

PRI Reporting Framework

HEDGE FUNDS

2021

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WHO DOES THIS MODULE APPLY TO?

The **hedge funds** module is designed for signatories who invest directly in hedge funds and implement responsible investment for at least some of those assets.

If investors exclusively use **external managers** for their responsible investment in hedge funds, this module is not applicable. Investors will instead report this in the external investment manager selection, appointment and monitoring (SAM) module.

This module seeks information at the organisational level and for hedge fund investments in aggregate; reporting should be done for all hedge funds AUM and not focus on one fund or product.

It is mandatory to complete this module for signatories who have **either 10% of their AUM, or US\$10bn or more**, directly invested in hedge fund strategies in the relevant reporting year.

The **hedge fund strategies** that can be reported on in this module include:

- Multi strategy
- Long/short equity
- Long/short credit
- Distressed credit, special situations and event driven fundamental
- Structured credit
- Global macro
- Commodity trading advisor
- Other

UNDERSTANDING THIS DOCUMENT

INDICATOR HEADER

Key information about each indicator is highlighted in its header.

Indicator ID OO12	Dependent on:	OO 09	Sub-section Governance	PRI Principle 3, 6	Type of indicator CORE
	Gateway to:	OO 14			

- **Indicator ID:** each indicator's unique identifier.
- **Simplified logic:** summarised information on the dependencies between indicators. Complete logic is available under 'Logic' in the explanatory notes.
 - Dependent on: highlights other indicator(s) on which the indicator depends.
 - Gateway to: highlights other indicator(s) unlocked by the indicator.
- **Sub-section** of the module to which the indicator belongs.
- **PRI Principle** to which the indicator relates.
- **Type of indicator:** core or plus.

CORE AND PLUS CHARACTERISTICS

CORE	PLUS
Mandatory	Voluntary
Public	Public or private (signatories' choice)
Closed-ended questions	Mostly open-ended questions
Assessed	Not assessed

EXPLANATORY NOTES, DETAILED LOGIC AND ASSESSMENT

Each indicator is accompanied by additional clarifications on how to interpret the indicator, its dependencies on other indicators, and how responses are assessed. This additional information is structured as follows.

Explanatory notes	
Purpose of indicator	Clarifies the indicator's relevance and what it aims to assess. Indicates how it is linked to what the PRI considers better practice.
Additional reporting guidance	Provides guidance on how to interpret and respond to the indicator. Clarifies the scope of the indicator and possible ambiguities, provides examples of what could be reported and clarifies the terms used in the question and answer options. Key terms are defined in the glossary , available online.
Other resources	Provides links to useful resources for additional information, guidance or further reading, including PRI publications.
Reference to other standards	Indicates any external sources, standards or frameworks referenced by the indicator.
Logic	
Dependent on	Clarifies how signatories' earlier answers in the reporting framework determine whether, and how, the indicator will apply to them.
Gateway to	Explains how signatories' responses will unlock subsequent indicators in the reporting framework.
Assessment	
Assessment criteria	Indicates the basis for assessment.
"Other" scored as	Indicates whether, and how, selecting "Other" as an answer option is scored.
Multiplier	<p>All indicators have 100 points available to be scored within the initial phase of assessment. A multiplier is then applied, weighted according to the indicator's importance relative to other indicators.</p> <ul style="list-style-type: none"> ▪ High importance indicators are weighted x2. ▪ Moderate importance indicators are weighted x1.5. ▪ Low importance indicators are weighted x1.

FREE TEXT ANSWERS: CHARACTER LIMIT

Indicators requesting free text answers indicate the relevant character limit, which signatories should consider when inputting responses into the reporting tool.

	Character limit	Equivalent word limit	Practical meaning	Time to read
Extra Small	50	~ 7	One line	-
Small	500	~ 70	A couple of sentences	-
Medium	2,000	~ 300	~ 0.5 page	~ 45 seconds
Large	5,000	~ 700	~ 1 page	~ 2 minutes
Extra Large	10,000	~ 1400	~ 2 pages	~ 4 minutes

POLICY

INVESTMENT GUIDELINES [HF 1]

Indicator ID	Dependent on:	N/A	Sub-section	PRI Principle	Type of indicator
HF 1	Gateway to:	N/A	Investment guidelines	1, 4, 6	CORE

What activities and/or relationships are covered by your organisation's [responsible investment policy\(ies\)](#) and practices for your hedge fund assets?

- (A) Our ESG requirements of prime brokers
- (B) Our ESG requirements with administrators and custodians
- (C) Our ESG requirements regarding [\(proxy\) voting service providers](#) (or other third-party providers)
- (D) How breaches in our responsible investment policy are communicated with external parties and clients
- (E) How ESG is incorporated into our long and/or short exposures
- (F) How ESG is incorporated into our [derivatives](#) exposure
- (G) Whether sectors, issuers, equities and/or asset types are avoided due to [ESG factors](#)
- (H) How we engage with underlying investees, issuers or real assets
- (I) Our policies do not cover activities and/or relationships for our hedge fund assets

Explanatory notes

Purpose of indicator	<p>This indicator aims to capture whether a signatory's responsible investment policy includes hedge fund–specific guidance for its hedge fund assets. Many investors will have an organisation-wide ESG/RI policy that covers all asset classes. A policy covering all asset classes is likely to leave space for interpretation regarding its application to hedge fund assets. Adapting this into specific ESG guidelines for an organisation's hedge fund assets is considered better practice and will help align expectations and practices related to responsible investment in hedge funds.</p> <p>These answer options are intended to provide the signatory with the opportunity to outline how the hedge fund or investment manager's RI policy impacts B2B relationships or contracts and the asset selection process.</p>
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Additional reporting guidance	<p>Guidelines relating to relationships and/or activities specific to hedge fund assets may appear in a standalone document (i.e. a hedge fund policy) or feature in the overall RI policy document.</p> <p>A responsible investment policy is a document that captures an organisation's strategy to incorporate environmental, social and governance (ESG) factors in investment decisions and stewardship. An organisation's responsible investment policy can take many shapes. It may involve embedding responsible investment considerations into the organisation's main investment policy. It could also consist of a standalone responsible investment policy. Alternatively, it could be captured in high-level public statements or codes of business practice to which the organisation has adhered.</p> <p>A hedge fund policy is a written document outlining the purpose of a specific fund, the fund governance processes (i.e. the composition of the board and/or investment committee), the strategies followed, the return objectives, the limitations in place and any other information relevant to the trustees such as potential conflicts of interests or restrictions on any particular investments. A hedge fund policy is different from a responsible investment (RI) policy. The latter specifies how ESG considerations are incorporated across an investment firm.</p>
Other resources	For guidance on how to write an RI policy, refer to An introduction to responsible investment: policy, structure and process .
Logic	
Dependent on	N/A
Gateway to	N/A
Assessment	
Assessment criteria	<p>100 points for this indicator.</p> <p>0 score for no selection or I. 25 score for 2 selections from A–H. 50 score for 3 selections from A–H. 75 score for 4 selections from A–H. 100 score for 5 or more selections from A–H.</p>
Multiplier	Low x1 weighting.

