

# PRI REPORTING FRAMEWORK 2020

## Direct — Fixed Income

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## Understanding this document

In addition to the detailed indicator text and selection options, in each module of the PRI Reporting Framework, you can find information that will help you identify which indicators are relevant for your organisation.

### Top bar






Key information about each indicator is highlighted in the top bar, including the indicator status (mandatory or voluntary), the purpose of the indicator and the PRI Principle to which it relates.

xxx 01	Indicator status <b>MANDATORY</b>	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 2</b>
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### Indicator status

<b>MANDATORY</b>	Mandatory indicators reflect core practices. These responses will be made public and must be completed to submit the framework.
<b>MANDATORY TO REPORT VOLUNTARY TO DISCLOSE</b>	Some indicators are mandatory to complete, but voluntary to disclose. These indicators may determine which subsequent indicators are applicable or are used for peering, but they may also contain commercially sensitive information.
<b>VOLUNTARY</b>	Voluntary indicators reflect alternative or advanced practices. These indicators are voluntary to report and disclose.

### Purpose

Gateway		The responses to this indicator 'unlock' other indicators within a module if they are relevant for your organisation. Please refer to the logic box for more information.
Peering		These indicators are used to determine your peer groups for assessment purposes.
Core assessed		These indicators form the core of the assessment and represent the majority of your final assessment score.
Additional assessed		These indicators represent more advanced or alternative practices and contribute to a smaller part of your score.
Descriptive		These are open-ended narrative indicators, allowing you to describe your activities.

### Underneath the indicator

Underneath the indicator, you can find the explanatory notes and definitions that include important information on interpreting and completing the indicators. Read the logic box to make sure an indicator is applicable to you.

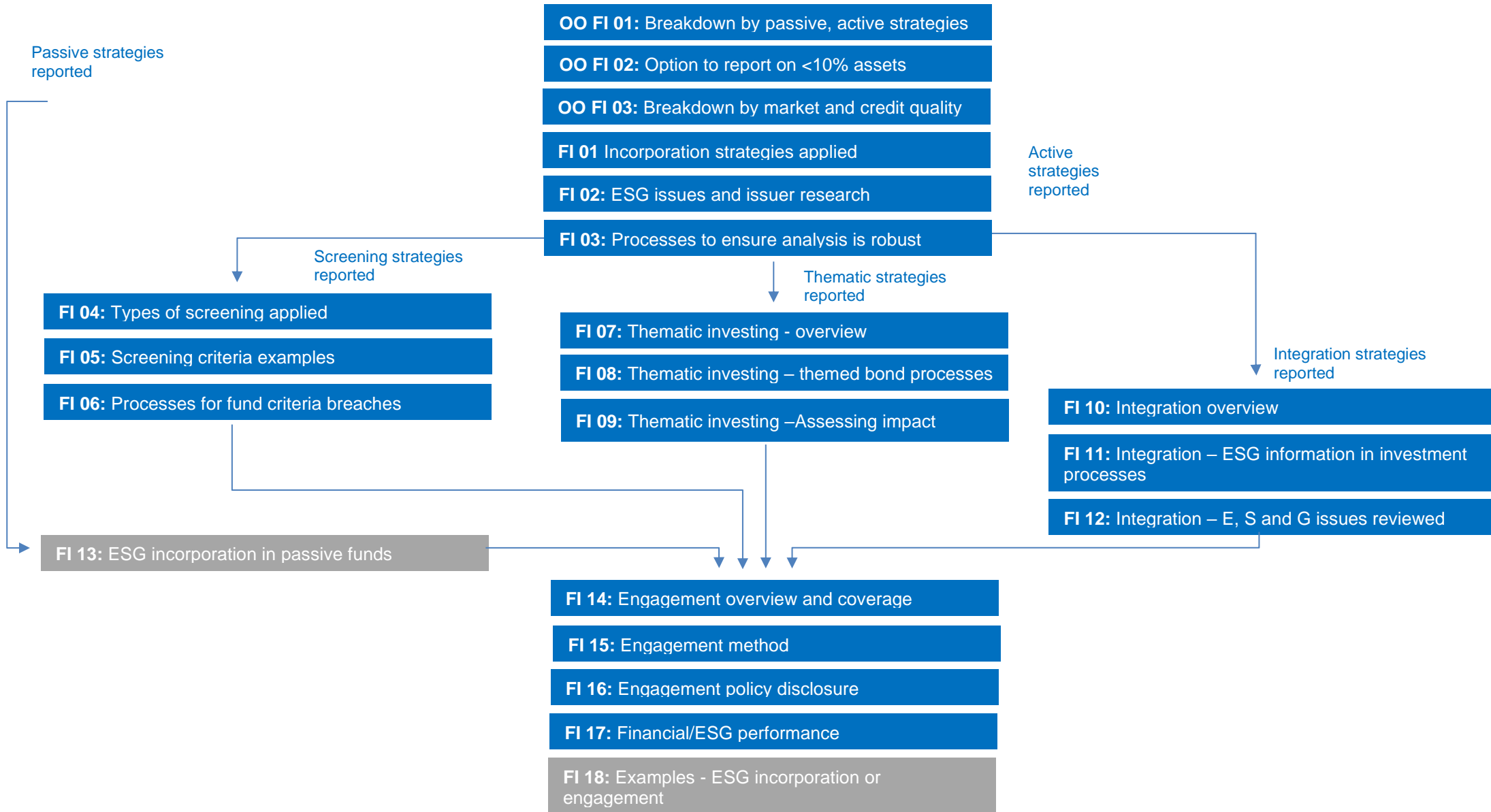
xxx 01	<b>EXPLANATORY NOTES</b>
xxx 01.1	This provides guidance on how to interpret the sub-indicators, including examples of what could be reported.
xxx 01.2	
<b>LOGIC</b>	
xxx 01	This explains when this indicator is applicable and/or if it has an impact on subsequent indicators. If there is no logic box, the indicator is always applicable and does not affect other indicators.
<b>ASSESSMENT</b>	
xxx 01	This provides a brief overview of the pilot assessment approach for this indicator.

