolve over time to reflect changes in business practices, structures, technology, and the law. We have a Responsible Investment Framework and Governance Structure that oversees and implements our Responsible investment Standards, which inform our Responsible Investment (RI) policies. The Eastspring Executive Committee (EE) designates the Eastspring Investments Responsible Investment Advisory Committee (ERIAC) to oversee our RI activities. The ERIAC provides a forum to apply the Eastspring Responsible Investment Framework and oversees the activities relating to RI across the different Local Business Units (LBUs). This includes the embedding of an appropriate RI culture.

The Eastspring Responsible Investment Working Group (ERIWG) supports the ERIAC in the implementation of the RI Framework. LBU Investment Team RI Committees are formed, where applicable, to act as a forum to discuss the practical and operational issues encountered in the application of the investment teams' ESG Policies, that formalise their specific approach to ESG issues.

No

SG 01.6	Additional information [Optional].
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The firm-wide Eastspring Responsible Investment Standards and individual investment team-specific Responsible Investment/ESG Policies can be supplied to the UN PRI for further information.

SG 01 CC	Voluntary	Descriptive	General		
SG 01.6 CC	Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.	<p>Climate change is a sustainability challenge facing us all. For investors, climate change and the need for a rapid transition to a low-carbon economy present significant financial risks as well as investment opportunities. Accordingly, we seek to consider material risks in our decision-making processes - including current and potential regulatory changes, physical impacts and technology developments regarding climate change.</p>			
SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>			
SG 01.9 CC	Indicate whether the organisation publicly supports the TCFD?	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p> <table border="1" style="width: 100%;"> <tr> <td style="background-color: #808080; color: white;">Explain the rationale</td> <td> <p>Whilst Eastspring Investments has not yet publicly supported the TCFD, our parent company, Prudential Plc has publicly demonstrated its support for the TCFD since December 2018.</p> </td> </tr> </table>		Explain the rationale	<p>Whilst Eastspring Investments has not yet publicly supported the TCFD, our parent company, Prudential Plc has publicly demonstrated its support for the TCFD since December 2018.</p>
Explain the rationale	<p>Whilst Eastspring Investments has not yet publicly supported the TCFD, our parent company, Prudential Plc has publicly demonstrated its support for the TCFD since December 2018.</p>				
SG 01.10 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.	<p><input type="radio"/> Yes <input checked="" type="radio"/> No</p>			
SG 01.11 CC	Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.	<p>As a TCFD supporter, our parent company, Prudential Plc is in the process of reviewing their enterprise-wide assessment of climate-related risks in its liability book and investment portfolios while also establishing the internal capabilities needed to make enhanced climate-related financial disclosures in future reporting periods, considering the geographical and asset class breadth of its investment activities.</p> <p>As Prudential plc's Asian asset management arm, we are heavily involved in this process and are reviewing our climate-related financial risk management and reporting capabilities as well.</p> <p>Eastspring Investments has become a member of a number of collaborative organisations, such as the Asia Investor Group on Climate Change (AIGCC), for awareness and capacity building surround climate-related issues - both internally and amongst our peers in Asia.</p> <p>The scope of the process of developing an organisation-wide strategy is significant, given the size and federated nature of Prudential Plc. Whilst we acknowledge this is a journey and there will be opportunities for ongoing improvement, we are motivated to make significant progress in 2019 in terms of the organisation's strategic position (in terms of exposure, fiduciary duty, our beliefs, and goals) as well as the strategic response (in terms of people, policy development, investment processes, and reporting) to climate change.</p>			

SG 1.12 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
<input checked="" type="checkbox"/> Public PRI Climate Transparency Report <input type="checkbox"/> Annual financial filings <input type="checkbox"/> Regular client reporting <input type="checkbox"/> Member communications <input type="checkbox"/> Other	

SG 02	Mandatory	Core Assessed	PRI 6
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SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
<input checked="" type="checkbox"/> Policy setting out your overall approach	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment (will be made public) ESI Environmental Social and Corporate Governance Standards FINAL 201806.pdf	
<input checked="" type="checkbox"/> Fiduciary (or equivalent) duties	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment (will be made public) ESI Stewardship Standards 201806.pdf	
<input checked="" type="checkbox"/> Asset class-specific RI guidelines	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment (will be made public) ESI Equity ESG Policy_March 2019.pdf ESI Fixed Income Environmental Social and Corporate Governance Guidelines.pdf	
<input type="checkbox"/> Engagement policy	
<input checked="" type="checkbox"/> (Proxy) voting policy	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment (will be made public) ESI Proxy Voting Standards FINAL 201805.pdf	
<input type="checkbox"/> We do not publicly disclose our investment policy documents	

SG 02.2	Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.
<input type="checkbox"/> Your organisation's definition of ESG and/or responsible investment and it's relation to investments <input type="checkbox"/> Your investment objectives that take ESG factors/real economy influence into account <input type="checkbox"/> Time horizon of your investment <input checked="" type="checkbox"/> Governance structure of organisational ESG responsibilities	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment ESI RI Advisory Committee_ESI RI Working Group Terms of Reference.pdf	
<input type="checkbox"/> ESG incorporation approaches <input checked="" type="checkbox"/> Active ownership approaches	
URL/Attachment	
<input type="checkbox"/> URL <input checked="" type="checkbox"/> Attachment ESI Stewardship Standards 201806.pdf	
<input type="checkbox"/> Reporting <input type="checkbox"/> Climate change <input type="checkbox"/> We do not publicly disclose any investment policy components	

SG 03	Mandatory	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
<input checked="" type="radio"/> Yes	
SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
<p>Eastspring Investments has established appropriate risk management and compliance frameworks to ensure that the interests of clients and beneficiaries are the highest priority, and if conflicts of interest arise they are appropriately managed.</p> <p>From time to time, proxy voting proposals may raise conflicts between the interests of our clients and the interests of the Company and its employees. We must take certain steps designed to ensure, and must be able to demonstrate that those steps resulted in, a decision to vote the proxies that was based on the clients' best interest and was not the product of the conflict.</p> <p>Issues raising possible conflicts of interest are referred to the Chief Risk Officer for resolution. Application of the Proxy Voting guidelines or voting in accordance with the proxy advisor recommendation should, in most cases, adequately address any possible conflicts of interest.</p> <p>In all other cases, the vote should be turned to Chief Risk Officer, who may seek the views of an independent employee within Prudential Group, if necessary. If the conflict of interest to pertain to the Prudential Group then we may see the views of an independent counsel.</p>	
<input type="radio"/> No	

SG 03.3	Additional information. [Optional]
<p>Conflicts of interest may arise when:</p> <ul style="list-style-type: none"> <li>• Proxy votes regarding non-routine matters are solicited by an issuer that has an institutional separate account relationship with the Company;</li> <li>• A proponent of a proxy proposal has a business relationship with the Company;</li> <li>• The company has business relationships with participants in proxy contests, corporate directors or director candidates;</li> <li>• An employee of the Company has a personal interest; e.g., through stock ownership, having a spouse working at the Company, etc. in the outcome of a particular matter before shareholders; or</li> <li>• An employee of the Company has a business or personal relationship with participants in proxy contests, corporate directors or director candidates</li> </ul> <p>Issues raising possible conflicts of interest are referred to Chief Risk Officer for resolution. Application of these guidelines or voting in accordance with the proxy advisor recommendation should, in most cases, adequately address any possible conflicts of interest.</p>	

SG 04	Voluntary	Descriptive	General
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SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.
<input checked="" type="radio"/> Yes	
<input type="radio"/> No	

SG 04.2	Describe your process on managing incidents
<p>Each of our investment teams has its own approach to integrating ESG matters, which is dependent on the characteristics of each asset class and each investment strategy. All investment professionals are responsible for incorporating all factors deemed to impact the investment decision-making process. As part of this, investment teams are responsible for the integration of ESG issues into the investment process, rather than outsourcing this responsibility to dedicated ESG or stewardship specialists.</p> <p>We utilise third-party ESG data and research vendors in order to assist with the due diligence and ongoing monitoring processes.</p> <p><b>The following relates to the equity team:</b></p> <p>We look to identify all material risks to sustainable earnings for a company. We apply judgment around the likely impact of material risks to the longer term trend valuation of a company. This assessment incorporates the governance of a company, its social behavior, and its environmental impact in our assessment of the drivers of longer-term returns.</p> <p>We invest significant effort into conducting a thorough due diligence on both financial and non-financial aspects of a company.</p> <p>As part of this due diligence we test and monitor aspects such as a company's ability to fund its longer-term operations; changes in its level of capital efficiency; its ability focus on parts of the business that are core to the future drivers of profitability; the ability and willingness of management to respond in a competitive market environment; the likely impacts from potential environmental, social risks and the quality of corporate governance, with an emphasis on the interests of shareholders.</p> <p>Our assessment and ongoing monitoring of ESG factors incorporate information obtained from direct dialogues with investee companies, as well as from access to other external information sources. Where aspects of a company's operations change or an incident occurs that may impact the equity team's longer-term trend assumptions, a review of the company will take place in order to test the level of team conviction around the trend valuation assumptions. This ongoing monitoring and review process will then inform the subsequent investment decision.</p> <p>Implicit in our approach, we do not screen out companies solely on the basis of perceived ESG issues. Whilst the approach is not prohibited from purchasing or holding a position due to an ESG issue, consideration of these issues is made part of the investment decision.</p> <p>Having identified potential risks to sustainable earnings, we may consider an investment where there is sufficient conviction in our fundamental assumptions and where we are more than compensated by valuation support.</p> <p>As part of our proprietary research, we engage companies, including one-on-one meetings with management of companies, and look to influence company management around a range of issues including all matters concerning improving sustainable shareholder returns.</p> <p><b>The following relates to the Fixed Income Team:</b></p> <p>The integration of ESG analysis into our investment process at Eastspring Investments is an ongoing and long term process. Assessment and monitoring of ESG factors are an integral part of our bottom-up credit research process. ESG issues are incorporated in our fundamental analysis of individual companies to assess their impact on an issuer's financial performance, its risk of default, and the valuation of the bonds it issues.</p> <p>This process involves an assessment of the quality of corporate governance, taking into consideration factors such as corporate transparency, audit practices and track record of business integrity. Considerations related to environment and social issues that could have an impact on business' day-to-day operation, financial performance, and subsequently the ability to pay back its obligations are also taken into account in the analysis. A company's preparedness in dealing with ESG issues is also an important consideration.</p> <p>Our credit analysts will then ascertain the materiality of the ESG issues and the appropriate risk premium to be priced in for the bonds the company issues. They will take into consideration factors such as severity of the allegations, size of fines, impact on the company's sales and profit, reputational risks, etc. The materiality of ESG factors varies by sector and company and the materiality may change over time. The analysts can then assess whether they are being compensated fairly on the ESG risks for holding the bonds, in addition to the regular process of credit valuations.</p> <p>Implicit in our approach is that we do not screen out companies solely on the basis of perceived ESG issues. Whilst the approach does not prohibit us from</p>	

purchasing or holding a security-based purely on an ESG issue, a consideration of these implications is an integral part of our investment decision.

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from both public sources (including financial/sustainability reports, news/media etc) and direct interaction with the companies, as well as from third-party ESG analysis provider, Sustainalytics, to assist us in identifying relevant ESG issues.

Should an incident at a company occur the credit analysts will assess the evidence surrounding the incident for materiality to the risks for holding the bond issue. This ongoing monitoring and review process will then inform the subsequent investment decision.

As a debt holder, we are not owners of the company we invest in. We are not able to vote on key company matters and our influence on the company is also not as strong as equity holders due to our position in the capital structure. Nonetheless, we seek to obtain a better understanding of how the company is managing, or plan to manage, relevant ESG risks through our interaction with the company. This may take place during investor meetings and conference calls with the company's management in the run-up of a bond issuance or during earnings calls.