PRE-INVESTMENT PHASE

MATERIALITY ANALYSIS [HF 2, HF 2.1]

Indicator ID HF 2	Dependent on:	OO 10	Sub-section				PRI Principle	Type of indicator	
	Gateway to:	HF 2.1	Materiality analysis				1	CORE	
Does your organisation have a formal investment process to identify material ESG factors across your hedge fund strategies?									
	Hedge fund strategies								
	(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other	
(A) Yes, we have a formal process to identify material ESG factors for all of our assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(B) Yes, we have a formal process to identify material ESG factors for the majority of our assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(C) Yes, we have a formal process to identify material ESG factors for a minority of our assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
(D) No, we do not have a formal process to identify material ESG factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Explanatory notes	
Purpose of indicator	This indicator aims to assess the extent to which the identification of material ESG factors is part of an investment process. It is considered better practice to have a formal process to identify material ESG factors for all potential assets in the pre-investment phase. This allows for the identification and management of downside risks that might remain undiscovered without the analysis of ESG data and trends. Formally integrating this analysis into the investment process helps ensure consistency within the organisation.
Additional reporting guidance	<p>A formal process to identify material ESG factors involves a systematic or structured incorporation of some or all of the following three steps into the investment process:</p> <ul style="list-style-type: none"> (i) Security, issue or asset research: Identifying material ESG issues that impact the valuation of a security, issue or asset (or provide topics for engagement). (ii) Security, issue or asset valuation: Integrating the material ESG issues into financial analysis, e.g. by making adjustments to required rates of return, valuation multiples, forecasted earnings, cash flows and balance sheet strength. (iii) Portfolio management: Including the ESG analysis in decisions about portfolio construction, e.g. through sector weightings. <p>Throughout the reporting framework, the PRI seeks to capture the scope and depth of signatories' policies and activities by asking about AUM coverage and approaches in different asset strategies.</p>
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 2].
Gateway to	[HF 2.1] will be applicable for reporting if any of the options (A-C) are selected in [HF 2]. Only hedge fund strategies for which options (A-C) are selected in [HF 2] will be visible in [HF 2.1].
Assessment	
Assessment criteria	100 points for this indicator.

	<p>0 score for no selection or D. 32 score for C. 64 score for B. 100 score for A.</p> <p>Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.</p>
Multiplier	High x2 weighting.

Indicator ID HF 2.1	Dependent on:	HF 2	Sub-section Materiality analysis	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

How does your current investment process **incorporate material ESG factors**?

	Hedge fund strategies							
	(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other
(A) The investment process incorporates material governance factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) The investment process incorporates material environmental and social factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) The investment process incorporates material ESG factors beyond our organisation's typical investment time horizon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) The investment process incorporates the type of ESG	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

factors and how they affect the shape of the risk profile on underlying exposures								
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Explanatory notes

Purpose of indicator	The purpose of this indicator is to establish the scope and depth of the signatory's research of environmental, social and governance factors. It is considered better practice for the analysis of hedge fund strategies to extend beyond material governance factors and be part of an organisation's formal investment process or structure.
Additional reporting guidance	ESG factors differ in their relevance and materiality across companies, sectors and markets. This indicator does not relate to the signatories' final judgements about relevance or materiality but to the scope of their research processes. In this indicator the organisation's "typical investment time horizon" refers to the amount of time in which it most often holds investments.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	[HF 2.1] will be applicable for reporting if any of the options (A-C) are selected in [HF 2]. Only hedge fund strategies for which options (A-C) are selected in [HF 2] will be visible in [HF 2.1].
Gateway to	N/A

Assessment

Assessment criteria	100 points for this indicator. 0 score for no selection. 10 score for A. 30 score for 1 selection from B–D, 40 score if A also selected. 60 score for 2 selections from B–D, 70 score if A also selected. 90 score for all 3 selections from B–D, 100 score if A also selected. Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.
Multiplier	Moderate x1.5 weighting.

LONG-TERM ESG TREND ANALYSIS [HF 3, HF 3.1]

Indicator ID	Dependent on:	N/A	Sub-section	PRI Principle	Type of indicator
HF 3	Gateway to:	HF 3.1	Long-term ESG trend analysis	1	CORE

How do you **incorporate long-term ESG trends** into your investment activities?

- (A) We use long-term ESG trends to identify opportunities that influence our sector exposure
- (B) We use long-term ESG trends to identify risks that influence our sector exposure
- (C) We use long-term ESG trends as part of our research process to identify investment opportunities
- (D) We use long-term ESG trends as part of our **risk management** process to manage investment positions
- (E) We use long-term ESG trends as part of our portfolio construction
- (F) We use long-term ESG trends to inform the development of our hedging strategies
- (G) We do not continuously monitor long-term ESG trends in our investment process

Explanatory notes

Purpose of indicator	This indicator aims to assess how well long-term ESG trends are taken into account in the investment process and on both sides of the balance sheet. PRI signatories are encouraged to take long-term trends into account when selecting assets and allocating capital. This requires continuous monitoring of long-term ESG trends for all their assets under management.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	N/A
Gateway to	[HF 3.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 3].

Assessment

Assessment criteria	<p>100 points for this indicator.</p> <p>0 score for no selection or G. 25 score for 2 selections from A–F. 50 score for 3 selections from A–F. 75 score for 4 selections from A–F. 100 score for 5 or more selections from A–F.</p>
Multiplier	Moderate x1.5 weighting.

Indicator ID HF 3.1	Dependent on:	HF 3	Sub-section Long-term ESG trend analysis	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

For what proportion of assets do you **incorporate long-term ESG trends** into your investment process?

- (A) We monitor long-term ESG trends for all of our assets
- (B) We monitor long-term ESG trends for the majority of our assets
- (C) We monitor long-term ESG trends for a minority of our assets

Explanatory notes

Purpose of indicator	This indicator aims to assess the extent to which long-term ESG trends are taken into account in the investment process. PRI signatories are encouraged to take long-term trends into account when selecting assets and allocating capital. This requires continuous monitoring of long-term ESG trends for all their assets under management.
Additional reporting guidance	Throughout the reporting framework, the PRI seeks to capture the scope and depth of signatories' policies and activities by asking about AUM coverage, frequency of activities or similar.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	[HF 3.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 3].
Gateway to	N/A

Assessment

Assessment criteria	100 points for this indicator. 0 score for no selection. 32 score for C. 64 score for B. 100 score for A.
Multiplier	Low x1 weighting.