xxx 01	<b>DEFINITIONS</b>
xxx 01	Specific terms that are used in the indicator are defined here.

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# Pathways through the module



## Preface

The information reported in this module will enable your stakeholders to understand how your organisation applies RI in your internally managed fixed income holdings. RI refers to the incorporation of ESG factors into investment decisions, engagement and disclosure.

It is mandatory for all PRI signatories to complete this module if more than 10% of their assets under management (AUM) are directly invested in fixed income. This does not include cash and only involves investments made directly by your organisation without engaging an external investment manager.

If your fixed income investments are constrained in any way that limits your ability to apply a RI approach, you should explain this in the relevant free text indicators. For example, local regulations may restrict investments in foreign denominated or issued bonds.

For the purposes of this reporting module, we divide fixed income securities into four key categories: Sovereign, Supranational and Agency (SSA), Corporate (financial), Corporate (non-financial) and Securitised.

Further details are given below. [Contact the PRI](#) if you require further clarification.

## TAXONOMY OF FIXED INCOME SECURITIES

Reporting class	Type	Issuer	Detail
Fixed Income	SSA	Supranational organisations	Debt securities issued by supranational organisations such as multilateral development banks or international unions
		Sovereign states/governments	Debt securities issued by sovereigns (e.g., government bonds in any denomination)
		Government agencies	Debt securities issued by government agencies (e.g., government sponsored agency bonds, quasi-government agencies)
		Sub-national	Debt securities issued by sub-nationals such as states, municipalities and cities (e.g., muni bonds)
	Corporate (financial)	Financial services companies	Debt securities issued by financial services companies, including banks and insurers. (If your business also runs a banking arm, this does not include assets in your lending portfolio, such as deposits and loans.)
	Corporate (non-financial)	Corporations	Debt securities issued by public or private non-financial companies Includes senior or subordinated publicly listed debt, private debt or loans, project finance and infrastructure bonds
	Securitised	Banks, SPVs	Debt securities backed by asset pools and issued by special purpose vehicles Includes asset-backed securities, mortgage-backed securities, project finance, secured infrastructure debt, collateralised debt or loan obligations and covered bonds

## Background

The Fixed Income module has been developed to provide a comprehensive and forward looking set of indicators. In places, the indicators capture fairly advanced practices, practices PRI is expecting to become more common as signatories make progress as responsible investors in this asset class.

## Summary of updates

The module has not changed significantly since 2016. Some minor amendments have been made to improve data quality or assessment. The guidance has also been clarified throughout.