SG 05	Mandatory	Gateway/Core Assessed	General
SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.		
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad-hoc basis <input type="radio"/> It is not set/reviewed			
SG 05.2	Additional information. [Optional]		
<p>We have a rigorous Responsible Investment Framework and Governance Structure in place to oversee the implementation of the UN PRI and our firm-wide RI standards.</p> <p>The <b>Eastspring Investments Responsible Investment Advisory Committee (ERIAC)</b> – comprising of all Chief Investment Officers across our local business units (LBU) – assists the firm's CEO and Executive Committee in providing oversight over all RI-related activities and is supported by the <b>Eastspring Investments Responsible Investment Working Group (ERIWG)</b>. The ERIWG consists of senior representatives across the LBUs and assumes responsibility for the operational aspects of implementing the firm's RI standards and respective investment teams' ESG policies. The ERIAC meets every quarter, whereas the ERIWG meets monthly.</p> <p>Furthermore, Eastspring Investments' (ESI) Chief Investment Officer is a member of the Executive ESG Committee reporting directly to the Prudential Plc Board - ensuring collaboration and alignment of RI strategies and responsibilities between ESI and Prudential Plc. This committee meets quarterly.</p>			

SG 06	Voluntary	Descriptive	General
SG 06.1	List the main responsible investment objectives that your organisation set for the reporting year.		
Responsible investment processes			
<input checked="" type="checkbox"/> Provide training on ESG incorporation			
Key performance indicator			
Promote RI-related capacity building and training on ESG incorporation			
Progress achieved			
<ul style="list-style-type: none"> <li>ESG-Artificial Intelligence Hothouse Session (April 2018)</li> <li>Sustainalytics-WWF (World Wide Fund for Nature) ESG Training for all Singapore-based investment professionals (May 2018)</li> <li>Internal ESG Training for Sales &amp; Marketing Teams across the Local Business Units (September 2018)</li> </ul>			
<input checked="" type="checkbox"/> Provide training on ESG engagement			
Key performance indicator			
Promote RI-related capacity building and training on ESG engagement			
Progress achieved			
<ul style="list-style-type: none"> <li>Eastspring Singapore team members attended BNP Paribas Sustainable Future Forum (September 2018)</li> <li>Eastspring Singapore team member attended Asia Sustainable &amp; Responsible Capital Markets Forum 2018 in Hong Kong (September 2018)</li> <li>Eastspring Singapore participated in the WWF-IBF (Institute of Banking and Finance) Singapore's Engagement Workshop (November 2018)</li> </ul>			
<input type="checkbox"/> Improved communication of ESG activities within the organisation			
<input checked="" type="checkbox"/> Improved engagement to encourage change with regards to management of ESG issues			
Key performance indicator			
Promote the embedding of the Responsible Investment Framework, Governance Structure and Standards into culture across all Local Business Units			
Progress achieved			
<ul style="list-style-type: none"> <li>The Eastspring Investments Advisory Committee (ERIAC) was formed in May 2018 to oversee RI activities, and provide a forum to determine the application of the Eastspring RI Framework. ERIAC promotes the embedding of an appropriate RI culture across the Local Business Units (LBUs) that is consistent with Eastspring's fiduciary duty</li> <li>The Eastspring Investments Working Group (ERIWG) was formed in July 2018 to support the ERIAC and assume responsibility for the implementation of the RI Framework</li> </ul>			
<input checked="" type="checkbox"/> Improved ESG incorporation into investment decision making processes			

Key performance indicator	
Promote ESG Integration into investment decision making processes across Asset Classes	
Progress achieved	
<ul style="list-style-type: none"> <li>Each of our investment teams has its own approach to integrating ESG matters, which is dependent on the characteristics of each asset class and each investment strategy. Accordingly, in 2018, all investment teams across the Local Business Units, have developed ESG policies that formalise their specific approach to ESG issues, and are explicitly integrated into investment processes.</li> </ul>	
<input type="checkbox"/>	Other, specify (1)
<input type="checkbox"/>	Other, specify (2)
<input type="checkbox"/>	Other, specify (3)
<input type="checkbox"/>	None of the above

Financial performance of investments	
<input type="checkbox"/>	Increase portfolio performance by consideration of ESG factors
<input type="checkbox"/>	Other, specify (1)
<input type="checkbox"/>	Other, specify (2)
<input type="checkbox"/>	Other, specify (3)
<input checked="" type="checkbox"/>	None of the above

ESG characteristics of investments	
<input type="checkbox"/>	Over or underweight companies based on ESG characteristics
<input type="checkbox"/>	Improve ESG ratings of portfolio
<input type="checkbox"/>	Setting carbon reduction targets for portfolio
<input type="checkbox"/>	Other, specify (1)
<input type="checkbox"/>	Other, specify (2)
<input type="checkbox"/>	Other, specify (3)
<input checked="" type="checkbox"/>	None of the above

Other activities	
<input checked="" type="checkbox"/>	Joining and/or participation in RI initiatives

Key performance indicator	
Promote Eastspring Investment's reputation and activities as an active owner and steward within the investment industry, by participating in more RI initiatives	
Progress achieved	
<ul style="list-style-type: none"> <li>Eastspring Singapore Equity CIO was a panel member at SGX Sustainability Conference in Singapore (February 2018)</li> <li>Eastspring Singapore team member was a workshop facilitator at CFA Institute &amp; PRI Global Study on ESG Integration Workshop (February 2018)</li> <li>Eastspring Singapore participated in "Asset Managers in Singapore: ESG Integration across Six Pillars" study by WWF, Oliver Wyman and the Asia Pacific Risk Center (June 2018)</li> <li>Eastspring Singapore hosted inaugural UN PRI ESG in Credit Ratings Initiative Roundtable (July 2018)</li> <li>Eastspring Singapore participated in Monetary Authority of Singapore (MAS)-hosted ESG Roundtable for Asset Managers (August 2018)</li> <li>Eastspring Singapore team member participated in panel discussion at AVCJ ESG Forum in Hong Kong (November 2018)</li> <li>Eastspring Korea became a signatory to the Korea Stewardship Code (December 2018)</li> <li>Eastspring Taiwan became a signatory to the Taiwan Stewardship Principles (December 2018)</li> <li>Eastspring Investments became a member of the Asia Investor Group on Climate Change (December 2018)</li> <li>Eastspring Investments became a member of the International Corporate Governance Network (December 2018)</li> </ul>	
<input type="checkbox"/>	Encouraging others to join a RI initiative
<input type="checkbox"/>	Documentation of best practice case studies
<input type="checkbox"/>	Using case studies to demonstrate engagement and ESG incorporation to clients
<input type="checkbox"/>	Other, specify (1)
<input type="checkbox"/>	Other, specify (2)
<input type="checkbox"/>	Other, specify (3)
<input type="checkbox"/>	None of the above

SG 07	Mandatory	Core Assessed	General
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SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles	
<input checked="" type="checkbox"/>	Board members or trustees
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment

Internal Roles (triggers other options)

Select from the below internal roles
<input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul>
<input checked="" type="checkbox"/> Other Chief-level staff or head of department, specify <p>All CIOs across the LBUs</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul>
<input checked="" type="checkbox"/> Portfolio managers <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul>
<input checked="" type="checkbox"/> Investment analysts <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul>
<input checked="" type="checkbox"/> Dedicated responsible investment staff <ul style="list-style-type: none"> <li><input type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul>
<input type="checkbox"/> Investor relations
<input type="checkbox"/> Other role, specify (1)
<input type="checkbox"/> Other role, specify (2)
<input type="checkbox"/> External managers or service providers

**SG 07.2** For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

We have a rigorous Responsible Investment Framework and Governance Structure in place to oversee the implementation of the UN PRI and our firm-wide RI standards. ESI's Chief Investment Officer is a member of the Executive ESG Committee reporting directly to the Prudential Plc Board – ensuring collaboration and alignment of RI strategies and responsibilities between ESI and Prudential Plc.

**ERiac (Eastspring Responsible Investment Advisory Committee)**

- Comprising of all CIOs across our Local Business Units (LBUs) - the ERIAC assists the firm's CEO and Executive Committee in providing oversight over all RI-related activities
- Sets the direction of the RI Framework
- Promotes Eastspring Investments (ESI) RI Approach to all LBUs
- Meets quarterly

**ERIWG (Eastspring Responsible Investment Working Group)**

- Consisting of senior representatives across the LBUs - supports and advises the ERIAC
- Supports LBU implementation of RI Framework
- Utilises collective subject matter expertise in formulating policy
- Provides a forum/guidance relating to the application of the RI Framework
- Meets monthly

**Portfolio Managers/Investment Analysts**

- All investment professionals are responsible for incorporating all factors deemed to impact the investment decision making process.
- As part of this, investment teams are responsible for the integration of ESG issues into the investment process, rather than outsourcing this responsibility to dedicated ESG or stewardship specialists.

**Dedicated RI Specialist**

- Day-to-day implementation of RI-related activities, supports the ERIAC and ERIWG
- Serves as main contact person for RI-related initiatives and organisations, including the UN PRI
- Conducts ESG Research and 'whitepapers'/thought-leadership
- Supports portfolio managers and client portfolio managers in the preparation of ESG materials
- Maintenance of ESG materials and capacity building initiatives

**SG 07.3** Indicate the number of dedicated responsible investment staff your organisation has.

1

SG 07 CC	Voluntary	Descriptive	General
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SG 07.5 CC Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.

	Board members or trustees
<input checked="" type="checkbox"/>	Oversight/accountability for climate-related issues
<input type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues
	Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Risk Officer (CRO), Investment Committee
<input checked="" type="checkbox"/>	Oversight/accountability for climate-related issues
<input type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues
	Other Chief-level staff or head of department
<input checked="" type="checkbox"/>	Oversight/accountability for climate-related issues
<input type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues
	Portfolio managers
<input checked="" type="checkbox"/>	Oversight/accountability for climate-related issues
<input checked="" type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues
	Investment analysts
<input checked="" type="checkbox"/>	Oversight/accountability for climate-related issues
<input checked="" type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues
	Dedicated responsible investment staff
<input type="checkbox"/>	Oversight/accountability for climate-related issues
<input checked="" type="checkbox"/>	Assessment and management of climate-related issues
<input type="checkbox"/>	No responsibility for climate-related issues

SG 08	Voluntary	Additional Assessed	General
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SG 08.1 Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

Board members/Board of trustees

SG 08.1b Ri in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee

SG 08.1a Ri in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b Ri in personal development and/or training plan

- Responsible investment included in personal development and/or training plan
- None of the above

Other C-level staff or head of department

All CIOs across the LBUs

Portfolio managers

SG 08.1a Ri in objectives, appraisal and/or reward

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- None of the above

SG 08.1b	RI in personal development and/or training plan
<input checked="" type="checkbox"/> Responsible investment included in personal development and/or training plan <input type="checkbox"/> None of the above	
Investment analysts	
SG 08.1a	RI in objectives, appraisal and/or reward
<input type="checkbox"/> Responsible investment KPIs and/or goals included in objectives <input type="checkbox"/> Responsible investment included in appraisal process <input checked="" type="checkbox"/> Variable pay linked to responsible investment performance <input type="checkbox"/> None of the above	
SG 08.1b	RI in personal development and/or training plan
<input checked="" type="checkbox"/> Responsible investment included in personal development and/or training plan <input type="checkbox"/> None of the above	
Dedicated responsible investment staff	
SG 08.1a	RI in objectives, appraisal and/or reward
<input checked="" type="checkbox"/> Responsible investment KPIs and/or goals included in objectives <input checked="" type="checkbox"/> Responsible investment included in appraisal process <input type="checkbox"/> Variable pay linked to responsible investment performance <input type="checkbox"/> None of the above	
SG 08.1b	RI in personal development and/or training plan
<input checked="" type="checkbox"/> Responsible investment included in personal development and/or training plan <input type="checkbox"/> None of the above	
SG 08.3	Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.
We apply a holistic approach by incorporating material risks, including ESG issues, as part of our investment decision making processes.	

SG 09	Mandatory	Core Assessed	PRI 4,5
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SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
<input checked="" type="checkbox"/> Principles for Responsible Investment	
	Your organisation's role in the initiative during the reporting period (see definitions)
Basic	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Eastspring Investments signed on to be a member of the UN PRI since February 2018, and will be conducting its first publicly-assessed report in 2020. <ul style="list-style-type: none"> <li>• Eastspring Singapore hosted inaugural UN PRI ESG in Credit Ratings Initiative Roundtable (July 2018)</li> </ul>	
<input checked="" type="checkbox"/> Asian Corporate Governance Association	
	Your organisation's role in the initiative during the reporting period (see definitions)
Basic	
	Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Eastspring Investments has been a member of the Asian Corporate Governance Association since November 2002. <ul style="list-style-type: none"> <li>• Has historically led successful collaborative engagements with ACGA on Chinese tech companies</li> </ul>	
<input type="checkbox"/> Australian Council of Superannuation Investors <input type="checkbox"/> AFIC – La Commission ESG <input type="checkbox"/> BVCA – Responsible Investment Advisory Board <input type="checkbox"/> CDP Climate Change <input type="checkbox"/> CDP Forests <input type="checkbox"/> CDP Water <input type="checkbox"/> CFA Institute Centre for Financial Market Integrity <input type="checkbox"/> Code for Responsible Investment in SA (CRISA) <input type="checkbox"/> Code for Responsible Finance in the 21st Century <input type="checkbox"/> Council of Institutional Investors (CII) <input type="checkbox"/> Eumedion	



- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

Asia Investor Group on Climate Change

Your organisation's role in the initiative during the reporting year (see definitions)
Basic
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
We have participated in the AIGCC working group in 2018

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
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- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

	Description
	Eastspring Singapore Equity CIO was a panel member at SGX Sustainability Conference in Singapore (February 2018) Eastspring Singapore participated in Monetary Authority of Singapore (MAS)-hosted ESG Roundtable for Asset Managers (August 2018) Eastspring Singapore team member participated in panel discussion at AVCJ ESG Forum in Hong Kong (November 2018)

	Frequency of contribution
	<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other

- Wrote and published in-house research papers on responsible investment

	Description
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Mainstreaming ESG Investing in Asia: <https://www.eastspring.com/insights/mainstreaming-esg-investing-in-asia> Tracking Corporate Governance in Asia: <https://www.eastspring.com/insights/tracking-corporate-governance-in-asia> The Rise of Green Bonds: <https://www.eastspring.com/insights/the-rise-of-green-bonds> (eastspring korea) The Next Frontier: Climate Change - <https://www.eastspring.com/insights/the-next-frontier-climate-change>

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

**Description**

Eastspring Singapore participated in "Asset Managers in Singapore: ESG Integration across Six Pillars" study by WWF, Oliver Wyman and the Asia Pacific Risk Center (June 2018)

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify

**Description**

Eastspring Singapore team member was a workshop facilitator at CFA Institute & PRI Global Study on ESG Integration Workshop (February 2018) Eastspring Singapore hosted inaugural UN PRI ESG in Credit Ratings Initiative Roundtable (July 2018)

**Frequency of contribution**

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify

No

SG 11	Voluntary	Additional Assessed	PRI 4,5,6
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**SG 11.1** Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

Yes

**If yes**

- Yes, individually
- Yes, in collaboration with others

**SG 11.2** Select the methods you have used.

- Endorsed written submissions to governments, regulators or public policy-makers developed by others
- Drafted your own written submissions to governments, regulators or public-policy markers
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

**SG 11.3** Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- Yes, publicly available
- No

No

SG 11.4 Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.