ESG INCORPORATION [HF 4, HF 4.1, HF 5]

Indicator ID	Dependent on:	OO 10	Sub-section				PRI Principle	Type of indicator	
	Gateway to:	HF 4.1	ESG incorporation				1	CORE	
How does your investment research incorporate material ESG risks and opportunities into the selection of equities, credit or other individual assets?									
		Hedge fund strategies							
		(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other
(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) We incorporate environmental and social risks and opportunities that may affect the products and services delivered by companies or issuers		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(C) We incorporate environmental and social risks and opportunities that may arise from how companies or issuers undertake their operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(D) We incorporate environmental and social risks and opportunities linked to a company's or issuer's supply chain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) We incorporate environmental and social risks and opportunities into our investment research and decision-making for other asset types or financial instruments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other, please specify: _____ [Free text: small]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Our strategy does not invest in individual or single assets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Explanatory notes

Purpose of indicator	The purpose of this indicator is to assess how ESG risks and opportunities are incorporated into investment research into a company's (issuer or security) activities/operations, an asset type or other financial instrument. The integration of governance-related risks and opportunities is considered a widespread practice. More advanced practices cover a broader range of issues in a supply chain. Where appropriate, risks and opportunities may be incorporated into the analysis of other asset types.
Additional reporting guidance	In this indicator (in option E) "other asset types" refer to private equity funds, ETFs, commodities, derivatives or other assets types that are not fixed income or listed equities.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic	
Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 4].
Gateway to	[HF 4.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 4]. Only hedge fund strategies for which options (A-F) are selected in [HF 4] will be visible in [HF 4.1].
Assessment	
Assessment criteria	Selection of 1 answer option from A–F opens assessed indicator. If no answer selection is made, then 0 points will be scored for indicator HF 4.1. Selection of G will mean that indicator is scored as N/A.

Indicator ID HF 4.1	Dependent on:	HF 4	Sub-section ESG incorporation	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

In what proportion of cases do you incorporate the following **material ESG risks** and opportunities into the selection of equities, credit or other individual assets?

(1) Multi-strategy

(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
(B) We incorporate environmental and social risks and opportunities that may affect the products and services delivered by companies or issuers	[As above]
(C) We incorporate environmental and social risks and opportunities that may arise from how companies or issuers undertake their operations	[As above]
(D) We incorporate environmental and social risks and opportunities linked to a company's or issuer's supply chain	[As above]
(E) We incorporate environmental and social risks and opportunities into our investment research and decision-making for other asset types or financial instruments	[As above]
(F) Other [as specified]	[As above]

(2) Long/short equity

<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(3) Long/short credit</p>	
<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(4) Distressed, special situations and event-driven fundamental</p>	
<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(5) Structured credit</p>	

<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(6) Global macro</p>	
<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(7) Commodity trading advisor</p>	
<p>(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers</p>	<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases</p>
<p>...</p>	<p>[As above]</p>
<p>(8) Other</p>	

(A) We incorporate governance-related risks and opportunities that may affect the products and services delivered by companies or issuers	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]

Explanatory notes	
Purpose of indicator	The purpose of this indicator is to assess the extent to which ESG risks and opportunities are incorporated into investment research into a company's (issuer or security) activities/operations, an asset type or other financial instrument. The integration of governance-related risks and opportunities is considered a widespread practice. More advanced practices cover a broader range of issues in a supply chain. Where appropriate, risks and opportunities may be incorporated into the analysis of other asset types.
Additional reporting guidance	In this indicator (in option E) "other asset types" refer to private equity funds, ETFs, commodities, derivatives or other assets types that are not fixed income or listed equities.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	[HF 4.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 4]. Only hedge fund strategies for which options (A-F) are selected in [HF 4] will be visible in [HF 4.1].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator divided between lettered and coverage answer options. 0 score for no selection. 16 score for 1 or more selections from A, F. 32 score for 1 or more selections from B, C, E. 50 score for D. Coverage: 0 score for no answer selection. 16 score for minority (3). 32 score for majority (2). 50 score for all (1).

	<p>The highest-scoring lettered answer and coverage combination will be assessed.</p> <p>Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.</p>
"Other" scored as	Selecting Other (F) will be accepted by the scoring criteria and is equivalent to selecting option A.
Multiplier	Moderate x1.5 weighting.

Indicator ID HF 5	Dependent on:	N/A	Sub-section ESG incorporation	PRI Principle 1	Type of indicator PLUS VOLUNTARY TO DISCLOSE
	Gateway to:	N/A			

For cases where you invest directly in **commodities** or in financial instruments related to commodities, provide an example of how you **integrate ESG factors** into research and investment in this asset type.

[Free text: large]

Explanatory notes

Purpose of indicator	This indicator provides the signatory with the opportunity to expand upon examples of what they believe are interesting, innovative or leading practice in investment research and ESG integration commodity strategies, allowing signatories to share different practices and experiences and enabling the PRI to compile evidence of examples.
Additional reporting guidance	Hedge funds include a wide variety of investment strategies and asset types, including hard and soft commodities. The PRI is interested in capturing practices in relation to hard and soft commodities (or derivatives related to these asset classes) relating to the PRI's Principle 1 (we will incorporate ESG issues into investment analysis and decision-making processes) or Principle 2 (we will be active owners and incorporate ESG issues into our ownership policies and practices).
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	N/A
Gateway to	N/A

Assessment

Not assessed

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION [HF 6, HF 6.1, HF 7, HF 8, HF 9]

Indicator ID HF 6	Dependent on:	OO 10	Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator CORE
	Gateway to:	HF 6.1			

How do **ESG factors** influence your portfolio construction?

	Hedge fund strategies							
	(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other
(A) The selection of individual assets within our portfolio is influenced by ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) The holding period of individual assets within our portfolio is influenced by ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) The portfolio weighting of individual assets within our portfolio is influenced by ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(D) The selection of a specific benchmark is influenced by ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) The construction of short positions is influenced by ESG factors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Other expressions of conviction, please specify: ____ [Free text: medium]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) The portfolio construction or benchmark selection does not explicitly include the incorporation of ESG factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Explanatory notes	
Purpose of indicator	This indicator refers to the portfolio construction process with answer options that include the selection of individual assets, asset classes, sector weightings and benchmarks or indices, the construction of short positions and the holding period. It allows the signatory to outline which ESG factors are incorporated into the construction of a portfolio and not just the valuation process or selection criteria. It is considered better practice to integrate ESG factors into all aspects of portfolio construction as well as asset selection. The answer options indicate different aspects of portfolio construction for which signatories may derive part of their conviction and risk appetite from ESG considerations.
Additional reporting guidance	In this indicator "expressions of conviction" refers to the signatory's approach to incorporating ESG factors into the construction of a portfolio, which reflects their investment strategy or approach. ESG factors are understood to have "influenced" portfolio construction if such factors have been incorporated into the various aspects of portfolio construction listed in this indicator and have to some degree affected those portfolio construction processes.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	

Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 6].
Gateway to	[HF 6.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 6]. Only hedge fund strategies for which options (A-F) are selected in [HF 6] will be visible in [HF 6.1].
Assessment	
Assessment criteria	Selection of 1 answer option from A–F opens assessed indicator. If no answer selection is made or G is selected, then 0 points will be scored for indicator HF 6.1.