2020 Indicator	Update summary
FI 05	The explanatory notes has been updated. Assessment methodology has been clarified.
FI 08	The explanatory notes has been updated.
FI 09	The explanatory notes has been updated.

To view a detailed summary of changes to the module, please click [here](#).

SECTION

ESG incorporation in actively managed fixed income

IMPLEMENTATION PROCESSES

FI 01	Indicator status MANDATORY	Purpose GATEWAY	Principle PRI 1
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FI 01	INDICATOR				
FI 01.1	Indicate: <ul style="list-style-type: none"> <li>• which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and</li> <li>• the proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.</li> </ul>				
	ESG incorporation strategy (select all that apply)		Percentage of active fixed income securities to which the strategy is applied (estimate +/- 5%)		
		SSA	Corporate (financial)	Corporate (non-financial)	Securitised
	<input type="checkbox"/> Screening alone	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> Thematic alone	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> Integration alone	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> Screening + integration strategies	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> Thematic + integration strategies	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> Screening + thematic strategies	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
	<input type="checkbox"/> All three strategies combined	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %
<input type="checkbox"/> No incorporation strategies applied	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	<input type="text"/> %	
	<b>Total actively managed fixed income securities</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
FI 01.2	Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.				
FI 01.3	Additional information [OPTIONAL]				



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FI 01	EXPLANATORY NOTES
<b>FI 01.1</b>	<p>The indicator allows you to provide a broad overview of how your organisation takes into account ESG issues in fixed income investment. Please describe the activities, strategies and processes used. Subsequent indicators allow you to provide specific information about the coverage of these strategies and how they are implemented.</p> <p>This indicator may include a discussion of:</p> <ul style="list-style-type: none"> <li>• the main ESG strategies that you use, including the reasons for their use;</li> <li>• who is responsible for the implementation of these strategies; and/or</li> <li>• how your ESG strategies differ (e.g., in different geographies or sectors).</li> </ul> <p>If you apply two strategies to the same assets, please select the relevant combination options. For example, you may apply screening only for 5% of your assets, and for others, you may apply a combination of screening and integration. In these cases, you would report 'Screening alone' for 5% and 'Screening plus Integration strategies' for the remaining 95%.</p> <p>If you do not apply any incorporation approach and the option 'No incorporation strategies applied' accounts for 100% of your listed equity assets, you will not need to report further in the actively managed listed equity section of this module.</p>
<b>FI 01.2</b>	<p>You may like to explain why you have chosen a particular RI strategy to apply to a specific group of assets or to all fixed income investments. This might include an explanation of certain internal or external drivers.</p> <p>You may like to explain how your approach to ESG incorporation varies relative to different types of issuer. Your response may include a discussion of:</p> <ul style="list-style-type: none"> <li>• the different sources of ESG data and analysis across issuer types,</li> <li>• the variations in engagement approaches across issuer types,</li> <li>• how the depth of your ESG analysis varies across issuer types.</li> </ul>
<b>LOGIC</b>	
<b>FI 01</b>	<p>[FI 01] will only be applicable where 'Active' strategies are reported in "Organisational Overview" module [OO FI 01].</p> <p>[FI 01.2] will not trigger where 'No incorporation strategies applied' for all fixed income investments outlined in [FI 01.1].</p> <p>[FI 01.1] will trigger the following indicators, depending on whether you select the strategy stated:</p> <ul style="list-style-type: none"> <li>• 'Screening alone' will trigger the 'Implementation: Screening' section [FI 04 - FI 06].</li> <li>• 'Thematic alone' will trigger the 'Implementation: Sustainability themed investing' section [FI 07 - FI 09].</li> <li>• 'Integration alone' will trigger the 'Implementation: Integration of ESG issues' section [FI 10 - FI 12].</li> <li>• 'Screening + Integration' will trigger [FI 04 - FI 06] and [FI 10 - FI 12]</li> <li>• 'Thematic + Integration' will trigger [FI 07 - FI 09] and [FI 10 - FI 12]</li> <li>• 'Screening + Thematic' will trigger [FI 04 - FI 06] and [FI 07 - FI 09]</li> <li>• 'All three strategies' will trigger [FI 04 - FI 12]</li> <li>• In addition, any of the above options will trigger [FI 02 and FI 03]</li> <li>• If you report 'No incorporation strategies applied' to 100% of your actively managed listed equities, indicators [FI 04 - FI 12] will not be applicable.</li> </ul>