The Monetary Authority of Singapore sponsored a round table to obtain feedback regarding potential RI initiatives

SG 12 Mandatory Core Assessed PRI 4

SG 12.1 Indicate whether your organisation uses investment consultants.

Yes, we use investment consultants

SG 12.4 Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

- Custodial services
- Investment policy development

Describe how responsible investment is incorporated

In 2018, we utilised the services of an ESG "investment consultant" to participate in a dialogue amongst investment team members in Korea, Taiwan, Indonesia, and Malaysia. The purpose was to further develop each investment team's understanding of ESG related issues as part of integrating ESG into their investment processes.

- Strategic asset allocation
- Investment research
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

No, we do not use investment consultants.

SG 13 Mandatory Descriptive PRI 1

SG 13.1 Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

SG 14 Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1

SG 14.1 Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14 CC Voluntary General

SG 14.8 CC Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management
- Process for climate-related risks is not integrated into our overall risk management

SG 14.9 CC Indicate whether the organisation undertakes active ownership activities to encourage TCFD adoption.

- Yes
- No, we do not engage

SG 15 Mandatory to Report, Voluntary to Disclose Descriptive PRI 1

SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No

SG 16 Mandatory Descriptive General

**SG 16.1** Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Corporate (financial)	<p>Assessment and monitoring of ESG factors are an integral part of our bottom-up credit research process. ESG issues are incorporated in our fundamental analysis of individual companies to assess their impact on an issuer's financial performance, its risk of default, and the valuation of the bonds it issues.</p> <p>Our credit analysts will then ascertain the materiality of the ESG issues and the appropriate risk premium to be priced in for the bonds the company issues.</p>
Fixed income - Securitised	<b>N.B.</b> Eastspring Singapore does not invest in Securitised Fixed Income. The figure where it was stated that 1% of Fixed Income AUM Breakdown is Securitised (Organisational Overview, question 00 07) applies to Eastspring Investments firm-wide, across our different Local Business Units. We have decided to limit the scope of our reporting for Fixed Income to Eastspring Singapore only.
Money market instruments	N/A
Other (1) [as defined in Organisational Overview module]	N/A
Other (2) [as defined in Organisational Overview module]	N/A

**SG 18** Voluntary Descriptive General

**SG 18.1** Indicate whether any specific features of your approach to responsible investment are particularly innovative.

Yes

No

**SG 19** Mandatory Core Assessed PRI 2, 6

**SG 19.1** Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Listed equity - Incorporation
<p><b>Do you disclose?</b></p> <p><input type="radio"/> We do not proactively disclose it to the public and/or clients/beneficiaries</p> <p><input checked="" type="radio"/> We disclose to clients/beneficiaries only.</p> <p><input type="radio"/> We disclose it publicly</p>
<p><b>Disclosure to clients/beneficiaries</b></p> <p><b>Disclosure to clients/beneficiaries</b></p> <p><input type="radio"/> Broad approach to ESG incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used</p> <p>Ad-hoc/when requested</p>
Listed equity - Engagement
<p><b>Do you disclose?</b></p> <p><input type="radio"/> We do not disclose to either clients/beneficiaries or the public.</p> <p><input checked="" type="radio"/> We disclose to clients/beneficiaries only.</p> <p><input type="radio"/> We disclose to the public</p>
<p><b>Disclosure to clients/beneficiaries</b></p>

Disclosure to clients/beneficiaries	
<input checked="" type="checkbox"/>	Details on the overall engagement strategy
<input checked="" type="checkbox"/>	Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals
<input type="checkbox"/>	Number of engagements undertaken
<input type="checkbox"/>	Breakdown of engagements by type/topic
<input type="checkbox"/>	Breakdown of engagements by region
<input type="checkbox"/>	An assessment of the current status of the progress achieved and outcomes against defined objectives
<input checked="" type="checkbox"/>	Examples of engagement cases
<input type="checkbox"/>	Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.)
<input type="checkbox"/>	Details on whether the provided information has been externally assured
<input checked="" type="checkbox"/>	Outcomes that have been achieved from the engagement
<input type="checkbox"/>	Other information
Ad-hoc/when requested	

### Listed equity – (Proxy) Voting

Do you disclose?	
<input type="radio"/>	We do not disclose to either clients/beneficiaries or the public.
<input checked="" type="radio"/>	We disclose to clients/beneficiaries only.
<input type="radio"/>	We disclose to the public
Disclosure to clients/beneficiaries	
Disclosure to clients/beneficiaries	
<input checked="" type="radio"/>	Disclose all voting decisions
<input type="radio"/>	Disclose some voting decisions
<input type="radio"/>	Only disclose abstentions and votes against management
Ad hoc/when requested	

### Fixed income

Do you disclose?	
<input type="radio"/>	We do not disclose to either clients/beneficiaries or the public.
<input checked="" type="radio"/>	We disclose to clients/beneficiaries only.
<input type="radio"/>	We disclose to the public
Disclosure to clients/beneficiaries	
Disclosure to clients/beneficiaries	
<input type="radio"/>	Broad approach to RI incorporation
<input checked="" type="radio"/>	Detailed explanation of RI incorporation strategy used
Ad hoc/when requested	

LEI 01	Mandatory	Gateway	PRI 1
LEI 01.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)		
	<input type="checkbox"/> Screening alone (i.e. not combined with any other strategies) <input type="checkbox"/> Thematic alone (i.e. not combined with any other strategies) <input checked="" type="checkbox"/> Integration alone (i.e. not combined with any other strategies) <div style="border: 1px solid black; display: inline-block; padding: 2px;">Percentage of active listed equity to which the strategy is applied</div> <span style="border: 1px solid black; padding: 2px;">100%</span> <input type="checkbox"/> Screening and integration strategies <input type="checkbox"/> Thematic and integration strategies <input type="checkbox"/> Screening and thematic strategies <input type="checkbox"/> All three strategies combined <input type="checkbox"/> We do not apply incorporation strategies		
LEI 01.3	If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]		
	N.A.		

LEI 02	Voluntary	Additional Assessed	PRI 1
LEI 02.1	Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.		
	<input checked="" type="checkbox"/> Raw ESG company data <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> ESG research provider</li> <li><input checked="" type="checkbox"/> Sell-side</li> <li><input type="checkbox"/> In-house – specialised ESG analyst or team</li> <li><input checked="" type="checkbox"/> In-house – analyst or portfolio manager</li> </ul> <input checked="" type="checkbox"/> Company-related analysis or ratings <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> ESG research provider</li> <li><input checked="" type="checkbox"/> Sell-side</li> <li><input type="checkbox"/> In-house – specialised ESG analyst or team</li> <li><input checked="" type="checkbox"/> In-house – analyst or portfolio manager</li> </ul> <input checked="" type="checkbox"/> Sector-related analysis or ratings <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> ESG research provider</li> <li><input checked="" type="checkbox"/> Sell-side</li> <li><input type="checkbox"/> In-house – specialised ESG analyst or team</li> <li><input checked="" type="checkbox"/> In-house – analyst or portfolio manager</li> </ul> <input checked="" type="checkbox"/> Country-related analysis or ratings <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> ESG research provider</li> <li><input checked="" type="checkbox"/> Sell-side</li> <li><input type="checkbox"/> In-house – specialised ESG analyst or team</li> <li><input checked="" type="checkbox"/> In-house – analyst or portfolio manager</li> </ul> <input type="checkbox"/> Screened stock list <input checked="" type="checkbox"/> ESG issue-specific analysis or ratings <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> ESG research provider</li> <li><input checked="" type="checkbox"/> Sell-side</li> <li><input type="checkbox"/> In-house – specialised ESG analyst or team</li> <li><input checked="" type="checkbox"/> In-house – analyst or portfolio manager</li> </ul> <input type="checkbox"/> Other, specify		
LEI 02.2	Indicate if you incentivise brokers to provide ESG research.		
	<input type="radio"/> Yes <input checked="" type="radio"/> No		
LEI 02.4	Additional information.[Optional]		
	<p>We look to identify all material risks to sustainable earnings for a company. We apply judgment around the likely impact of material risks to the longer term trend valuation of a company. This assessment incorporates the governance of a company, its social behavior, and its environmental impact in our assessment of the drivers of longer term returns. We invest significant effort into conducting a thorough due diligence on both financial and non-financial aspects of a company.</p> <p>As part of this due diligence we test aspects such as a company's ability to fund its longer term operations; changes in its level of capital efficiency; its ability</p>		

focus on parts of the business that are core to the future drivers of profitability; the ability and willingness of management to respond in a competitive market environment; the likely impacts from potential environmental, social risks and the quality of corporate governance, with an emphasis on the interests of shareholders.

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from direct dialogues with investee companies, as well as from access to other external information sources.

We currently also utilise Sustainalytics and Institutional Shareholder Services.

LEI 03	Voluntary	Additional Assessed	PRI 1
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**LEI 03.1** Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.

- Engagement
- We have a systematic process to ensure the information is made available.
  - We occasionally make this information available.
  - We do not make this information available.
- (Proxy) voting
- We have a systematic process to ensure the information is made available.
  - We occasionally make this information available.
  - We do not make this information available.

**LEI 03.2** Additional information. [Optional]

We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement and proxy voting activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

Furthermore, records of all engagement activities, votes, the proxy advisor recommendations and where appropriate, written approvals are maintained centrally.

LEI 08	Mandatory	Core Assessed	PRI 1
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**LEI 08.1** Indicate the ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

ESG issues	Proportion impacted by analysis					
Environmental	<table border="1"> <tr> <td>Environmental</td> </tr> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input checked="" type="radio"/> &gt;90%</td> </tr> </table>	Environmental	<input type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input checked="" type="radio"/> >90%
Environmental						
<input type="radio"/> <10%						
<input type="radio"/> 10-50%						
<input type="radio"/> 51-90%						
<input checked="" type="radio"/> >90%						
Social	<table border="1"> <tr> <td>Social</td> </tr> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input checked="" type="radio"/> &gt;90%</td> </tr> </table>	Social	<input type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input checked="" type="radio"/> >90%
Social						
<input type="radio"/> <10%						
<input type="radio"/> 10-50%						
<input type="radio"/> 51-90%						
<input checked="" type="radio"/> >90%						
Corporate Governance	<table border="1"> <tr> <td>Corporate Governance</td> </tr> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input checked="" type="radio"/> &gt;90%</td> </tr> </table>	Corporate Governance	<input type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input checked="" type="radio"/> >90%
Corporate Governance						
<input type="radio"/> <10%						
<input type="radio"/> 10-50%						
<input type="radio"/> 51-90%						
<input checked="" type="radio"/> >90%						

**LEI 08.2** Additional information. [Optional]

ESG issues are incorporated into our fundamental analysis and decision-making process when we believe they could have a material impact on a company's valuation and financial performance. We look to identify all material risks to sustainable earnings for a company. We apply judgment around the likely impact of material risks to the longer term trend valuation of a company. We invest significant effort into conducting a thorough due diligence on both financial and non-financial aspects of a company. This assessment incorporates the governance of a company, its social behavior, and its environmental impact in our assessment of the drivers of longer term returns.

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from direct dialogues with investee companies, as well as from access to other external information sources.

LEI 09	Mandatory	Core Assessed	PRI 1
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**LEI 09.1** Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products

- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly.
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other, specify

All investment professionals are responsible for ESG integration. Our holistic fundamental approach is to identify all material risks, including ESG issues, to sustainable trend earnings.

None of the above

**LEI 09.3** Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 09.5** Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from direct dialogues with investee companies, as well as from external ESG information sources.

None of the above

**LEI 09.6** Additional information.[Optional]

We look to identify all material risks to sustainable earnings. We apply judgment around the likely impact of material risks to the longer-term trend valuation of a company. This assessment incorporates the governance of a company, its social behavior, and its environmental impact in our assessment of the drivers of longer term returns.