Indicator ID	Dependent on:	HF 6	Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			
HF 6.1					
In what proportion of cases did ESG factors influence your portfolio construction?					
(1) Multi-strategy					
(A) The selection of individual assets within our portfolio is influenced by ESG factors			[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases		
(B) The holding period of individual assets within our portfolio is influenced by ESG factors			[As above]		
(C) The portfolio weighting of individual assets within our portfolio is influenced by ESG factors			[As above]		
(D) The selection of a specific benchmark is influenced by ESG factors			[As above]		
(E) The construction of short positions is influenced by ESG factors			[As above]		
(F) Other expressions of conviction [as specified]			[As above]		
(2) Long/short equity					

(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(3) Long/short credit	
(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(4) Distressed, special situations and event-driven fundamental	
(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(5) Structured credit	

(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(6) Global macro	
(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(7) Commodity trading advisor	
(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]
(8) Other	

(A) The selection of individual assets within our portfolio is influenced by ESG factors	[Dropdown list] (1) in all cases (2) in the majority of cases (3) in a minority of cases
...	[As above]

Explanatory notes	
Purpose of indicator	<p>This indicator aims to assess the extent to which ESG factors are incorporated into the portfolio construction process (including the selection of individual assets, asset classes, sector weightings and benchmarks or indices, the construction of short positions and the holding period) within different investment strategies and portfolios across an organisation's internally managed AUM.</p> <p>It is considered better practice to incorporate ESG factors into a portfolio construction process across a range of investment strategies and the entire AUM rather than specifically for a portfolio or group of funds.</p>
Additional reporting guidance	<p>In this indicator "expressions of conviction" refers to the signatory's approach to incorporating ESG factors into the construction of a portfolio, which reflects their investment strategy or approach.</p> <p>ESG factors are understood to have "influenced" portfolio construction if such factors have been incorporated into the various aspects of portfolio construction listed in this indicator and have to some degree affected those portfolio construction processes.</p>
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	[HF 6.1] will be applicable for reporting if any of the options (A-F) are selected in [HF 6]. Only hedge fund strategies for which options (A-F) are selected in [HF 6] will be visible in [HF 6.1].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator divided between lettered and coverage answer options.

	<p>0 score for no selection. 10 score for 1 selection from A–F. 20 score for 2 selections from A–F. 30 score for 3 selections from A–F. 40 score for 4 selections from A–F. 50 score for 5 or more selections from A–F.</p> <p>The 50 points for the coverage (numbered answer options) divided between number of possible answer selections required to achieve full points from the lettered answer section (5 highest scoring combinations assessed).</p> <p>Per answer selections A–F, each option will be worth the following proportion: 25% of (50/5) score for minority (3). 50% of (50/5) score for majority (2). 100% of (50/5) score for all (1).</p> <p>Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.</p>
"Other" scored as	Selecting Other (F) will be accepted by the scoring criteria and is equivalent to selecting options A–E.
Multiplier	Moderate 1.5x weighting.

Indicator ID HF 7	Dependent on:	N/A	Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator PLUS VOLUNTARY TO DISCLOSE
	Gateway to:	N/A			

Please explain how your approach to **incorporating ESG data into investment decision-making** and portfolio construction differs from long-only funds.

[Free text: large]

Explanatory notes

Purpose of indicator	This indicator provides the signatory with the opportunity to expand upon examples of what they believe are interesting, innovative or leading practice in investment decision-making and portfolio construction, allowing signatories to share different practices and experiences and enabling the PRI to compile evidence of examples.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	N/A
Gateway to	N/A

Assessment

Not assessed

Indicator ID HF 8	Dependent on:	OO 10	Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

How does your assessment of emerging and potential **ESG risks** influence your investment strategy?

	Hedge fund strategies							
	(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other
(A) Emerging and potential ESG risks influence our research, valuation and portfolio weightings of fixed income assets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Emerging and potential ESG risks influence our research, valuation and portfolio weightings of listed equities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Emerging and potential ESG risks influence our hedging strategies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(D) Emerging and potential ESG risks influence our research, valuation and portfolio weightings of other asset types or financial instruments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(E) Other, please specify: _____ [Free text: medium]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) We do not assess emerging and potential ESG risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Explanatory notes	
Purpose of indicator	This indicator aims to assess whether a signatory uses a framework that monitors emerging and potential risks. Once relevant ESG risks have been identified, they are incorporated into investment decision-making and strategy. This could be expressed through weightings or asset selection in equities, fixed income or other asset classes. It is considered better practice to incorporate these risks through a structured and formal process.
Additional reporting guidance	In this indicator (in option D) "other asset types" refer to private equity funds, ETFs, commodities, derivatives or other assets types that are not fixed income or listed equities.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 8].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator. 0 score for no selection or F. 25 score for 1 selection from A–E. 50 score for 2 selections from A–E. 75 score for 3 selections from A–E. 100 score for 4 or more selections from A–E. Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.

"Other" scored as	Selecting Other (E) will be accepted by the scoring criteria and is equivalent to selecting options A–D.
Multiplier	Moderate x1.5 weighting.

POST-INVESTMENT PHASE

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION [HF 9]

Indicator ID HF 9	Dependent on: OO 10		Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator PLUS VOLUNTARY TO DISCLOSE
<p>Please provide two examples of how ESG factors have influenced weightings and portfolio construction in each of your main hedge fund strategies.</p>					
Hedge fund strategies	Example 1	Example 2			
(A) Multi-strategy	[Free text: large]	[Free text: large]			
(B) Long/short equity	[Free text: large]	[Free text: large]			
(C) Long/short credit	[Free text: large]	[Free text: large]			
(D) Distressed, special situations and event-driven fundamental	[Free text: large]	[Free text: large]			
(E) Structured credit	[Free text: large]	[Free text: large]			
(F) Global macro	[Free text: large]	[Free text: large]			
(G) Commodity trading advisor	[Free text: large]	[Free text: large]			

(H) Other	[Free text: large]	[Free text: large]
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Explanatory notes

Purpose of indicator	This indicator provides the signatory with the opportunity to expand upon examples of what they believe are interesting, innovative or leading practice in the incorporation of ESG factors into the weightings and portfolio construction in their main hedge fund strategies, allowing signatories to share different practices and experiences.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic

Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 9].
Gateway to	N/A

Assessment

Not assessed

ESG RISK MANAGEMENT [HF 10, HF 11, HF 12]

Indicator ID	Dependent on:	OO 6 HF	Sub-section	PRI Principle	Type of indicator
HF 10	Gateway to:	N/A	ESG risk management	1	CORE

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

- (A) We have an independent committee that oversees the screening implementation process, but only for our **ESG/sustainability labelled funds** that are subject to negative exclusionary screening
- (B) We have an independent committee that oversees the screening implementation process for all of our assets that are subject to negative exclusionary screening
- (C) We have an independent committee that verifies that we have correctly implemented pre-trade checks in our internal systems to ensure no execution is possible without their pre-clearance
- (D) Other, please specify: _____ [Free text: small]
- (E) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Explanatory notes

Purpose of indicator	This indicator aims to understand the oversight and confidence-building measures undertaken by the signatory to ensure stated negative exclusionary screens are complied with across all portfolios where they are applied. It is considered better practice to introduce oversight through an independent committee to conduct reviews and monitor implementation, results and criteria changes. These measures should operate alongside and complement internal compliance procedures.
Additional reporting guidance	In this indicator "an independent committee" can refer to an independent body or process (e.g. an independent audit process) that operates separately from the signatory but whose views or results are incorporated into an investment process and considered by senior executives within an organisation.
Other resources	For further guidance on screening, refer to An introduction to responsible investment: screening .
Reference to other standards	OECD Responsible Business Conduct for Institutional Investors

Logic

Dependent on	[HF 10] will be applicable for reporting if "(A) Yes" is reported in [OO 6 HF].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator. 0 score for no selection or E. 32 score for 1 selection from A–D. 64 score for 2 selections from A–D. 100 score for 3 or more selections from A–D.
"Other" scored as	Selecting Other (D) will be accepted by the scoring criteria and is equivalent to selecting options A–C.
Multiplier	High x2 weighting.