FI 01	DEFINITIONS
<p>Incorporation of ESG issues into investment analysis and decision-making processes is covered in Principle 1 of the PRI. Throughout the Reporting Framework, we refer to ESG incorporation as the review and use of ESG information in the investment decision-making process.</p> <p>The Reporting Framework addresses four ways in which ESG incorporation can be done:</p> <ol style="list-style-type: none"> <li>1. screening</li> <li>2. sustainability themed investment (also referred to as environmentally and socially themed investment)</li> <li>3. integration</li> <li>4. a combination of the above</li> </ol> <p>Assets subject to an engagement approach only and not subject to any of the above strategies should not be included in ESG incorporation.</p>	
<p><b>Screening of investments</b></p>	<p>The definitions of the three types of screening in the Reporting Framework are:</p> <ol style="list-style-type: none"> <li>a. negative/exclusionary screening: The exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG criteria;</li> <li>b. positive/best-in-class screening: Investment in sectors, companies or projects selected for positive ESG performance relative to industry peers; or</li> <li>c. norms-based screening: Screening of investments against minimum standards of business practice based on international norms. Norms-based screening involves either: <ol style="list-style-type: none"> <li>1. defining the investment universe based on investees' performance on international norms related to RI/ESG issues; or</li> <li>2. excluding investees from portfolios after investment if they are found following research, and sometimes engagement, to contravene these norms. Such norms include but are not limited to the UN Global Compact Principles, the Universal Declaration of Human Rights, International Labour Organization standards, the United Nations Convention Against Corruption and the OECD Guidelines for Multinational Enterprises.</li> </ol> </li> </ol>
<p><b>Sustainability themed investment</b></p>	<p>Investment in themes or assets specifically related to sustainability (for example, clean energy, green technology or sustainable agriculture).</p>
<p><b>ESG integration</b></p>	<p>The explicit and systematic inclusion of ESG factors in investment analysis and investment decisions.</p>
<p>For further detail on these definitions, please see separate <a href="#">Main Definitions</a> document.</p>	

FI 02	Indicator status <b>MANDATORY TO REPORT</b> VOLUNTARY TO DISCLOSE	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 1</b>
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FI 02	INDICATOR				
<b>FI 02.1</b>	Indicate which ESG factors you systematically research as part of your analysis on issuers.				
		<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	<b>Securitised</b>
	Environmental data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Social data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Governance data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 02.2</b>	Indicate what format your ESG information comes in and where you typically source it.				
	<b>Type of ESG information</b>	<b>Indicate who provides this information</b>			
	<input type="checkbox"/> Raw ESG company data	<input type="checkbox"/> ESG research provider <input type="checkbox"/> Sell-side <input type="checkbox"/> In-house — specialised ESG analyst or team <input type="checkbox"/> In-house — FI analyst, PM or risk team <input type="checkbox"/> Other (specify)			
	<input type="checkbox"/> ESG factor specific analysis	<input type="checkbox"/> ESG research provider <input type="checkbox"/> Sell-side <input type="checkbox"/> In-house — specialised ESG analyst or team <input type="checkbox"/> In-house — FI analyst, PM or risk team <input type="checkbox"/> Other (specify)			
	<input type="checkbox"/> Issuer-level ESG analysis	<input type="checkbox"/> ESG research provider <input type="checkbox"/> Sell-side <input type="checkbox"/> In-house — specialised ESG analyst or team <input type="checkbox"/> In-house — FI analyst, PM or risk team <input type="checkbox"/> Other (specify)			
	<input type="checkbox"/> Sector-level ESG analysis	<input type="checkbox"/> ESG research provider <input type="checkbox"/> Sell-side <input type="checkbox"/> In-house — specialised ESG analyst or team <input type="checkbox"/> In-house — FI analyst, PM or risk team <input type="checkbox"/> Other (specify)			
<input type="checkbox"/> Country-level ESG analysis	<input type="checkbox"/> ESG research provider <input type="checkbox"/> Sell-side <input type="checkbox"/> In-house — specialised ESG analyst or team <input type="checkbox"/> In-house — FI analyst, PM or risk team <input type="checkbox"/> Other (specify)				

<b>FI 02.3</b>	Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.
<b>FI 02.4</b>	Additional information [OPTIONAL]