We invest significant effort into conducting a thorough due diligence on both financial and non-financial aspects. We test aspects such as a company's ability to fund its longer-term operations; changes in its level of capital efficiency; ability to focus on core drivers of profitability; ability and willingness of management to respond in a competitive market environment; including the likely impacts to these aspects from potential environmental, social risks and the quality of corporate governance, with an emphasis on the interests of shareholders.

Implicit in our approach, we do not screen out companies solely based on perceived ESG issues. Whilst the approach is not prohibited from purchasing or holding a position due to an ESG issue, consideration of these issues is made part of the investment decision.

We engage companies, including one-on-one meetings with management, and look to influence company management on matters concerning improving sustainable shareholder returns.

**LEI 10** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 1

**LEI 10.1** Indicate which aspects of investment analysis you integrate material ESG information into.

Economic analysis

Proportion of actively managed listed equity exposed to investment analysis	
<input checked="" type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input type="radio"/>	>90%

Industry analysis

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input checked="" type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input type="radio"/>	>90%

Quality of management

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	>90%



- Analysis of company strategy

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	>90%

- Portfolio weighting

- Sensitivity and/or scenario analysis

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	>90%

- Fair value/fundamental analysis

Proportion of actively managed listed equity exposed to investment analysis	
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	51-90%
<input checked="" type="radio"/>	>90%

- Other, specify

**LEI 10.2** Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation-model variables (discount rates, terminal value, perpetuity growth rates)
- Valuation multiples
- Other adjustments; specify

Use a range of valuations metrics to test trend assumptions via sensitivity analysis. We apply a single discount rate to determine what market is pricing

**LEI 10.4** Describe the methods you have used to adjust the income forecast / valuation tool

Proprietary financial models allow the team to assess consistently a company's financial history, and its accounting procedures, adjusting where necessary. In addition, the financial model requires future returns from the business to be faded to an equilibrium level. As a result, the valuation model is not dependant on the accuracy of forecasting future returns, but facilitates an understanding of the price of a company with respect to a sustainable level of trend returns. We believe this to be a key component to our competitive edge.

The transparency of this process is important in supporting robust peer review of research.

The output from this process includes:

Absolute valuation based on a discounted cash flow analysis – an important anchor for valuation as it is not dependent on short-term changes in market confidence.

Assessment of relative valuations, such as the current price/earnings multiple, against both peers and the company's own history.

Expectations analysis to derive information implicit in the current price, which tests a range of potential evidence-based outcomes, both financial and non-financial aspects of the company, including the likely impacts from potential environmental, social risks and the quality of corporate governance, with an emphasis on the interests of shareholders.

**LEI 10.5** Describe how you apply sensitivity and/or scenario analysis to security valuations.

Valuation tools are an objective medium by which to consistently and transparently test our judgment.

The valuation model facilitates a transparent and consistent test of sensitivity to changes in trend assumptions.

We consider the full history of the company's delivered earnings within the context of the company's competitive landscape and the potential for structural change to its competitive position, including impact from ESG considerations.

Additionally, we acknowledge that there is no single true or correct valuation for an asset. As a result, we choose to use a range of valuation methodologies to test sensitivity to changes in our trend assumptions incorporating financial and non-financial considerations.

Our approach is to anchor our decisions around what the market is already "pricing" for an asset and we ensure that we are being amply compensated for observed risks with significant valuation upside. This enables our approach to actively exploit inconsistent pricing beliefs and comfort, or concerns, of others.

Our focus on sustainable earnings differentiates us from a market that obsesses over recently reported earnings. The market's myopic view on recently reported earnings is the source of the local representativeness bias that drives the extrapolation of trends, and ultimately gives rise to herding behaviour.

**LEI 10.6** Additional information. [OPTIONAL]

We conduct meetings with company management in order to understand how companies are using their capital and conducting their business. We may engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance.

Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors.

From time to time, companies may seek our input on a range of issues, and where appropriate, we may play an active role in seeking to effect changes that maximize shareholder value.

We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

LEI 12	Voluntary	Descriptive	PRI 1
LEI 12.1	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.		
<input checked="" type="checkbox"/>	Integration of ESG factors		
	Select which of these effects followed your ESG integration:		
<input type="checkbox"/>	Reduce or prioritise the investment universe		
<input type="checkbox"/>	Overweight/underweight at sector level		
<input checked="" type="checkbox"/>	Overweight/underweight at stock level		
<input checked="" type="checkbox"/>	Buy/sell decisions		
<input checked="" type="checkbox"/>	Engagement / Voting		
<input type="checkbox"/>	Other, specify		
<input type="checkbox"/>	None of the above		
LEI 12.2	Additional information.[Optional]		
	<p>We conduct meetings with company management in order to understand how companies are using their capital and conducting their business. We may engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance.</p> <p>Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors.</p> <p>From time to time, companies may seek our input on a range of issues, and where appropriate, we may play an active role in seeking to effect changes that maximize shareholder value.</p> <p>We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.</p>		

LEI 13	Voluntary	Descriptive	PRI 1		
LEI 13.1	Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.				
<input checked="" type="checkbox"/>	ESG factor 1				
	<table border="1"> <thead> <tr> <th>ESG factor and explanation</th> </tr> </thead> <tbody> <tr> <td>Governance at a Korean auto parts manufacturer.  The market was concerned around the outlook for auto demand as well as the corporate structure of the company. This gave us a valuation opportunity to buy shares in the company and gain exposure to the Korean auto industry and the captive provider of auto parts to the major Korean auto companies. The company is also well exposed to EVs and driverless cars. In early 2018 the company sought to restructure itself but at a price and structure which we felt was to the benefit of the Hyundai family and not to minority shareholders.</td> </tr> </tbody> </table>			ESG factor and explanation	Governance at a Korean auto parts manufacturer.  The market was concerned around the outlook for auto demand as well as the corporate structure of the company. This gave us a valuation opportunity to buy shares in the company and gain exposure to the Korean auto industry and the captive provider of auto parts to the major Korean auto companies. The company is also well exposed to EVs and driverless cars. In early 2018 the company sought to restructure itself but at a price and structure which we felt was to the benefit of the Hyundai family and not to minority shareholders.
ESG factor and explanation					
Governance at a Korean auto parts manufacturer.  The market was concerned around the outlook for auto demand as well as the corporate structure of the company. This gave us a valuation opportunity to buy shares in the company and gain exposure to the Korean auto industry and the captive provider of auto parts to the major Korean auto companies. The company is also well exposed to EVs and driverless cars. In early 2018 the company sought to restructure itself but at a price and structure which we felt was to the benefit of the Hyundai family and not to minority shareholders.					
	<table border="1"> <thead> <tr> <th>ESG incorporation strategy applied</th> </tr> </thead> <tbody> <tr> <td></td> </tr> </tbody> </table>			ESG incorporation strategy applied	
ESG incorporation strategy applied					
	<table border="1"> <thead> <tr> <th>Impact on investment decision or performance</th> </tr> </thead> <tbody> <tr> <td>As a shareholder, we engaged with the company and expressed our strong objection to the deal. The proposed deal was subsequently cancelled by the company as they recognised significant shareholder objection. The company has recently announced measures to improve shareholder returns including increasing capex, cancellation of treasury shares and share buybacks, which is supportive for the trend valuation of the company.</td> </tr> </tbody> </table>			Impact on investment decision or performance	As a shareholder, we engaged with the company and expressed our strong objection to the deal. The proposed deal was subsequently cancelled by the company as they recognised significant shareholder objection. The company has recently announced measures to improve shareholder returns including increasing capex, cancellation of treasury shares and share buybacks, which is supportive for the trend valuation of the company.
Impact on investment decision or performance					
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<input checked="" type="checkbox"/>	ESG factor 2				
	<table border="1"> <thead> <tr> <th>ESG factor and explanation</th> </tr> </thead> <tbody> <tr> <td>Governance and Social factors at Brazilian Food processor.  The original investment thesis was based on the attractive valuation for a business with strong operational execution track record.  Some corporate governance flags were investigated by the investment team and the company's plans for listing in the US gave us comfort that the company was being held to a higher standard going forward.  The company management subsequently confessed to bribing politicians to support business activities in Brazil. The company reacted with an overhaul of the senior management of the Group and we engaged closely with the management to understand future strategy, near term impact and expected ongoing behaviours to substantiate our views around sustainable earnings.</td> </tr> </tbody> </table>			ESG factor and explanation	Governance and Social factors at Brazilian Food processor.  The original investment thesis was based on the attractive valuation for a business with strong operational execution track record.  Some corporate governance flags were investigated by the investment team and the company's plans for listing in the US gave us comfort that the company was being held to a higher standard going forward.  The company management subsequently confessed to bribing politicians to support business activities in Brazil. The company reacted with an overhaul of the senior management of the Group and we engaged closely with the management to understand future strategy, near term impact and expected ongoing behaviours to substantiate our views around sustainable earnings.
ESG factor and explanation					
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ESG incorporation strategy applied					

Impact on investment decision or performance
<p>We concluded to hold the position and wait for an exit opportunity.</p> <p>This company has continued to deliver very strong operational results throughout as product cycle and corporate execution has not been significantly impacted. We continue to trim the position into strength and continue to monitor and engage with the senior management over time.</p>

ESG factor 3

ESG factor and explanation
<p>Governance at a Mexican transport and infrastructure company.</p> <p>Originally added on a valuation argument and an opportunity driven by some near-term market concerns over how the company accounted for regulated returns.</p> <p>This accounting process was later clarified and following NAFTA related weakness, the stock benefitted from improving sentiment on higher tariffs and a subsequent tender offer by Australian private equity firm IFM. However, we rejected the tender offer as we believed it was significantly undervalued.</p>
ESG incorporation strategy applied
Impact on investment decision or performance
<p>We engaged with the company's management to understand the Board's criteria for accepting the low offer and were not in agreement with their valuation methodology or their governance stance. As such we did not accept the tender offer and held the position while subsequently selling down the position in the open market to extract a price higher than that of the tender offer over time.</p>

ESG factor 4

ESG factor and explanation
<p>Governance at technology-related business in Japan.</p> <p>We tested the President on new management process and discipline on improving returns. We tested how this is reflected in governance structures.</p> <p>We observed a clear shift of focus from sales to profits.</p> <p>The company was taking steps to review businesses in smaller cash generating units and restructure and impair as necessary.</p> <p>The company was demonstrating greater focus on resource allocation – sold non-core businesses and units (we had engaged the company over an extended period regarding the sale of the non-core businesses)</p> <p>Its new management structure provided clear responsibility and improved decision-making process.</p> <p>Chairs of Nominations and Compensation committees now outsiders.</p> <p>Board has 50% independent representation and reduced directors' terms to one year.</p> <p>The company is demonstrating a better understanding of the need to generate globally competitive returns.</p> <p>It is dealing with issues of Indian subsidiary in transparent manner and acknowledged flaws in past oversight and working to strengthen governance structure and compliance for all units and affiliates.</p>
ESG incorporation strategy applied
Impact on investment decision or performance
<p>The company had de-rated significantly on concerns about trend growth and competitive position over many years. We observed it was beginning to benefit from aggressive restructuring - including domestic production and sales operations.</p> <p>We tested its ability to adjust cost base in core business as its market slows; its transition of marketing to focus on value added business; its commitment to improving capital efficiency</p> <p>We have a high conviction for our conservative trend assumptions which imply significant valuation buffer at current levels – and justify a meaningful position in the company</p>

ESG factor 5

	ESG factor and explanation
	<p>Environmental, Social and Governance signalling at a Japanese auto manufacturer</p> <p>Board Structure &amp; Management: We expect majority independent board with diverse outside influence; Structure of Nominations and Remuneration Committees to reflect majority membership and chaired by independents</p> <p>Company's response suggested insufficient grasp of issues - time to change structures; cannot identify internal foreign candidate; board training focused on auto expertise (not on capital efficiency and disruption to business models)</p> <p>Equity compensation and KPI: Nature of KPIs below our expectations; OPM as main financial KPI not appropriate; need clear alignment with capital efficiency and requires KPI's around ROIC and ROE</p> <p>Company's response not demonstrating understanding of capital structure and ROE. Considered ROIC (not ROE) KPI but decided not to use; capital efficiency measures tough to meet during investment phase (we stated this is when return/capital efficiency measures vital for accountability of management)</p> <p>Cross Shareholdings and relationships with affiliates: Despite smaller cross shareholdings, we stated risks in minimal global competition for parts supply and governance implications for relationships</p> <p>Social: Tested company around learnings from Takata airbag failures - now auditing suppliers thoroughly for production and R&amp;D</p> <p>Environmental: Key risk is managing its emissions; development of competitive battery technology; auditing raw materials supplies</p>
	ESG incorporation strategy applied
	Impact on investment decision or performance
	<p>The market's pricing beliefs for the company reflect an increasingly competitive environment in the US, as well as uncertainty around the potential impact from technology shifts in the auto industry. The market continues to extrapolate negative outcomes for the company on the back of historic issues relating to recall costs, capacity issues and model positioning in some markets. However, our conservative trend margin assumptions have taken these potential risks into consideration.</p> <p>With the company's ongoing rate of cash generation, there also remains ample scope further improved shareholder returns. Our conservative trend margin assumptions suggest there remains significant valuation support, which more than compensates for the observed risks and our patient investment time frame.</p> <p>Engagement is core to our Stewardship responsibilities. We aim to encourage business and management practices that support sustainable financial performance through constructive engagement based on our in-depth knowledge of the companies and their business environment.</p> <p>Where appropriate, we will play an active role in seeking to effect changes to maximize shareholder value. This is an example where our focus on significant valuation support and our application of a patient investment timeframe is highly aligned with active engagement which we believe can ultimately contribute to unlocking value.</p>

LEA 01.1 Indicate whether your organisation has an active ownership policy.