Indicator ID HF 11	Dependent on:	OO 10	Sub-section ESG risk management	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

Do your regular reviews incorporate ESG risks?

	Hedge fund strategies							
	(1) Multi-strategy	(2) Long/short equity	(3) Long/short credit	(4) Distressed, special situations and event-driven fundamental	(5) Structured credit	(6) Global macro	(7) Commodity trading advisor	(8) Other
(A) Our regular reviews include quantitative information on material ESG risks specific to individual securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Our regular reviews include aggregated quantitative information on material ESG risks at a fund level	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(C) Our regular reviews only highlight fund holdings where ESG ratings have changed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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

Explanatory notes	
Purpose of indicator	This indicator assesses the extent to which ESG factors are integrated into a signatory's risk assessment process. It is considered better practice for regular reviews to include material ESG risks, ideally at the individual asset level, to have the appropriate level of oversight and to adequately inform investment decisions.
Additional reporting guidance	In this indicator "regular reviews" refers to reviews that occur at uniform intervals according to a signatory's in-house practices.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	Internally managed hedge fund strategies selected in [OO 10] will be visible in [HF 11].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator. 0 score for no selection or E. 25 score for D. 50 score for C. 75 score for 1 selection from A, B. 100 score for both selections from A and B. Assessment shall be based on the response to selections within the strategy types, the number of strategies applicable will not influence the score available from this indicator.
Multiplier	Moderate x1.5 weighting.

Indicator ID HF 12	Dependent on:	N/A	Sub-section ESG risk management	PRI Principle 1	Type of indicator CORE
	Gateway to:	N/A			

Do you regularly identify and incorporate **ESG incidents** into the **investment process** for your hedge fund assets?

- (A) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into all of our investment decisions
- (B) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into the majority of our investment decisions
- (C) Yes, we have a formal process in place for regularly identifying and incorporating ESG incidents into a minority of our investment decisions
- (D) Yes, we have an ad hoc process in place for identifying and incorporating ESG incidents
- (E) Other, please specify: ____ [Free text: small]
- (F) We currently do not have a process in place for regularly identifying and incorporating ESG incidents into our investment decision-making

Explanatory notes

Purpose of indicator	This indicator aims to assess whether a signatory's risk management process formally incorporates material ESG incidents into investment decisions and research. It is considered better practice to have a formal process in place for regularly identifying and incorporating ESG incidents that occur in hedge fund assets. This process needs to be able to identify incidents that have material implications for the valuation or business model. They might also have implications for the hedge fund manager in terms of reputational risk.
Additional reporting guidance	<p>Throughout the reporting framework, the PRI seeks to capture the scope and depth of signatories' policies and activities by asking about AUM coverage, frequency of activities or similar.</p> <p>In this indicator "regularly" refers to a repeated process that occurs at least once a quarter and might follow the pattern of existing portfolio reviews.</p> <p>A "formal process to identify ESG incidents" could be a series of internal measures the asset manager has introduced to ensure that the investment decision-maker is made aware or the incident is captured in a quantitative investment process. If the assets follow a passive strategy, these incidents might be incorporated into an engagement process.</p> <p>An "ad hoc process...for identifying ESG incidents" would involve individual investment decision-makers identifying incidents at portfolio holdings and taking individual actions. It is considered better practice to ensure a consistent and formal process that includes some element of internal oversight and review.</p>
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.

Logic	
Dependent on	N/A
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator. 0 score for no selection or F. 25 score for 1 selection from D, E. 50 score for C. 75 score for B. 100 score for A.
"Other" scored as	Selecting Other (E) will be accepted by the scoring criteria and is equivalent to selecting option D.
Multiplier	Moderate x1.5 weighting.

REPORTING/DISCLOSURE

DISCLOSURE ON ESG PRODUCTS [HF 13]

Indicator ID	Dependent on:	N/A	Sub-section	PRI Principle	Type of indicator
HF 13	Gateway to:	N/A	Disclosure on ESG products	6	CORE

For your hedge fund financial products, what do you report to clients and/or other stakeholders?

(A) Our regular stakeholder reporting includes qualitative examples of engagement and/or ESG incorporation	[Dropdown list] (1) for public reporting on hedge funds, including ESG hedge funds (2) for all client and/or other stakeholder reporting on hedge funds, including ESG hedge funds (3) for all client and/or other stakeholder reporting on ESG hedge funds (4) we do not report this information to clients and/or other stakeholders
(B) Our regular stakeholder reporting includes quantitative ESG engagement data	[As above]
(C) Our regular stakeholder reporting includes quantitative ESG incorporation data	[As above]

Explanatory notes

Purpose of indicator	This indicator aims to understand the extent of reporting on ESG to clients and/or other stakeholders and allows signatories to demonstrate how widely information on responsible investment practices is publicised. It is considered better practice to disclose information on ESG investment activities regularly with a quantitative measure and qualitative examples. When appropriate, this information should be disclosed publicly.
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Additional reporting guidance	Throughout the reporting framework, the PRI seeks to capture the scope and depth of signatories' policies and activities by asking about AUM coverage, frequency of activities or similar.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	N/A
Gateway to	N/A
Assessment	
Assessment criteria	<p>100 points for this indicator divided between lettered and coverage answer options.</p> <p>0 score for no selection. 16 score for 1 selection from A–C. 32 score for 2 selections from A–C. 50 score for all 3 selections from A–C.</p> <p>The 50 points for the coverage (numbered answer options) divided between number of possible answer selections (3).</p> <p>Per answer selection A to C, each option will be worth the following proportion:</p> <ul style="list-style-type: none"> 0 if no answer selection or (4). 25% of (50/3) score for (3). 50% of (50/3) score for (2). 100% of (50/3) score for (1).
Multiplier	Moderate x1.5 weighting.

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION [HF 14]

Indicator ID HF 14	Dependent on:	N/A	Sub-section ESG incorporation in portfolio construction	PRI Principle 1	Type of indicator PLUS VOLUNTARY TO DISCLOSE
	Gateway to:	N/A			

Please provide an example of how ESG information or data has been used to inform and develop long or short strategies or positions.