FI 02	EXPLANATORY NOTES		
<b>FI 02.2</b>	<p>The purpose of this indicator is to allow you to report what type of ESG information contributes to your investment decisions. It also gives you the opportunity to highlight the sources of this information. For example, some investors may use ESG data obtained from specialist research providers directly. Others may conduct their own in-house research (via specialised ESG teams or analysts and portfolio managers) to supplement research purchased from third parties and use this amended research in their investment process. Others may do both. Note that you will be able to describe the quality of this research and how it is used in your investment process in later indicators within this module.</p> <p>Explanation of different possible sources</p> <ul style="list-style-type: none"> <li>• Raw ESG company data: data on issuers' ESG performance as they publish it that has not been analysed or aggregated</li> <li>• ESG factor-specific ESG analysis or ratings: may be analysis of a single factor (e.g., human rights) or a trend or theme, such as climate change</li> <li>• Issuer and issue-level ESG analysis: analysis or aggregation of information on issuer and issue ESG performance, risks or opportunities. These may be represented as a rating percentage or another metric, for example, letters.</li> <li>• Issuer-level ESG analysis. Sector-level ESG analysis or ratings: analysis or aggregation of ESG performance, risks or opportunities related to a particular industry sector, such as the food and beverage sector, Country-related ESG analysis or ratings: analysis or aggregation of ESG laws, policies, norms, performance, risks or opportunities related to individual countries</li> </ul>		
<b>FI 02.3</b>	Describe here the sources of ESG information split by strategies. Also indicate if you typically use third-party ESG information as is in your investment process or if you typically conduct further in-house research to supplement the research provided by third parties.		
<b>FI 02.4</b>	<p>In this section you might also wish to describe what action you take to stimulate research. For example, you could describe if:</p> <ul style="list-style-type: none"> <li>• you identify ESG issues and suggest them research providers, or</li> <li>• you have a budget to pay for research on ESG issues.</li> </ul>		
<b>LOGIC</b>			
<b>FI 02</b>	[FI 02] will be applicable if you reported any ESG incorporation strategy (screening, thematic, or integration) in relation to your fixed income investments in [FI 01.1].		
<b>ASSESSMENT</b>			
<b>FI 02</b>	<p>Maximum score: Six ★</p> <p>The assessment of this indicator is based on your responses to [02.1 &amp; 02.2].</p>		
<b>Indicator scoring methodology</b>			
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>

	<b>FI 02.1</b>		
	'No incorporation strategies applied ' in FI 02.	○	
	One type of ESG data	★	
	Two types of ESG data	★★	
	Three types of ESG data	★★★	
	<b>FI 02.2</b>		
	'No incorporation strategies applied ' in FI 02.	○	
	One type of ESG information	★	
	Two types of ESG information	★★	
	Three or more types of ESG information	★★★	

FI 02	DEFINITIONS
<b>Raw ESG company data</b>	Data on issuers' ESG performance as they publish it that has not been analysed or aggregated.
<b>ESG factor specific analysis</b>	This may be analysis of a single factor (e.g. human rights) or a trend or theme, such as climate change.
<b>Issuer-level ESG analysis</b>	Analysis or aggregation of information on issuer and issue ESG performance, risks or opportunities. These may be represented as a rating percentage, or another metric for example, letters.
<b>Sector-level ESG analysis</b>	Analysis or aggregation of ESG performance, risks or opportunities related to a particular industry sector, such as the food and beverage sector.
<b>Country-level ESG analysis</b>	Analysis or aggregation of ESG laws, policies, norms, performance, risks or opportunities related to individual countries.

FI 03	Indicator status <b>MANDATORY</b>	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 1</b>
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FI 03	INDICATOR
<b>FI 03.1</b>	<p>Indicate how you ensure that your ESG research process is robust.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services</li> <li><input type="checkbox"/> Issuers are given the opportunity by you or your research provider to review ESG research on them and to correct inaccuracies.</li> <li><input type="checkbox"/> Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate.</li> <li><input type="checkbox"/> Internal audits and regular reviews of ESG research are undertaken in a systematic way.</li> <li><input type="checkbox"/> A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.</li> <li><input type="checkbox"/> Other; specify _____</li> <li><input type="checkbox"/> None of the above</li> </ul>
<b>FI 03.2</b>	<p>Describe how your ESG information or analysis is shared among your investment team.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> ESG information is held within a centralised database and is accessible to all investment staff</li> <li><input type="checkbox"/> ESG information is displayed on front office research platforms</li> <li><input type="checkbox"/> ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents</li> <li><input type="checkbox"/> Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings</li> <li><input type="checkbox"/> Records capture how ESG information and research was incorporated into investment decisions</li> <li><input type="checkbox"/> Other; specify _____</li> <li><input type="checkbox"/> None of the above</li> </ul>
<b>FI 03.3</b>	<p>Additional information [OPTIONAL]</p>