Yes

LEA 01.2 Attach or provide a URL to your active ownership policy.

Attachment provided:

ESI Equity ESG Policy\_March 2019.pdf

URL provided:

LEA 01.3 Indicate what your active engagement policy covers:

#### General approach to active ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

#### Engagement

- ESG issues
- Prioritisation of engagement
- Method of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other specify;

(Proxy) voting approach

#### Voting

- ESG issues
- Prioritisation and scope of voting activities
- Methods of voting
- Transparency of voting activities
- Regional voting practice approaches
- Filing or co-filing resolutions
- Company dialogue pre/post-vote
- Decision-making processes
- Securities lending processes
- Other specify;

Other

None of the above

No

LEA 01.4 Do you outsource any of your active ownership activities to service providers?

Yes

No

LEA 01.6 Additional information [optional]

N.B. The Singapore-based Equity team has an **Environmental, Social and Corporate Governance (ESG) Policy** document, and a separate **Proxy Voting Policies and Procedures** document.

The Equity team is also subject to the firm-wide **Eastspring Investments Stewardship Standards; Eastspring Investments Environmental, Social and Corporate Governance Standards; Eastspring Investments Proxy Voting Standards; and Eastspring Investments Best Execution Standards.**

Eastspring Investments seeks to add value for its clients by pursuing an active investment policy through portfolio management decisions, through voting on resolutions at general meetings and by maintaining a continuing dialogue with company management. Meetings with companies will therefore occur on a regular basis. This enables us to monitor company development over time and assess progress against objectives.

#### Engagement

Engagement is core to our Stewardship responsibilities. We aim to encourage business and management practices that support sustainable financial performance through constructive engagement based on our in-depth knowledge of the companies and their business environment.

We conduct meetings with company management in order to understand how companies are using their capital and conducting their business. We may

engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance.

Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors. From time to time, companies may seek our input on a range of issues, and where appropriate, we may play an active role in seeking to effect changes that maximize shareholder value.

We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

#### Proxy Voting

We aim to generate long-term capital growth on the assets investors entrust to us by pursuing an active investment policy through portfolio management decisions, through voting on resolutions at general meetings and by maintaining a continuing dialogue with company management.

As a general policy we are supportive of the management of the companies in which we invest. However, when companies consistently fail to achieve our reasonable expectations we will actively promote changes. These changes might range from the formulation of a new strategy to the appointment of new management or non-executive directors.

An active and informed voting policy is an integral part of our investment philosophy. Voting should never be divorced from the underlying investment activity. By exercising our votes we seek both to add value and to protect our interests as shareholders. We consider the issues, meet the management if necessary and vote accordingly.

We would always seek to discuss any contentious resolutions before casting our votes in order to ensure that our objectives are understood and our votes will be cast in the best interests of our clients. To aid the process of making proxy voting decisions we use a proxy advisor.

We review, from time to time, the policies and guidelines of the proxy advisor to understand the nature of their recommendations and test their compatibility with our requirements. However, specific policies and advice from the proxy advisor are not applied mechanically. We always apply our judgment and decide how to vote each resolution on its merits in the context of principles of our proxy policy.

LEA 02	Mandatory	Core Assessed	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
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Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via service providers

LEA 02.2	Indicate whether your organisation plays a role in the engagement process that your service provider conducts.
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- Yes  
 No

LEA 02.4	Additional information. [Optional]
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We conduct meetings with company management in order to understand how companies are using their capital and conducting their business. We may engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance. Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors.

From time to time, companies may seek our input on a range of issues, and where appropriate, we may play an active role in seeking to effect changes that maximize shareholder value.

We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

We are active members of collaborative organizations. From time to time, we may participate in collaborative engagement initiatives where we believe it to be in our client's best interests to do so.

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagements.
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- Yes  
 No

LEA 03.3	Additional information. [Optional]
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We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors.

We conduct meetings with company management in order to understand how companies are using their capital and conducting their business. We may engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance.

From time to time, companies may seek our input on a range of issues, and where appropriate, we may play an active role in seeking to effect changes that maximize shareholder value.

We are active members of collaborative organizations. From time to time, we may participate in collaborative engagement initiatives where we believe it to be in our client's best interests to do so.

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
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Individual / Internal engagements	<input checked="" type="checkbox"/> All engagement activities <input type="checkbox"/> Majority of engagement activities <input type="checkbox"/> Minority of engagement activities <input type="checkbox"/> We do not define specific objectives for engagement activities carried out by internal staff.
Collaborative engagements	<input checked="" type="checkbox"/> All engagement activities <input type="checkbox"/> Majority of engagement activities <input type="checkbox"/> Minority of engagement activities <input type="checkbox"/> We do not define specific objectives for engagement activities carried out through collaboration
Service provider engagements	<input checked="" type="checkbox"/> All engagement activities <input type="checkbox"/> Majority of engagement activities <input type="checkbox"/> Minority of engagement activities <input type="checkbox"/> We do not define specific objectives for engagement activities carried out by our service providers.

LEA 04.2	Additional information. [Optional]
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Our decision to engage is primarily based on what we believe will maximize shareholder value as long term investors.

We conduct meetings with company management with an objective to understand how companies are using their capital and conducting their business. We may engage with company management on a variety of issues, including ESG matters that present a potential material risk to a company's financial performance.

LEA 05	Mandatory	Core Assessed	PRI 2
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LEA 05.1	Indicate if you monitor and/or review engagement outcomes.
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Individual / Internal engagements	<input checked="" type="checkbox"/> Yes, in all cases <input type="checkbox"/> Yes, in majority of cases <input type="checkbox"/> Yes, in a minority of cases <input type="checkbox"/> We do not monitor, or review engagement outcomes carried out by our internal staff.
Collaborative engagements	<input checked="" type="checkbox"/> Yes, in all cases <input type="checkbox"/> Yes, in a majority of cases <input type="checkbox"/> Yes, in a minority of cases <input type="checkbox"/> We do not monitor, or review engagement outcomes via collaborative engagement activities.
Service provider engagements	<input type="checkbox"/> Yes, in all cases <input type="checkbox"/> Yes, in majority of cases <input checked="" type="checkbox"/> Yes, in minority of cases <input type="checkbox"/> We do not monitor, or review engagement outcomes carried out by our service providers.

LEA 05.2	Indicate if you do any of the following to monitor and review the progress of engagement activities.
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Individual / Internal staff engagements	<input type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other; specify
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Collaborative engagements	<input type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other; specify
Service provider engagements	<input type="checkbox"/> Define timelines/milestones for your objectives <input type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other; specify

<b>LEA 05.3</b>	<b>Additional information [Optional]</b>
<p>We utilize internal and external resources to assist in the analysis of material ESG issues which are incorporated into decision making and engagement activities.</p> <p>As part of the ongoing evolution of the Policy, we continue to assess external sources of information to ensure our approach has the appropriate tools to aid in applying our best judgment. Currently, we utilize the following external service providers:</p> <ul style="list-style-type: none"> <li>• Sustainalytics</li> <li>• Institutional Shareholder Services</li> </ul>	

<b>LEA 06</b>	<b>Mandatory</b>	<b>Additional Assessed</b>	<b>PRI 2,4</b>
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<b>LEA 06.1</b>	<b>Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.</b>
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Yes

<b>LEA 06.2</b>	<b>Indicate the escalation strategies used at your organisation following unsuccessful engagements.</b>
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- Collaborating with other investors
- Issuing a public statement
- Filing/submitting a shareholder resolution
- Voting against the re-election of the relevant directors
- Voting against the board of directors or the the annual financial report
- Submitting nominations for election to the board
- Seeking legal remedy / litigation
- Reducing exposure (size of holdings)
- Divestment
- Other, specify

Engagement is integral to patient investment process incorporating price and trend valuation. May impact our conviction level based on materiality of risks to sustainable returns

No

<b>LEA 06.3</b>	<b>Additional information. [Optional]</b>
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We identify significantly mispriced opportunities based on long-term relative valuation. Our focused research helps us to understand the sources of market mispricing through deep fundamental analysis.

In addition to exploiting significant price episodes, we invest a significant amount of effort into conducting a thorough due diligence on both the financial and nonfinancial aspects of a company. In building our fundamental assumptions that underpin the valuation for a company, we apply a holistic approach to identifying material risks—including ESG issues—to the sustainable earnings of a company. We rely on the robustness of our proprietary fundamental research process and apply our judgment to assess material factors that impact sustainable earnings. We require significant valuation support to compensate for material risks to longer-term sustainable earnings.

ESG issues and their potential impact differ across companies and are only incorporated into our fundamental analysis and decision-making process when we believe they could have a material impact on a company's valuation and financial performance. We have adopted tools that assist in the efficient identification of ESG issues related to the companies we research. We currently use the Sustainalytics ESG tool to assist in our deep due diligence, which includes preparation for company engagement.

As part of our due diligence, we test aspects that are material to a company's ability to fund its longer-term operations: changes in its level of capital efficiency; its ability focus on parts of the business that are core to the future drivers of profitability; the ability and willingness of management to respond in a competitive market environment; potential impacts from the quality of corporate governance; and the risks associated with environmental and social business performance that may impact a company's "social agency"—its ongoing franchise and the likely impact of management's behaviour on longer-term returns. We test the sensitivity of our valuation to changes in our trend assumptions, which inform the level of confidence (or conviction) we may gain for the longer-term trend valuation of a company.

Implicit in our approach is that we do not screen out companies solely on the basis of perceived problematic ESG issues. Although this approach does not prohibit us from purchasing or holding a position due to an ESG issue, consideration of these issues is made part of the investment decision.

Having identified potential risks to sustainable earnings, we may consider an investment where there is sufficient conviction in our fundamental assumptions and where we are more than compensated by valuation support.

A patient timeframe can improve the probability of outcomes. We believe our focused, valuation-driven approach is clearly aligned with stewardship activities, including ongoing company engagement, for shareholder value realization over the longer term. Our approach is aligned with promoting increased long-term value creation and sustainable business practices by companies. The approach focuses principally on long-term factors that determine companies' earnings, rather than on the short-term factors that may predominate in determining share prices. We place a high level of importance on an ongoing dialogue with investee companies primarily based on what we believe will maximize shareholder value as long-term investors.



Judgement is required in our investment process. It contributes to our conviction levels for the likely level of sustainable earnings of a company. Should there be material information that arises from an unsuccessful engagement, the equity team would incorporate the material information into our trend assumptions and test our conviction levels for the company. The equity team would consider the investment candidate based on their ongoing review of trend assumptions and our conviction levels. Any escalation strategy decision would be based on the weight of evidence presented in the ongoing review.

All investment professionals are responsible for the integration of ESG issues into the investment process, rather than outsourcing this responsibility to dedicated ESG or stewardship specialists.

LEA 07	Voluntary	Additional Assessed	PRI 1,2
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**LEA 07.1** Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers.

Type of engagement	Insights shared
Individual / Internal staff engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Collaborative engagements	<input checked="" type="checkbox"/> Yes, systematically <input type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Service provider engagements	<input type="checkbox"/> Yes, systematically <input checked="" type="checkbox"/> Yes, occasionally <input type="checkbox"/> No

**LEA 07.2** Indicate the practices used to ensure information and insights collected through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify  
 The investment decision makers are the individuals responsible for engagements. Engagement is part of the investment process.
- None

**LEA 07.3** Indicate whether insights gained from your organisation's engagements are shared with your clients/beneficiaries.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="checkbox"/> Yes, systematically <input checked="" type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Collaborative engagements	<input type="checkbox"/> Yes, systematically <input checked="" type="checkbox"/> Yes, occasionally <input type="checkbox"/> No
Service provider engagements	

**LEA 07.4** Additional information. [Optional]

We believe investment professionals are in the best position to evaluate all material risks to sustainable earnings of a company and issues that may have on long-term shareholder value. Engagement activities are integral to the investment process and therefore the responsibility of the equity team, rather than being delegated to ESG or stewardship specialists.

Records of all engagement activities and meetings with management/Investor Relations (IR) teams of companies are maintained centrally.