(A) Example from your long strategies or positions: _____ [Free text: large]

(B) Example from your short strategies or positions: _____ [Free text: large]

Explanatory notes

Purpose of indicator	This indicator provides the signatory with the opportunity to expand upon examples of what they believe are interesting or innovative practice in the use of ESG information in the development of long and/or short positions. It allows signatories to share different practices and experiences and enables the PRI to compile evidence of examples to share within the signatory base.
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Logic

Dependent on	N/A
Gateway to	N/A

Assessment

Not assessed

STEWARDSHIP

EXAMPLE [HF 15]

Indicator ID	Dependent on:	OO 9 HF	Sub-section	PRI Principle	Type of indicator
HF 15	Gateway to:	N/A	Example	2	PLUS VOLUNTARY TO DISCLOSE
<p>Please provide an example of how your approach to stewardship in your portfolios might differ from that of long-only managers.</p>					
<p>[Free text: large]</p>					

Explanatory notes	
Purpose of indicator	This indicator provides the signatory with the opportunity to expand upon examples of what they believe are interesting or innovative practices in their approach to stewardship for their hedge fund portfolio and to outline how these might differ from long-only managers. This will allow signatories to share different practices and experiences and enable the PRI to compile evidence of how stewardship is implemented in different ways when compared to long-only managers of equity and/or fixed income.
Other resources	For further guidance refer to the PRI's Technical guide: ESG incorporation in hedge funds , which provides a suggested framework for fund managers and asset owners to incorporate ESG factors into hedge fund strategies.
Logic	
Dependent on	[HF 15] will be applicable for reporting if options "(A) Through service providers" AND/OR "(C) Through internal staff" AND/OR "(D) Collaboratively" is selected for option "(1) Engagement " AND/OR "(2) (Proxy) voting " in [OO 9 HF].
Gateway to	N/A
Assessment	
Not assessed	

SECURITY LENDING POLICY [HF 16, HF 16.1]

Indicator ID HF 16	Dependent on:	OO 9 HF	Sub-section Security lending policy	PRI Principle 2	Type of indicator CORE
	Gateway to:	HF 16.1			

Does your organisation have a public policy that states how **voting** is addressed in your **securities lending** programme?

(The policy may be a standalone guideline or part of a wider RI or [stewardship](#) policy.)

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

Explanatory notes

Purpose of indicator	The purpose of this indicator is to determine whether a signatory that has a securities lending programme addresses voting in its publicly available policy. It is considered better practice for investors (who have a securities lending programme) to disclose their approach to securities lending and voting in a clear policy, as this promotes transparency.
Additional reporting guidance	<p>The policy could be either a standalone policy, part of a stewardship policy or part of a wider RI policy. A policy that covers securities lending should include (at a minimum) an outline of the approach to securities lending and whether or where shares are recalled for voting.</p> <p>In this indicator the PRI scores signatories based on the presence and transparency of their securities lending programme. Signatories are not penalised for not having a securities lending programme.</p> <p>If option A is selected, the signatory must populate at least one link in order to complete this indicator.</p>
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.

	<p>For further guidance refer to A practical guide to active ownership in listed equity.</p> <p>The ICGN Guidance on Securities Lending is an additional source of guidance for investors interested in initiating a share lending programme that does not impede responsible voting activities.</p>
Reference to other standards	ICGN Global Stewardship Principles
Logic	
Dependent on	[HF 16] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].
Gateway to	[HF 16.1] will be applicable for reporting if any of options (A-C) are selected in [HF 16].
Assessment	
Assessment criteria	<p>100 points for this indicator.</p> <p>0 score for no answer selection or D. 25 score for C. 50 score for B. No 75 score. 100 score for A.</p> <p>Selection of E will mean that indicator is scored as N/A.</p>
Multiplier	High x2 weighting.

Indicator ID HF 16.1	Dependent on:	HF 16	Sub-section Security lending policy	PRI Principle 2	Type of indicator CORE
	Gateway to:	N/A			

How is **voting** addressed in your **securities lending** programme?

- (A) We recall all securities for voting on all ballot items
- (B) We always recall all holdings in a company for voting on ballot items deemed important (e.g. in line with specific criteria)
- (C) We always recall some securities so that we can vote on their ballot items (e.g. in line with specific criteria)
- (D) We maintain some holdings so that we can vote at any time
- (E) We recall some securities on an ad hoc basis so that we can vote on their ballot items
- (F) We empower our securities lending agent to decide when to recall securities for voting purposes
- (G) Other, please specify: ____ [Free text: small]
- (H) We do not recall our securities for voting purposes

Explanatory notes

Purpose of indicator	This indicator expands on a signatory's policy related to its securities lending programme and aims to understand how an organisation actively manages its ownership rights where it may be inhibited by securities lending.
Additional reporting guidance	<p>The policy could be either a standalone policy, part of a stewardship policy or part of a wider RI policy. A policy that covers securities lending should include (at a minimum) an outline of the approach to securities lending and whether or where shares are recalled for voting.</p> <p>In this indicator the PRI scores signatories based on the degree to which they maintain control of voting for securities lent out as part of a securities lending programme. Signatories are not penalised for not having a securities lending programme. This indicator is not applicable to signatories that do not have a securities lending programme.</p>
Other resources	<p>Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.</p> <p>For further guidance refer to A practical guide to active ownership in listed equity.</p> <p>The ICGN Guidance on Securities Lending is an additional source of guidance for investors interested in initiating a share lending programme that does not impede responsible voting activities.</p>

Reference to other standards	ICGN Global Stewardship Principles
Logic	
Dependent on	[HF 16.1] will be applicable for reporting if any of options (A-C) are selected in [HF 16].
Gateway to	N/A
Assessment	
Assessment criteria	100 points for this indicator. 0 score for no answer selection or H. 25 score for 1 selection from E–G. 50 score for 1 selection from C, D. 75 score for B. 100 score for A.
"Other" scored as	Selecting Other (G) will be accepted by the scoring criteria and is equivalent to selecting options E, F.
Multiplier	Moderate x1.5 weighting.

ALIGNMENT & EFFECTIVENESS [HF 17]

Indicator ID	Dependent on:	OO 9 HF	Sub-section	PRI Principle	Type of indicator
HF 17	Gateway to:	N/A	Alignment & effectiveness	2	CORE
<p>When you use external service providers to give voting recommendations, how do you ensure that those recommendations are consistent with your organisation's (proxy) voting policy?</p>					
(A) We review service providers' controversial and high-profile voting recommendations before voting is executed			<p>[Dropdown list]</p> <p>(1) in all cases (2) in the majority of cases (3) in a minority of cases (4) in no cases</p>		
(B) Before voting is executed, we review service providers' voting recommendations where the application of our voting policy is unclear			<p>[As above]</p>		

Explanatory notes	
Purpose of indicator	The purpose of this indicator is to determine whether a signatory that outsources voting recommendations to external service providers reviews the recommendations of service providers before voting to maintain oversight and thus ensure alignment of expectations stipulated in a voting policy. Reviewing all controversial or high-profile votes is considered better practice, as is reviewing all cases where a voting policy may be unclear.
Additional reporting guidance	<p>Throughout the reporting framework, the PRI seeks to capture the scope and depth of signatories' policies and activities by asking about AUM coverage, frequency of activities or similar.</p> <p>For the purpose of this indicator "controversial and high-profile" refers to votes that have received significant attention amongst institutional investors (such as high levels of discussion within a collaborative engagement, or public discussion on social networks like LinkedIn), in the media (for example, in responsible investment trade press or mainstream financial media), or otherwise have had attention drawn to them (for example, by proxy agencies, investor networks or organisations such as the PRI).</p>
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.