FI 03	EXPLANATORY NOTES
<b>FI 03.1</b>	This indicator allows you to describe how you ensure the quality of the data used in your ESG analysis process. The indicator does not differentiate between ESG information produced internally and provided via research providers.
<b>FI 03.2</b>	This indicator allows you to show how ESG information is used by your fixed income teams.
<b>FI 03.3</b>	This is an opportunity to describe how you identify material ESG risks and opportunities, the framework you apply to your investable universe to review ESG issues, how you process raw data into rankings or how ESG analysis is weighted as part of your overall opinion on specific issuers.
<b>LOGIC</b>	
<b>FI 03</b>	[FI 03] will be applicable if you reported any ESG incorporation strategy (screening, thematic, or integration) in relation to your fixed income investments in [FI 01.1].

ASSESSMENT			
FI 03	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [FI 03.1 & FI 03.2].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'No incorporation strategies applied ' in FI 04 <b>OR</b> None of the above' in FI 03.1 and FI 03.2.	○	
	Two selections in FI 03.1 <b>AND</b> one selection in FI 03.2	★	"Other" will be accepted an option which counts towards your assessment
	Three selections in FI 03.1 <b>AND</b> two selections in FI 03.2	★★	"Other" will be accepted an option which counts towards your assessment
	Four selections in FI 03.1 <b>AND</b> four selections in FI 03.2	★★★	"Other" will be accepted an option which counts towards your assessment

## IMPLEMENTATION PROCESSES

### A) Implementation: Screening

FI 04	Indicator status <b>MANDATORY</b>	Purpose <b>GATEWAY</b>	Principle <b>PRI 1</b>
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FI 04	INDICATOR				
FI 04.1	Indicate the type of screening you conduct.				
		SSA	Corporate (financial)	Corporate (non-financial)	Securitized
	Negative/exclusionary screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Positive/best-in-class screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FI 04.2	Norms-based screening				
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FI 04.2	Describe your approach to screening for internally managed active fixed income.				
FI 04.3	Additional information <a href="#">[OPTIONAL]</a>				

FI 04	EXPLANATORY NOTES
FI 04.1	This indicator allows you to provide details on the criteria upon which different screening methods are applied.
FI 04.2	Please provide details on how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
<b>LOGIC</b>	
FI 04	[FI 04] will be applicable if you reported screening as part of your ESG incorporation strategy for your fixed income investments in [FI 01.1]. [FI 04.1] is a gateway indicator.

FI 04	DEFINITIONS
<b>Negative/exclusionary screening</b>	The exclusion from a fund or portfolio of certain sectors, issuer or practices based on specific ESG criteria. This exclusion may be based on failure to meet international norms or standards.
<b>Positive/best-in-class screening</b>	Investment in sectors, issuers or projects selected for positive ESG performance relative to industry peers.
<b>Norms-based screening</b>	Screening of investments against minimum standards of business practice based on international norms.



FI 05	Indicator status VOLUNTARY	Purpose ADDITIONALLY ASSESSED	Principle PRI 1
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FI 05	INDICATOR			
FI 05.1	Provide examples of ESG factors included in your screening criteria.			
	Type	ESG factors	Screening	Description
	<input type="checkbox"/> SSA <input type="checkbox"/> Corporate financial <input type="checkbox"/> Corporate non-financial <input type="checkbox"/> Securitised	<input type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Governance	<input type="checkbox"/> Negative/ exclusionary <input type="checkbox"/> Positive/best-in-class <input type="checkbox"/> Norms-based	
	[same as above]	[same as above]	[same as above]	
	[same as above]	[same as above]	[same as above]	
FI 05.2	Additional information			