LEA 08	Mandatory	Gateway	PRI 2
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**LEA 08.1** Indicate if you track the number of your engagement activities.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input checked="" type="checkbox"/> We do not track

<b>Collaborative engagements</b>	<input type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input checked="" type="radio"/> We do not track
<b>Service provider engagements</b>	<input type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input checked="" type="radio"/> We do not track

**LEA 08.2** Additional information. [OPTIONAL]

Engagement is an integral part of the fundamental due diligence conducted by investment decision makers in our investment process. It is therefore part of every one on one meeting held between the equity team and with investee company management. Equity teams informally keep track of the one on one company management meetings but this is not centrally maintained at this point in time.

**LEA 10** Voluntary Additional Assessed **PRI 2**

**LEA 10.1** Indicate which of the following your engagement involved.

- Letters and emails to companies
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Meetings and/or calls with board/senior management
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Meetings and/or calls with the CSR, IR or other management
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Visits to operations
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Visits to the supplier(s) from the 'company's supply chain
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Participation in roadshows
  - In a minority of cases
  - In a majority of cases
  - In all cases
- Other

**LEA 10.2** Additional information. [Optional]

One on one meetings with company management is a priority, subject to availability.

**LEA 11** Voluntary Descriptive **PRI 2**

**LEA 11.1** Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

Add Example 1

ESG Topic	<input checked="" type="checkbox"/> Company leadership issues <input checked="" type="checkbox"/> Diversity <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	Ongoing engagement with investee company to improve capital efficiency and alignment with shareholder interests

Scope and Process	<p>Discussion points included issues relating to:</p> <ul style="list-style-type: none"> <li>• Introducing a new pricing platform to improve profitability through client segmentation</li> <li>• Working on mid-term plan to decrease number of SKUs starting from design level, to economize on space, capital and labor</li> <li>• Working to address insufficient representation of people with overseas experience and businesses on the board</li> <li>• Devising plan to assign another person as a chairman of board, avoid concentration of power in current chairman</li> <li>• Acknowledge that KPIs and board decision making is not transparent and will work to communicate these better</li> </ul>
Outcomes	Ongoing

Add Example 2

ESG Topic	<input checked="" type="checkbox"/> Company leadership issues <input checked="" type="checkbox"/> Diversity <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	Test President on new management process and discipline on improving returns. Test how this is reflected in governance structures
Scope and Process	<ul style="list-style-type: none"> <li>• Observed a clear shift of focus from sales to profits</li> <li>• Review businesses in smaller cash generating units and restructure and impair as necessary</li> <li>• Greater focus on resource allocation – sold non-core businesses and units</li> <li>• New management structure provides clear responsibility and improved the decision-making process</li> <li>• Chairs of Nominations and Compensation committees now outsiders</li> <li>• Board has 50% independent representation and reduced directors terms to one year</li> <li>• Company demonstrating a better understanding of the need to generate globally competitive returns</li> <li>• Dealing with issues of Indian subsidiary in a transparent manner and acknowledged flaws in past oversight and working to strengthen governance structure and compliance for all units and affiliates</li> </ul>
Outcomes	Ongoing

Add Example 3

ESG Topic	<input checked="" type="checkbox"/> Company leadership issues <input checked="" type="checkbox"/> Health and Safety <input checked="" type="checkbox"/> Labour practices and supply chain management <input checked="" type="checkbox"/> Cyber security <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	Facing specific issues, the company has been embracing the opportunities to make their business more sustainable and less susceptible to brand risk. We were testing the company's ongoing progress.
Scope and Process	<ul style="list-style-type: none"> <li>• Work Life reform – Improving work-life balance of employees? Cutting workload by 20% by fiscal year-end – achieved half of this target. Employing temporary staff and investing in systems (robotic process automation (RPA) and AI). Improving labor efficiency with rising focus on value add functions</li> <li>• Data Privacy – Are systems in place to cope with data privacy? Data platform originated from dealing with first-party customer data and incorporates security and privacy issues. Platform complies with EU GDPR data requirements – a competitive advantage versus smaller companies</li> <li>• M&amp;A Corporate Controls? Introduced three levels of control</li> <li>• Harassment cases? Took place 10 years ago before purchase of businesses in India. Culprits were dismissed. These are very important issues, that have implications for our global brand. We have to take this into account in future M&amp;A due diligence processes</li> </ul>
Outcomes	Ongoing

Add Example 4

ESG Topic	<input checked="" type="checkbox"/> Climate Change <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal

Objectives	<p>Q) Bank - Equity Cross-shareholdings. Expressed need to accelerate unwind of cross-shareholdings beyond their current targets, especially in view of tight capital buffers due to regulations and M&amp;As.</p> <p>Q) Bank - Coal Financing – Wanted to get more disclosure related to coal financing and policies to mitigate potential risks from the future tightening of regulations related to coal fired generation facilities and pricing.</p>
Scope and Process	<p>A) The bank also confirmed that it is focused on increasing the unwind value versus its plan and sees the possibility of over-achieving its mid-term target by 10-15%. However, it also noted that increasing the amount further is getting incrementally more difficult, as it is seeing some pushback by major automakers and rail companies. Also, some companies make the unwind conditional on share price levels, etc. The bank is putting the effort into more active engagement through board participation at corporates. Corporate governance code's wider acceptance is also a following wind.</p> <p>A) The bank has about 5% of its project financing portfolio invested in coal, of which 3% is invested in high-efficiency coal and 2% in lower efficiency coal projects. The company is reviewing its existing financing framework and it is likely that the lower efficiency coal exposure is going to decrease in the future. The bank is also a leader among arrangers of financing for renewable energy projects, which account for more than 20% of the project finance portfolio. The bank is also applying the same criteria for corporate loans, too.</p>
Outcomes	Ongoing

Add Example 5

ESG Topic	<input checked="" type="checkbox"/> Other governance <input checked="" type="checkbox"/> Other
Conducted by	Individual / Internal
Objectives	<p>Q1: Nuclear Investments. Concerned that investments in Nuclear are un-economical and big for the size of the company and that the company might be forced to participate for non-economic reasons.</p> <p>Q2: Portfolio Management and continued cost improvement. Continue to engage the company in terms of capital allocation to non-core businesses.</p>
Scope and Process	<p>A1: Company is working to explain to all parties involved the risks related to the projects. We have a commitment to our shareholders that we would take up the project if it is not economic and it is removed from the consolidated accounts.</p> <p>A2: In relation to achieving our operating profit margin targets by business, the company will continue considering disposals of businesses where we are sub-scale and in which we have no real edge versus competing leading companies. The management is also focused on improving profitability in auto and power segments, including if needed collaboration with other partners. The company also has more than 700 subsidiaries abroad – we will work to consolidate the resources of these.</p>
Outcomes	Ongoing

Add Example 6

ESG Topic	<input checked="" type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	<p>We raised the issue of managing the business portfolio and capital allocation to achieve better returns.</p> <p>In addition, we specifically discussed our views on their Board composition and structure of Nomination and Remuneration Committees.</p> <p>We emphasized the need for more independent directors in the Board, particularly the Chairman role and our views that since the current Chairman, came from inside, he should not chair both the Nomination and the Remuneration Committees.</p> <p>In addition, we suggested the Company to review and adopt best practices in directors' compensation policies which links directors' pay with both Company's performance and shareholders' returns.</p>
Scope and Process	<p>Management agreed with our views and has been actively looking across the business to divest non-core and low-return assets; for example, they divested synthetic rubber business last year.</p> <p>Management was surprised and receptive to our discussion on the governance matters. They agreed to consider the number of independent directors in the Board as well as the role of Chairman and composition of Nomination and Remuneration Committee.</p>
Outcomes	Company committed to change

Add Example 7

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	Progress towards implementation of new governance regime post quality falsification scandals last year

Scope and Process	We were satisfied that following report of the independent committee management continues to implement its recommendations.
Outcomes	Company committed to change

Add Example 8

ESG Topic	<input checked="" type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Other governance
Conducted by	Individual / Internal
Objectives	We engaged in a separate discussion with Company management about our views toward the Company's proposal for new Directors' remuneration policies and capital allocation plans
Scope and Process	Management agreed with our views that the mechanism (e.g. criteria, specific KPIs, etc.) for awarding compensation packages to the executive members of the Board should be disclosed in detail. They also agreed with our request to consider increasing the number of independent directors in the Board.
Outcomes	Company committed to change

Add Example 9

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	
Objectives	<p>Q1: Domestic Capex – Having in mind inflation in construction costs and overall population and retail industry trends, aggressive domestic capex in new facilities should be well evaluated or postponed.</p> <p>Q2: Domestic malls formats: Expressed concerns about domestic mall profit sustainability in the face of competition from the internet, citing US mall experience.</p> <p>Q3: Overseas capex funding: Concerned about forex risk management when investing in large capital abroad.</p>
Scope and Process	<p>A1: Going forward we are going to focus our domestic capex in renovating old malls with an existing track record, as these investments have higher returns on investment.</p> <p>A2: Company is focused not only on product but also on experience and activity consumption. The strategy is to become a hub for not only consumption but also entertainment and other social services in the regional economy.</p> <p>A3: Asean mall construction is very capital intensive, but through our dominant strategy, our brand value is increasing, which makes possible local funding and asset-light mall development structure.</p>
Outcomes	Ongoing

Add Example 10

ESG Topic	<input checked="" type="checkbox"/> Executive Remuneration
Conducted by	Individual / Internal
Objectives	Question on senior management remuneration policy and how it relates to ROE
Scope and Process	Overall, the fixed portion of remuneration has come down from 64% to 50% while the variable portion has increased. Although ROE is not explicitly linked to management's KPI, there is a higher emphasis on performance-linked remuneration and one of the key targets in the latest Mid Term Plan is ROE and ROA targets.
Outcomes	Ongoing

LEA 12	Mandatory	Descriptive	PRI 2
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LEA 12.1 Indicate how you typically make your (proxy) voting decisions.

Approach
<input type="radio"/> We use our own research or voting team and make voting decisions without the use of service providers. <input checked="" type="radio"/> We hire service provider(s) who make voting recommendations and/or provide research that we use to guide our voting decisions.
Based on
<input type="radio"/> the service provider voting policy we sign off on <input checked="" type="radio"/> our own voting policy <input type="radio"/> our clients' requests or policies <input type="radio"/> other, explain

- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
- We hire service provider(s) who make voting decisions on our behalf.

<b>LEA 12.2</b>	<b>Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made.</b>
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**Voting Policy**

We follow a principles based approach. All votes we exercise are considered in the context of the principles as set out in our proxy voting policy.

As a general policy we are supportive of the management of the companies in which we invest. However, when companies consistently fail to achieve our reasonable expectations we will actively promote changes. These changes might range from the formulation of a new strategy to the appointment of new management or non-executive directors.

We may decide to not vote proxies or abstain from voting where the costs are prohibitive and would not serve the shareholders' interest. It is not our policy to accept client standing instructions.

There are Equity team policies in place to govern the circumstances where the designated Equity team member will generally vote against management. To aid the process of making proxy voting decisions we use a proxy advisor. We review, from time to time, the policies and guidelines of the proxy advisor to understand the nature of their recommendations and test their compatibility with our requirements and will engage with the proxy advisor to facilitate this process. However, specific policies and advice from the proxy advisor are not applied mechanically.

We always apply our judgment and decide how to vote each resolution on its merits in the context of principles of our proxy policy. These include, but are not limited to:

- In the case of poor business performance, we do not apply any mechanical definition for the purpose of our exercise of proxy votes. Poor business performance must always be considered with a detailed understanding of the company in question within the context of our investment rationale for owning the company's shares. We will take into consideration the effectiveness of management policy and its response to persistently inadequate returns when voting.
- Where applicable, we will vote against management that have engaged in or facilitated anti-social acts where responsibility can be reasonably determined or assumed. Anti social acts are defined as a violation of law or an act that violates public order and causes economic loss. In exercising our proxy votes we will consider any processes the company has put in place to determine management responsibility and compliance and business improvement responses.
- Where applicable, all motions involving Retirement Bonuses for Directors and Internal Auditors will be voted against. We in principle do not approve of retirement bonuses for Directors since this is a disincentive for independent oversight by Directors for shareholders. For Internal Auditors there is an inherent conflict of interest created by paying auditors bonuses.
- Anti-takeover poison pills will also be automatically voted against as outlined in Section 3 Take-over Bids – Voting Policies and Procedures.
- Increases in Allowable Capital will be dealt with on a case by case basis.
- Issuance of equity will be assessed in terms of justification of proposed dilution, including use of capital in relation to cost of equity and impact of returns.
- Pre-emptive rights (including certain warrants) variable of undefined dilution, or share placements that cannot be clearly shown to be in the interest of shareholders will be voted against.
- Agenda items that offer broad scope of interpretation, including "Other Matters" or "Any Other Business" will be voted against.

In addition to the specific policies above, where the proxy advisor recommends a vote against management (either against a management proposal or for a share holder proposal) and where the designated Equity team member concurs with the recommendation will be voted against. In these instances, the designated Equity team member is not required to obtain written pre-clearance from either the Equity Chief Investment Officer ("CIO") or Equity Team Leader.