	For further guidance refer to A practical guide to active ownership in listed equity .
Logic	
Dependent on	[HF 17] will be applicable for reporting if option "(A) Through service providers" is selected for "(2) (Proxy) voting" in [OO 9 HF].
Gateway to	N/A
Assessment	
Assessment criteria	<p>100 points for this indicator divided between lettered and coverage answer options.</p> <p>0 score for no answer selection. No 16 score. 32 score for 1 selection from A, B. 50 score for both selections A and B.</p> <p>The 50 points for the coverage (numbered answer options) is divided between number of possible answer selections (2).</p> <p>Per answer selection A to B, each option will be worth the following proportion:</p> <p>0 if no answer selection or none (4). 25% of (50/2) score for minority (3). 50% of (50/2) score for majority (2). 100% of (50/2) score for all (1).</p>
Multiplier	Low x1 weighting.

EXAMPLES [HF 18]

Indicator ID	Dependent on:	OO 9 HF	Sub-section	PRI Principle	Type of indicator
	Gateway to:	N/A			
HF 18			Example	2	PLUS VOLUNTARY TO DISCLOSE

Provide examples of the most significant (proxy) voting activities that your organisation and/or the service provider acting on your behalf carried out during the reporting year.

(A) Example 1: _____ [Free text: large]

(B) Example 2: _____ [Free text: large]

(C) Example 3: _____ [Free text: large]

Explanatory notes

Purpose of indicator	This indicator gives signatories the opportunity to showcase voting-related activities concerning important ESG issues and how their (proxy) voting policy is applied in practice.
Additional reporting guidance	Examples could include details on why the particular ESG issue was deemed important from the organisation's perspective and whether the voting-related activities were primarily focused on managing risks and opportunities or delivering sustainability outcomes. In this indicator "significant" refers to voting-related activities (e.g. pre-voting dialogue, filing of shareholder resolutions, proxy solicitations, collaboration with peers regarding voting decisions, voting decisions themselves, communication of rationale for voting etc.) concerning a particularly important ESG issue and for which the voting activities resulted in a clear change or (at minimum) measurable progress.
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.
Logic	
Dependent on	[HF 18] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].
Gateway to	N/A

Assessment

Not assessed

PRE-DECLARATION OF VOTES [HF 19]

Indicator ID HF 19	Dependent on:	OO 9 HF	Sub-section Pre-declaration of votes	PRI Principle 2	Type of indicator CORE
	Gateway to:	N/A			

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

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

Explanatory notes

Purpose of indicator	<p>The purpose of this indicator is to determine whether and how a signatory (or its service provider(s) acting on its behalf) pre-declares votes prior to AGM/EGMs, considering the level of disclosure (public or private), what is disclosed (voting intentions and/or rationale) and timeframes (pre- and/or post-voting). It is considered better practice for a signatory (and/or its service provider(s) acting on its behalf) to communicate the rationale for abstaining and/or voting against management proposals publicly and ahead of voting as this increases transparency and accountability.</p> <p>Beyond research and casting votes, voting involves communicating with investee companies before and after the AGM. When possible, investors should raise concerns before voting against management or abstaining to initiate dialogue and receive additional information. In addition, investors should publicly share the rationale for their votes against management or abstentions and explain their view to interested companies directly, either voluntarily or following a company's request.</p>
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Additional reporting guidance	<p>If options B or D are selected, the signatory must populate at least one link in order to complete this indicator.</p> <p>The PRI Vote Declaration System was set up for the first time for the 2017 voting season and is available via the PRI Collaboration Platform. The system is embedded in the PRI Collaboration Platform and allows investors to pre-declare their voting intentions on ESG resolutions filed by signatories. This is a voluntary opportunity for investors to publicly declare how they intend to vote on shareholder resolutions related to environmental, social and corporate governance (ESG) issues that have been filed or co-filed by PRI signatories in advance of proxy seasons. The system aims to increase transparency across the industry, in line with Principles 2 and 6 as well as the PRI's 10-year Blueprint.</p>
Other resources	<p>Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.</p> <p>See An introduction to responsible investment: listed equity for more information on voting.</p>
Logic	
Dependent on	<p>[HF 19] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].</p> <p>[HF 19] cannot be completed without providing link(s) if selecting options (B) and/or (D) in [HF 19].</p>
Gateway to	N/A
Assessment	
Assessment criteria	<p>100 points for this indicator.</p> <p>0 score for no answer selection or F. 32 score for E. 64 score for 1 or more selection from A, B. 100 score for 1 or more selection from C, D.</p> <p>Selection of G will mean that indicator is scored as N/A.</p>
Multiplier	Moderate x1.5 weighting.

VOTING DISCLOSURE POST AGM/EGM [HF 20, HF 20.1, HF 21, HF 21.1, HF 22, HF 22.1]

Indicator ID	Dependent on:	OO 9 HF	Sub-section	PRI Principle	Type of indicator
HF 20	Gateway to:	HF 20.1	Voting disclosure post AGM/EGM	2, 6	CORE

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

- (A) Yes, for >95% of (proxy) votes
Link: _____
- (B) Yes, for the majority of (proxy) votes
Link: _____
- (C) Yes, for a minority of (proxy) votes
1) Add link, and 2) Explain why you only publicly disclose a minority of (proxy) voting decisions
_____ [Free text: medium]
- (D) No, we do not publicly report our (proxy) voting decisions
Explain why you do not publicly report your (proxy) voting decisions
_____ [Free text: medium]

Explanatory notes

Purpose of indicator	The purpose of the indicator is to gauge the level of transparency and how readily and easily available this information is to stakeholders. It is considered better practice for an organisation and/or the service provider(s) acting on its behalf to publicly communicate its voting decisions and to communicate to companies the rationale for abstaining or voting against management recommendations.
Additional reporting guidance	In this indicator "in a central source" refers to a publicly accessible location containing voting decisions across all investees and all funds, indicating if some votes (e.g. certain funds) within the signatory's control are voted differently from others, where applicable. If options A, B or C are selected, the signatory must populate at least one link in order to complete this indicator. If options C or D are selected, the signatory must provide an explanation in order to complete this indicator.