FI 05	EXPLANATORY NOTES
FI 05.1	<p>You are encouraged to provide at least three and up to five examples. Furthermore, an example can include 3 separate examples where relevant and/or necessary.</p> <p>As far as practicable, these should provide the clearest illustration of how ESG issues are used as screening criteria (negative/exclusionary screening, positive/best-in-class screening, and/or norms-based screening).</p> <p>Depending on your organisation, the examples may focus on different ESG issues or different sectors or may have resulted in different investment decisions (e.g., exclude, buy, sell, hold, overweight, underweight).</p>
<b>LOGIC</b>	
FI 05	[FI 05] will be applicable if you reported that your organisation applies ESG screening in relation to your fixed income securities in [FI 01.1].
<b>ASSESSMENT</b>	

FI 05	<p>Maximum score: Three ★</p> <p>The assessment of this indicator is based on your responses to [FI 05.1].</p> <p>This indicator is assessed on the ESG factors included in the example per asset class, not the number of examples provided per asset class.</p>		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	No examples provided	○	
	Two selections in ESG factors	★	Number of ESG factors is counted across all examples given per asset class. Selection(s) combined must include two distinct ESG factors, i.e. E+S, S+G or E+G.
Three selections in ESG factors	★★★	Number of ESG factors is counted across all examples given per asset class. Selection(s) combined must include <b>all three</b> distinct ESG factors, i.e. E+S+G.	

FI 06	Indicator status <b>MANDATORY</b>	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 1</b>
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FI 06	INDICATOR						
FI 06.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.						
	<table border="1"> <tr> <td>Negative/exclusionary screening</td> <td> <input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria.  <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.  <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria.  <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions.  <input type="checkbox"/> Other; specify _____  <input type="checkbox"/> None of the above </td> </tr> <tr> <td>Positive/best-in-class screening</td> <td> <input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria.  <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.  <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria.  <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions.  <input type="checkbox"/> Other; specify _____  <input type="checkbox"/> None of the above </td> </tr> <tr> <td>Norms-based screening</td> <td> <input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria.  <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.  <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria.  <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions.  <input type="checkbox"/> Other; specify _____  <input type="checkbox"/> None of the above </td> </tr> </table>	Negative/exclusionary screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above	Positive/best-in-class screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above	Norms-based screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above
	Negative/exclusionary screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above					
	Positive/best-in-class screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above					
Norms-based screening	<input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria. <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria. <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions. <input type="checkbox"/> Other; specify _____ <input type="checkbox"/> None of the above						
Additional information [OPTIONAL]							
FI 06.2							

FI 06	EXPLANATORY NOTES		
FI 06.1	Breaches of fund screening criteria refer to occasions when bonds that should have been excluded are bought or remain in funds. For additional guidance, see the separate <a href="#">‘Reporting Framework: Overview and Guidance’</a> document.		
FI 06.2	Your description might include further details about how your screening criteria is implemented and the processes in place to ensure they are not breached. If there are no such processes, you can use this indicator to explain why.		
<b>LOGIC</b>			
FI 06	[FI 06] will be applicable if you reported that your organisation applies ESG screening in relation to your fixed income securities in [FI 04.1]. The sections for positive, negative or norms-based screening sections will be applicable based on your response in [FI 04.1]		
<b>ASSESSMENT</b>			
FI 06	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [FI 06.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	‘None of the above’	○	
	Two selections	★	
	Three selections	★★	
Four or more selections	★★★		

**IMPLEMENTATION PROCESS** *b) Implementation: Thematic*

<b>FI 07</b>	Indicator status <b>MANDATORY TO REPORT, VOLUNTARY TO DISCLOSE</b>	Purpose <b>DESCRIPTIVE</b>	Principle <b>PRI 1</b>
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<b>FI 07</b>	<b>INDICATOR</b>	
<b>FI 07.1</b>	Indicate what proportion of your thematic investments are:	
	<input type="checkbox"/> Green/SDG bonds linked to environmental goals	<input type="text"/> %
	<input type="checkbox"/> Social/SDG bonds linked to social goals	<input type="text"/> %
	<input type="checkbox"/> Sustainability/SDG bonds (combination of green and social linked to multiple SDG categories)	<input type="text"/> %
	<input type="checkbox"/> Other _____	<input type="text"/> %
<b>FI 07.2</b>	Describe your organisation's approach to thematic fixed income investing.	
<b>FI 07.3</b>	Additional information <b>[OPTIONAL]</b>	