<b>LEA 12.3</b>	<b>Additional information.[Optional]</b>
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We aim to generate long-term capital growth on the assets investors entrust to us by pursuing an active investment policy through portfolio management decisions, through voting on resolutions at general meetings and by maintaining a continuing dialogue with company management.

As a general policy we are supportive of the management of the companies in which we invest. However, when companies consistently fail to achieve our reasonable expectations we will actively promote changes. These changes might range from the formulation of a new strategy to the appointment of new management or non-executive directors.

An active and informed voting policy is an integral part of our investment philosophy. Voting should never be divorced from the underlying investment activity. By exercising our votes we seek both to add value and to protect our interests as shareholders. We consider the issues, meet the management if necessary and vote accordingly. We would always seek to discuss any contentious resolutions before casting our votes in order to ensure that our objectives are understood and our votes will be cast in the best interests of our clients.

To aid the process of making proxy voting decisions we use a proxy advisor. We review, from time to time, the policies and guidelines of the proxy advisor to understand the nature of their recommendations and test their compatibility with our requirements. We review, from time to time, the policies and guidelines of the proxy advisor to understand the nature of their recommendations and test their compatibility with our requirements. However, specific policies and advice from the proxy advisor are not applied mechanically. We always apply our judgment and decide how to vote each resolution on its merits in the context of principles of our proxy policy.

<b>LEA 14</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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<b>LEA 14.1</b>	<b>Indicate if your organisation has a securities lending programme.</b>
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- Yes
- No

<b>LEA 14.2</b>	<b>Describe why your organisation does not lend securities.</b>
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Our clients have securities lending programs in place

<b>LEA 15</b>	<b>Mandatory</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 15.1</b>	<b>Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting.</b>
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- 100%
- 99-75%
- 74-50%
- 49-25%

- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

**LEA 15.3** Additional information. [Optional]

We believe that voting should never be divorced from the underlying investment activity.

By exercising our votes we seek both to add value and to protect our interests as shareholders. We consider the issues, meet the management if necessary and vote accordingly. Where possible, we would seek to discuss any contentious resolutions with investee companies before casting our votes in order to ensure that our objectives are understood and our votes will be cast in the best interests of our investors/clients.

**LEA 16** Mandatory Core Assessed PRI 2

**LEA 16.1** Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**LEA 16.4** Additional information. [Optional]

We are in the process of operationalising the communication of rationales for voting against management recommendations. At this point we have not captured the activity where our investment teams have provided rationales to company managements. We cannot supply accurate an percentage to Q) 16.1.

We do currently have open dialogues with company management, where we signal our voting intentions and discuss the rationale with company management.

**LEA 17** Mandatory Core Assessed PRI 2

**LEA 17.1** For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

**Votes cast (to the nearest 1%)**

99%

**Specify the basis on which this percentage is calculated**

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

**LEA 17.2** Explain your reason(s) for not voting on certain holdings

- Shares were blocked
- Notice, ballots or materials not received in time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other

**LEA 17.3** Additional information. [Optional]

We may decide to not vote proxies or abstain from voting where the costs are prohibitive and would not serve the shareholders' interest.

**LEA 18** Voluntary Additional Assessed PRI 2

**LEA 18.1** Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information

**LEA 18.2** Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

**Voting instructions Breakdown as percentage of votes cast** For (supporting) management recommendations

91.07%  
Against (opposing) management recommendations  
8.93%  
Abstentions  
0%

No, we do not track this information

**LEA 18.3** In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged.

100

**LEA 18.4** Additional information. [Optional]

We believe that voting should never be divorced from the underlying investment activity.

By exercising our votes we seek both to add value and to protect our interests as shareholders. We consider the issues, meet the management if necessary and vote accordingly. Where possible, we would seek to discuss any contentious resolutions with investee companies before casting our votes in order to ensure that our objectives are understood and our votes will be cast in the best interests of our investors/clients

**LEA 19** **Mandatory** **Core Assessed** **PRI 2**

**LEA 19.1** Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

Yes  
 No

**LEA 20** **Voluntary** **Descriptive** **PRI 2**

**LEA 20.1** Indicate if your organisation directly or through a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.

Yes  
 No

**LEA 21** **Voluntary** **Descriptive** **PRI 2**

**LEA 21.1** Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

Add Example 1

ESG Topic	<input checked="" type="checkbox"/> Executive Remuneration
Conducted by	Individual/Internal
Objectives	To ensure that executive remuneration is aligned with shareholder interests.
Scope and Process	A vote AGAINST the proposal was warranted because the proposed payment does not appear appropriate in light of concerns over disclosure, board practices, and transparency concerning the nomination/dismissal process of the top management which came to light in the wake of the land scandal and the leadership change.
Outcomes	Voting

Add Example 2

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Appointment of statutory auditor - ensure sufficient independent oversight
Scope and Process	A vote AGAINST this nominee was warranted because the outside statutory auditor nominee's affiliation with the company could compromise his independence.
Outcomes	Voting

Add Example 3

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Re-election of a director
Scope and Process	A vote AGAINST this director nominee was warranted because top management is responsible for the company's unfavorable ROE performance.
Outcomes	Voting

Add Example 4



ESG Topic	<input checked="" type="checkbox"/> Executive Remuneration
Conducted by	Individual/Internal
Objectives	Compensation Ceiling for Directors, Stock Option Plan and Deep Discount Stock Option Plan
Scope and Process	<p>A vote AGAINST this proposal is warranted because there are concerns about the significant size of the increase in the aggregate compensation ceiling requested.</p> <p>There are transparency concerns about the company's compensation practices given that it does not have a compensation committee, which is particularly problematic given the size of the requested increase.</p> <p>No specific performance hurdles are specified, and the deep discount stock options could become exercisable in less than three years after this shareholder meeting by non-retiring recipients.</p>
Outcomes	Voting

Add Example 5

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Amend Articles of Association
Scope and Process	<p>A vote AGAINST this resolution was warranted given the proposed amendments may result in granting the Party Committee with legitimate authority to significantly influence the leadership and corporate governance of the company, allowing it to assert disproportionate influence over the board and expose shareholders to governance risks.</p>
Outcomes	Voting

Add Example 6

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Election of Directors
Scope and Process	<p>A vote AGAINST the specific nominees is warranted as they are non-independent directors on a board whose composition is not compliant with the requirement of the Securities and Exchange Commission's Code of Corporate Governance regarding independent representation</p>
Outcomes	Voting

Add Example 7

ESG Topic	<input checked="" type="checkbox"/> Pollution <input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Election of Director
Scope and Process	<p>A vote AGAINST this nominee was warranted because as the top executive who has been on the board since 2004, became the president in 2005, and the chairman and CEO in 2014 - he CEO should be held responsible for the fuel economy test data falsification incident.</p>
Outcomes	Voting

Add Example 8

ESG Topic	<input checked="" type="checkbox"/> Other governance
Conducted by	Individual/Internal
Objectives	Election of statutory auditor nominee
Scope and Process	<p>A vote AGAINST this statutory auditor nominee is warranted because - given the significance of the company's long-standing misconduct concerning final vehicle inspection, it is not appropriate to support the reappointment of this incumbent statutory auditor.</p>
Outcomes	Voting

Add Example 9



**FI 01.1** Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.

SSA	Screening alone	0
	Thematic alone	0
	Integration alone	100
	Screening + integration strategies	0
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	100
	Screening + integration strategies	0
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0

**FI 01.2** Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

The integration of ESG analysis into our investment process at Eastspring Investments is an ongoing and long term process. Assessment and monitoring of ESG factors are an integral part of our bottom-up credit research process. ESG issues, where material, are incorporated in our fundamental analysis of individual companies to assess their impact on an issuer's financial performance, its risk of default, and the valuation of the bonds it issues.

**FI 02.1** Indicate which ESG factors you systematically research as part of your analysis on issuers.

	SSA	Corporate (non-financial)
Environmental data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Social data	<input type="checkbox"/>	<input type="checkbox"/>
Governance data	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**FI 02.2** Indicate what format your ESG information comes in and where you typically source it

- Raw ESG company data

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify

specify description
Company reports

- ESG factor specific analysis
- Issuer-level ESG analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify

specify description
Company Reports

- Sector-level ESG analysis
  - ESG research provider
  - Sell-side
  - In-house – specialised ESG analyst or team
  - In-house – FI analyst, PM or risk team
  - Other, specify

specific description
Company Reports

- Country-level ESG analysis

<b>FI 02.3</b>	<b>Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.</b>
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Our credit analysts will ascertain the materiality of the ESG issues, and the appropriate risk premium to be priced in for the bonds the company issues. They will take into consideration factors such as severity of the allegations, size of fines, impact on the company's sales and profit, reputational risks, etc. The materiality of ESG factors varies by sector and company, and the materiality may change over time. The analysts can then assess whether they are being compensated fairly on the ESG risks for holding the bonds, in addition to the regular process of credit valuations.

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from public sources (including financial/sustainability reports, news/media), and direct interaction with the companies, to assist us in identifying relevant ESG issues.

<b>FI 03</b>	<b>Mandatory</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>FI 03.1</b>	<b>Indicate how you ensure that your ESG research process is robust:</b>
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- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

<b>FI 03.2</b>	<b>Describe how your ESG information or analysis is shared among your investment team.</b>
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- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

<b>FI 03.3</b>	<b>Additional information. [Optional]</b>
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Assessment and monitoring of ESG factors are an integral part of our bottom-up research process. It involves an assessment of the quality of corporate governance, taking into consideration factors such as corporate transparency, audit practices and track record of business integrity. Considerations related to environment and social issues that could have an impact on businesses' day-to-day operation, financial performance, and subsequently the ability to payback its obligations are also taken into account in the analysis.

Our credit research report will incorporate the key conclusion of the ESG analysis by addressing the question: 'Is the company facing any major ESG

issue(s)?'. If so, the analysts will include the details of the ESG issue(s) and the potential impact on the company.

FI 10	Mandatory	Descriptive	PRI 1
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**FI 10.1** Describe your approach to integrating ESG into traditional financial analysis.

Assessment and monitoring of ESG factors are an integral part of our bottom-up credit research process. ESG issues are incorporated in our fundamental analysis of individual companies to assess their impact on an issuer's financial performance, its risk of default, and the valuation of the bonds it issues. This process involves an assessment of the quality of corporate governance, taking into consideration factors such as corporate transparency, audit practices and track record of business integrity. Considerations related to environment and social issues that could have an impact on business' day-to-day operation, financial performance, and subsequently the ability to payback its obligations are also taken into account in the analysis. A company's preparedness in dealing with ESG issues is also an important consideration.

Our credit analysts will then ascertain the materiality of the ESG issues and the appropriate risk premium to be priced in for the bonds the company issues. They will take into consideration factors such as severity of the allegations, size of fines, impact on company's sales and profit, reputational risks, etc. The materiality of ESG factors varies by sector and company and the materiality may change over time. The analysts can then assess whether they are being compensated fairly on the ESG risks for holding the bonds, in addition to the regular process of credit valuations.

Implicit in our approach is that we do not screen out companies solely on the basis of perceived ESG issues. Whilst the approach does not prohibit us from purchasing or holding a security based purely on an ESG issue, a consideration of these implications is an integral part of our investment decision.

Our assessment and ongoing monitoring of ESG factors incorporates information obtained from both public sources (including financial/sustainability reports, news/media etc) and direct interaction with the companies, to assist us in identifying relevant ESG issues.

Our credit research report will incorporate the key conclusion of the ESG analysis by addressing the question: 'Is the company facing any major ESG issue(s)?'. If so, the analysts will include details of the ESG issue(s) and the potential impact on the company.

**FI 10.2** Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

**SSA**

There are a different set of factors considered for sovereigns, however, the investment process and integration of ESG issue(s) remains the same across the different types of fixed income invested (as outlined in FI 10.1)

**Corporate (non-financial)**

There are a different set of factors considered for sovereigns, however, the investment process and integration of ESG issue(s) remains the same across the different types of fixed income invested (as outlined in FI 10.1).

FI 11	Mandatory	Core Assessed	PRI 1
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**FI 11.1** Indicate how ESG information is typically used as part of your investment process.