Other resources	<p>Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.</p> <p>For further guidance on good-quality voting disclosure, refer to A practical guide to active ownership in listed equity.</p>
Logic	
Dependent on	<p>[HF 20] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].</p> <p>[HF 20] cannot be completed without providing link(s) and/or descriptive text for any of the options selected in [HF 20].</p>
Gateway to	<p>[HF 20.1] will be applicable for reporting if any of options (A-C) are selected in [HF 20].</p>
Assessment	
Assessment criteria	<p>100 points for this indicator.</p> <p>0 score for no answer selection or D. 32 score for C. 64 score for B. 100 score for A.</p>
Multiplier	<p>High x2 weighting.</p>

Indicator ID HF 20.1	Dependent on:	HF 20	Sub-section Voting disclosure post AGM/EGM	PRI Principle 2, 6	Type of indicator CORE
	Gateway to:	N/A			

In the majority of cases, how soon after an investee's AGM/EGM do you publish your **voting** decisions?

- (A) Within one month of the AGM/EGM
- (B) Within three months of the AGM/EGM
- (C) Within six months of the AGM/EGM
- (D) Within one year of the AGM/EGM
- (E) More than one year after the AGM/EGM

Explanatory notes

Purpose of indicator	The purpose of this indicator is to determine the timeliness of public disclosure of voting decisions. It is considered better practice to disclose voting decisions publicly as promptly as possible following the AGM/EGM.
Additional reporting guidance	In this indicator "in the majority of cases" refers to votes at the AGMs/EGMs of companies that represent more than 50% of the signatory's listed equity holdings by assets under management.
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage. For further guidance on good-quality voting disclosure, refer to A practical guide to active ownership in listed equity .

Logic

Dependent on	[HF 20.1] will be applicable for reporting if any of options (A-C) are selected in [HF 20].
Gateway to	N/A

Assessment

Assessment criteria	100 points for this indicator.
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	0 score for no answer selection or E. 25 score for D. 50 score for C. 75 score for B. 100 score for A.
Multiplier	Moderate x1.5 weighting.

Indicator ID HF 21	Dependent on:	OO 9 HF	Sub-section Voting disclosure post AGM/EGM	PRI Principle 2	Type of indicator CORE
	Gateway to:	HF 21.1			

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

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

Explanatory notes

Purpose of indicator This indicator aims to understand whether a signatory or a service provider acting on its behalf communicates the rationale for voting against management recommendations or abstaining. It is considered better practice to communicate the rationale for such decisions directly to the company and publicly.

Other resources Further information and resources on stewardship can be found on the PRI's dedicated [stewardship](#) webpage.
For further guidance on good-quality voting disclosure, refer to [A practical guide to active ownership in listed equity](#).

Logic

Dependent on [HF 21] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].

Gateway to [HF 21.1] will be applicable for reporting if any of options (A-B) are selected in [HF 21].

Assessment

Assessment criteria Selection of 1 answer option from A, B opens assessed indicator. If no answer selection is made or C is selected, then 0 points will be scored for indicator HF 21.1.

Selection of D will mean that indicators are scored as N/A.

Indicator ID HF 21.1	Dependent on:	HF 21	Sub-section Voting disclosure post AGM/EGM	PRI Principle 2	Type of indicator CORE
	Gateway to:	N/A			

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

	As proportion of votes where you voted against management recommendations or abstained:
(A) In cases where we voted against management recommendations or abstained, the rationale was provided privately to the company	[Dropdown list] (1) 1–10% (2) 11–50% (3) 51–75% (4) 76–95% (5) >95%
(B) In cases where we voted against management recommendations or abstained, the rationale was disclosed publicly	[As above]

Explanatory notes

Purpose of indicator	This indicator aims to capture, where signatories voted against management recommendations or abstained, the proportion of votes where the rationale was publicly and/or privately disclosed.
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage. For further guidance on good-quality voting disclosure, refer to A practical guide to active ownership in listed equity .

Logic

Dependent on	[HF 21.1] will be applicable for reporting if any of options (A-B) are selected in [HF 21].
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Gateway to	N/A
Assessment	
Assessment criteria	<p>100 points for this indicator divided between lettered and coverage answer options.</p> <p>0 score for no answer selection. 16 score for A. 32 score for B. 50 score both selections A and B.</p> <p>Coverage: 0 score for no answer selection or 0–10%. 16 score for 11–75%. 32 score for 76–95%. 50 score for >95%.</p> <p>If both A, B selected, the 50 points available for coverage section will be divided between A, B coverage (%) response.</p>
Multiplier	Moderate x1.5 weighting.

Indicator ID HF 22	Dependent on:	OO 9 HF	Sub-section Voting disclosure post AGM/EGM	PRI Principle 2	Type of indicator CORE
	Gateway to:	HF 22.1			

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

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

Explanatory notes

Purpose of indicator	<p>This indicator seeks to understand whether signatories, as part of their commitment to Principle 5, take greater care and provide further transparency in instances where they vote against a shareholder resolution proposed by a fellow PRI signatory.</p> <p>This indicator aims to encourage greater understanding and dialogue on what makes particular resolutions supportable.</p>
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.

Logic

Dependent on	[HF 22] will be applicable for reporting if option "(A) Through service providers" AND/OR option "(C) Through internal staff" is selected for "(2) (Proxy) voting" in [OO 9 HF].
Gateway to	[HF 22.1] will be applicable for reporting if option (A) is selected in [HF 22].

Assessment

Assessment criteria	<p>Selection of answer option A opens assessed indicator. If no answer selection is made or B is selected, then 0 points will be scored for indicator HF 22.1.</p> <p>Selection of C will mean that indicators are scored as N/A.</p>
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Indicator ID HF 22.1	Dependent on:	HF 22	Sub-section Voting disclosure post AGM/EGM	PRI Principle 2	Type of indicator CORE
	Gateway to:	N/A			

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

As proportion of votes where you voted against a shareholder resolution proposed/filed by a PRI signatory:

[Dropdown list]

(A) In cases where we voted against a shareholder resolution proposed/filed by a PRI signatory, the rationale was disclosed publicly

- (1) 1–10%
- (2) 11–50%
- (3) 51–75%
- (4) 76–95%
- (5) >95%

Explanatory notes

Purpose of indicator	<p>This indicator seeks to understand whether signatories, as part of their commitment to Principle 5, take greater care and provide further transparency in instances where they vote against a shareholder resolution proposed by a fellow PRI signatory by asking for the proportion of votes where the rationale was publicly disclosed.</p> <p>This indicator aims to encourage greater understanding and dialogue on what makes particular resolutions supportable.</p>
Other resources	Further information and resources on stewardship can be found on the PRI's dedicated stewardship webpage.

Logic

Dependent on	[HF 22.1] will be applicable for reporting if option (A) is selected in [HF 22].
Gateway to	N/A

Assessment

Assessment criteria	<p>100 points for this indicator.</p> <p>Coverage: 0 score for no answer selection or 0–10%. 25 score for 11–50%. 50 score for 51–75%. 75 score for 76–95%. 100 score for >95%.</p>
Multiplier	<p>Low x1 weighting.</p>