	SSA	Corporate (non-financial)
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis is used to adjust the internal credit assessments of issuers.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>
ESG analysis is integrated into portfolio weighting decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input type="checkbox"/>	<input type="checkbox"/>
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input type="checkbox"/>	<input type="checkbox"/>
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>

FI 12	Mandatory	Additional Assessed	PRI 1
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**FI 12.1** Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance						
SSA	<table border="1"> <tr><th style="background-color: #0070C0; color: white;">Environmental</th></tr> <tr> <td> <input checked="" type="checkbox"/> Systematically  <input type="checkbox"/> Occasionally  <input type="checkbox"/> Not at all                 </td> </tr> </table>	Environmental	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<table border="1"> <tr><th style="background-color: #0070C0; color: white;">Social</th></tr> <tr> <td> <input type="checkbox"/> Systematically  <input checked="" type="checkbox"/> Occasionally  <input type="checkbox"/> Not at all                 </td> </tr> </table>	Social	<input type="checkbox"/> Systematically <input checked="" type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<table border="1"> <tr><th style="background-color: #0070C0; color: white;">Governance</th></tr> <tr> <td> <input checked="" type="checkbox"/> Systematically  <input type="checkbox"/> Occasionally  <input type="checkbox"/> Not at all                 </td> </tr> </table>	Governance	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all
Environmental									
<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all									
Social									
<input type="checkbox"/> Systematically <input checked="" type="checkbox"/> Occasionally <input type="checkbox"/> Not at all									
Governance									
<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all									

Corporate (non-financial)	<b>Environmental</b>	<b>Social</b>	<b>Governance</b>
	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<input type="checkbox"/> Systematically <input checked="" type="checkbox"/> Occasionally <input type="checkbox"/> Not at all	<input checked="" type="checkbox"/> Systematically <input type="checkbox"/> Occasionally <input type="checkbox"/> Not at all

**FI 12.2** Please provide more detail on how you review E, S and/or G factors in your integration process.

<b>SSA</b>
<p>The process for ESG analysis for SSA involves an assessment of governance factors, taking into consideration factors such as the strength of institutions, level of corruption and rule of law. Considerations related to environmental and social issues that could have an impact on sovereigns and supranational organisations are also taken into account in the analysis. Their preparedness in dealing with ESG issues is also an important consideration.</p> <p>Some <b>Environmental factors</b> considered include, but are not limited to: climate change, biodiversity, energy resources and management, biocapacity and ecosystem quality, air pollution, water scarcity and pollution, etc.</p> <p>Some <b>Social factors</b> considered include, but are not limited to: employee relations, human rights, community/stakeholder relations, product responsibility, health and safety, diversity and employment equality, labour treatment, etc.</p> <p>Some <b>Governance factors</b> include, but are not limited to: strength of institutions, level of corruption, political stability, rule of law, etc.</p> <p>These matters can directly impact SSA bond performance in the form of risk premium priced in, credit ratings and default probability.</p>
<b>Corporate (non-financial)</b>
<p>The process involves an assessment of the quality of corporate governance, taking into consideration factors such as corporate transparency, audit practices and track record of business integrity. Considerations related to environment and social issues that could have an impact on businesses' day-to-day operation, financial performance, and subsequently the ability to payback its obligations are also taken into account in the analysis. A company's preparedness in dealing with ESG issues is also an important consideration.</p> <p>Some <b>Environmental factors</b> considered include, but are not limited to: climate change, biodiversity, energy resources and management, biocapacity and ecosystem quality, air pollution, water scarcity and pollution, etc.</p> <p>Some <b>Social factors</b> considered include, but are not limited to: employee relations, human rights, community/stakeholder relations, product responsibility, health and safety, diversity and employment equality, labour treatment, volunteering and corporate social responsibility (CSR), etc.</p> <p>Some <b>Governance factors</b> include, but are not limited to: shareholder rights, incentives structure, audit practices, board expertise, independent directors, transparency/disclosure, financial policy, business integrity, transparency and accountability, corruption and bribery, etc.</p> <p>These matters can directly impact corporate performance in terms of revenue and profitability, cost of capital, leverage, labour productivity and management effectiveness, and operational efficiencies. This in turn, gets reflected in the fixed income market in the form of credit ratings, bond yield, default probability, and the breach of covenant terms.</p>

**FI 14** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

**FI 14.1** Indicate the proportion of your fixed income assets on which you engage. Please exclude any engagements carried out solely in your capacity as a shareholder.

Category	Proportion of assets
SSA	<input checked="" type="checkbox"/> >50% <input type="checkbox"/> 26-50% <input type="checkbox"/> 5-25% <input type="checkbox"/> More than 0%, less than 5%
	<p><b>FI 14.2</b> Indicate your motivations for conducting engagement (SSA fixed income assets).</p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue
Corporate (non-financial)	<input checked="" type="checkbox"/> >50% <input type="checkbox"/> 26-50% <input type="checkbox"/> 5-25% <input type="checkbox"/> More than 0%, less than 5%
	<p><b>FI 14.2</b> Indicate your motivations for conducting engagement (Corporate, non-financial fixed income assets)</p> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue

**FI 14.3** Additional information.[OPTIONAL]

As a debt holder, we are not owners of the company we invest in. We are not able to vote on key company matters and our influence on the company is also not as strong as equity holders due to our position in the capital structure. Nonetheless, we seek to obtain a better understanding on how the company is managing, or plan to manage, material ESG risks through our interaction with the company. This may take place during investor meetings and conference calls with the company's management in the run-up of a bond issuance or during earnings calls.

**FI 15** Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1,2

**FI 15.1** Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)

Type of engagement	SSA	Corporate (non-financial)
Individual/Internal staff engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input type="checkbox"/>	<input type="checkbox"/>
Service provider engagements	<input type="checkbox"/>	<input type="checkbox"/>

**FI 15.2** Indicate how your organisation prioritises engagements with issuers.

	SSA	Corporate (non-financial)
Size of holdings	<input type="checkbox"/>	<input type="checkbox"/>
Credit quality of the issuer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Duration of holdings	<input type="checkbox"/>	<input type="checkbox"/>
Quality of transparency on ESG	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Specific markets and/or sectors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Specific ESG themes	<input type="checkbox"/>	<input type="checkbox"/>
Issuers in the lowest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>
Issuers in the highest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>
Specific issues considered priorities for the investor based on input from clients and beneficiaries	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>

**FI 15.3** Indicate when your organisation conducts engagements with issuers.

	SSA	Corporate (non-financial)
We engage pre-investment.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage post-investment.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage in reaction to ESG issues that have already affected the issuer.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage prior to ESG-related divestments.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>

**FI 15.4** Indicate what your organisation conducts engagements with issuers on.

	SSA	Corporate (non-financial)
We engage on ESG risks and opportunities affecting a specific bond issuer or its issuer.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage on ESG risks and opportunities affecting the entire industry or region that the issuer belongs to.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage on specific ESG themes across issuers and industries (e.g., human rights).	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>

**FI 15.5** Indicate how your organisation ensures that information and insights collected through engagement can feed into the investment decision-making process.

	SSA	Corporate (non-financial)
Ensuring regular cross-team meetings and presentations.	<input type="checkbox"/>	<input type="checkbox"/>
Sharing engagement data across platforms that is accessible to ESG and investment teams.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encouraging ESG and investment teams to join engagement meetings and roadshows.	<input type="checkbox"/>	<input type="checkbox"/>
Delegating some engagement dialogue to portfolio managers/credit analysts.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Involving portfolio managers when defining an engagement programme and developing engagement decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Establishing mechanisms to rebalance portfolio holdings based on levels of interaction and outcomes of engagements.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Considering active ownership as a mechanism to assess potential future investments.	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>
We do not ensure that information and insights collected through engagement can feed into the investment decision-making process.	<input type="checkbox"/>	<input type="checkbox"/>

**FI 15.6** Additional information.[OPTIONAL]

As a debt holder, we are not owners of the company we invest in. We are not able to vote on key company matters and our influence on the company is also not as strong as equity holders due to our position in the capital structure. Nonetheless, we seek to obtain a better understanding on how the company is managing, or plan to manage, relevant ESG risks through our interaction with the company. This may take place during investor meetings and conference calls with the company's management in the run-up of a bond issuance or during earnings calls.

**FI 16** Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1,2

**FI 16.1** Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

Yes

**FI 16.2** Please attach or provide a URL to your fixed income engagement policy document. [Optional]

No

**FI 17** Mandatory to Report, Voluntary to Disclose Additional Assessed General

**FI 17.1** Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or performance.

	SSA	Corporate (non-financial)
We measure whether incorporating ESG impacts portfolio risk.	<input type="checkbox"/>	<input type="checkbox"/>
We measure whether incorporating ESG impacts portfolio returns.	<input type="checkbox"/>	<input type="checkbox"/>
We measure the ESG performance/profile of portfolios (relative to the benchmark).	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**FI 18** Voluntary Descriptive PRI 1,2

**FI 18.1** Provide examples of how your incorporation of ESG analysis and/or your engagement of issuers has affected your fixed income investment outcomes during the reporting year.

Example 1

Corporate (non-financial)	
	ESG issue and explanation
<p><b>Chinese Food &amp; Beverage Company - Corporate Governance Issues</b></p> <ul style="list-style-type: none"> <li>The securities regulator raised concerns post-audit about the management's use of proceeds and failures at disclosure - the management arranged for a conference call to assuage investor concerns</li> <li>Whilst the investment recommendation was to hold our positions then, the analyst was prompted to conduct a deep dive, which included verification on the company's acquisitions in the recent years</li> <li>The analyst conducted a company/site visit to a recently acquired personal care products manufacturer in China (January 2018), but the plant manager was unable to answer many questions on distribution statistics and plans on land expansion</li> <li>The lack of clarity heightened corporate governance concerns for the company again</li> </ul>	
Engagement	
	Impact on investment decision or performance
<ul style="list-style-type: none"> <li>The heightened corporate governance concerns resulted in portfolio managers selling down our positions in the company</li> <li>Overall conclusion: We decided to trade out of the position completely</li> </ul>	

Example 2

Corporate (non-financial)	
	ESG issue and explanation
<p><b>Indonesian Garment Manufacturer - Social Concerns</b></p> <ul style="list-style-type: none"> <li>A factory visit was conducted shortly after we invested in the bond - primarily to rule out labour/supply-chain concerns</li> <li>Some concerns include: 'sweatshop' allegations of utilising child labour, etc.</li> <li>Analysts spoke with the workers on the factory floor during the site visit as part of their due diligence process, to ascertain the real working conditions there - rather than relying on what management is telling investors</li> </ul>	
Engagement	



Impact on investment decision or performance
<ul style="list-style-type: none"> <li>• Conclusion: We continue to <b>HOLD</b> this bond</li> </ul>

Example 3

Corporate (non-financial)	
ESG issue and explanation	<p><b>Indonesian Palm Oil Producer - Environmental Concerns</b></p> <ul style="list-style-type: none"> <li>• Several watchdog bodies have identified the company for its non-compliance of the 'No Deforestation, No Peatland, No Exploitation' (NDPE) policies - there were accusations that the company was engaging in deforestation and destruction of the orangutan's natural habitat</li> <li>• Several large Palm Oil buyers and traders have stopped sourcing from the company in 2017-2018 due to complaints about non-compliance with RSPO-sustainability practices</li> <li>• In response, the company clarified that they are working with these palm oil buyers to improve their sustainability practices; and its plans to have all of its production certified by RSPO by 2019, and its entire supply chain certified by 2020</li> </ul>
Integration	
Impact on investment decision or performance	<ul style="list-style-type: none"> <li>• Conclusion: We continue to HOLD a position in the company as we believe they are making genuine efforts to improve their environmental compliance obligations</li> <li>• We will continue to monitor closely any future developments, and may revisit this position if we find that the company is not living up to its commitments</li> </ul>

Example 4

Example 5

CM1 01	Mandatory	Additional Assessed	General
CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:		
<input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified</li> <li><input type="checkbox"/> Selected data has been internally verified</li> </ul> <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above			
CM1 01.2	Additional information [OPTIONAL]		
The whole PRI Transparency Report has been internally verified by Eastspring's Chief Investment Officer, and the Chairman of the Eastspring Responsible Investment Advisory Committee (ERIAC).			
CM1 02	Mandatory	Descriptive	General
CM1 02.1	We undertook third party assurance on last year's PRI Transparency Report		
<input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input type="radio"/> We did not assure last year's PRI Transparency report <input checked="" type="checkbox"/> None of the above, we were in our preparation year and did not report last year.			
CM1 02.3	Additional information [OPTIONAL]		
We are currently in our preparation year, and will officially submit our first publicly assessed report in 2020.			
CM1 03	Mandatory	Descriptive	General
CM1 03.1	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:		
<input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report <input type="checkbox"/> ESG audit of holdings <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above			
CM1 03.5	Additional information [OPTIONAL]		
We are currently in our preparation year, and will officially submit our first publicly assessed report in 2020.			
CM1 04	Mandatory	Descriptive	General
CM1 04.1	Do you plan to conduct third party assurance of this year's PRI Transparency report?		
<input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="checkbox"/> We do not plan to assure this year's PRI Transparency report			
CM1 04.3	Additional information [OPTIONAL]		
We are currently in our preparation year, and will officially submit our first publicly assessed report in 2020.			
CM1 07	Mandatory	Descriptive	General
CM1 07.1	Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed		
<input checked="" type="checkbox"/> CEO or other Chief-Level staff <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Sign-off</li> <li><input checked="" type="checkbox"/> Review of responses</li> </ul> <input type="checkbox"/> The Board <input type="checkbox"/> Investment Committee <input type="checkbox"/> Compliance Function <input checked="" type="checkbox"/> RI/ESG Team <input checked="" type="checkbox"/> Investment Teams			

- Legal Department
- Other (specify)

specify

Eastspring Investment's Global Chief Investment Officer, the Chairman of Eastspring Investments' Responsible Investment Advisory Committee, and the Chairman of the Eastspring Investments' Responsible Investment Working Group has reviewed the responses, and provided sign-off on the whole PRI Transparency Report.