FI 07	EXPLANATORY NOTES
<b>FI 07.1</b>	<p>The International Capital Markets Association (ICMA) defines green bonds as ‘... any type of bond instruments where the proceeds will be exclusively applied to finance or re-finance in part or in full new and/or existing eligible Green Projects [...] with the objective to address key areas of environmental concern such as climate change, natural resources depletion, loss of biodiversity, and air, water or soil pollution.’</p> <p>The International Capital Markets Association (ICMA) defines social bonds as ‘... any type of bond instruments where the proceeds will be exclusively applied to finance or re-finance in part or in full new and/or existing eligible Social Projects [...] to help address or mitigate a specific social issue and/or seek to achieve positive social outcomes especially, but not exclusively, for a target population(s)’.</p> <p>The International Capital Markets Association (ICMA) defines sustainability bonds as ‘...bonds where the proceeds will be exclusively applied to finance or re-finance a combination of both Green and Social Projects’. In addition, recognising growing momentum within the global capital markets to establish a link between investments and achieving the SDGs, ICMA released in 2018 as part of their annual update, a High-Level Mapping to the Sustainable Development Goals. This aims to provide a broad frame of reference by which bond market participants can evaluate the financing objectives of a given Green, Social or Sustainability Bond/Bond Programme against the Sustainable Development Goals (SDGs).</p> <p>The Climate Bonds Initiative defines climate bonds as '[bonds] used to finance—or re-finance—projects needed to address climate. They range from wind farms and solar and hydropower plants to rail transport and building sea walls in cities threatened by rising sea levels. Only a small portion of these bonds have actually been labelled 'green' or 'climate bonds' by their issuers'.</p>
<b>FI 07.3</b>	<p>This indicator provides an opportunity to describe your organisation’s general approach to thematic investing. This may include discussion of:</p> <ul style="list-style-type: none"> <li>• your motivations for following specific ESG themes in your investments;</li> <li>• your definition or scope for each of these themes;</li> <li>• whether you application of these themes differs by sector or by geographic region;</li> <li>• whether you invest for ESG impact, financial impact, or both; and/or</li> </ul> <p>the other factors you consider in your investment process and how the thematic elements relate to the overall process (e.g., any minimum requirements that all issuers must meet to be considered for investment).</p>
<b>LOGIC</b>	
<b>FI 07</b>	<p>[FI 07] will be applicable if you reported that your organisation reported themed investing in [FI 01.1].</p>

<b>FI 08</b>	Indicator status <b>MANDATORY</b>	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 1</b>
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<b>FI 08</b>	<b>INDICATOR</b>
<b>FI 08.1</b>	<p>Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects.</li> <li><input type="checkbox"/> We require the issuer (or third-party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated.</li> <li><input type="checkbox"/> We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated.</li> <li><input type="checkbox"/> We require issuers to report at least once per year on the projects to which proceeds have been allocated, including a description of those projects.</li> <li><input type="checkbox"/> Other, specify _____</li> <li><input type="checkbox"/> None of the above</li> </ul>
<b>FI 08.2</b>	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
<b>FI 08.3</b>	Additional information <b>[OPTIONAL]</b>

<b>FI 08</b>	<b>EXPLANATORY NOTES</b>		
<b>FI 08.1</b>	Requirements toward issuers is applicable if and only if issuers have the capacity to meet the specific request. Otherwise, options should not be ticked if issuers cannot fulfil the request.		
<b>LOGIC</b>			
<b>FI 08</b>	[FI 08] will be applicable if your organisation reported themed investing in [FI 01.1].		
<b>ASSESSMENT</b>			
<b>FI 08</b>	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [FI 08.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'None of the above'	○	
	One selection	★	
	Two selections	★★	
Three selections	★★★		

<b>FI 09</b>	Indicator status <b>MANDATORY</b>	Purpose <b>ADDITIONALLY ASSESSED</b>	Principle <b>PRI 1</b>
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<b>FI 09</b>	<b>INDICATOR</b>
<b>FI 09.1</b>	Indicate how you assess the environmental or social impact of your thematic investments.
	<input type="checkbox"/> We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments. <input type="checkbox"/> We ensure independent audits are conducted on the environmental or social impact of our investments. <input type="checkbox"/> We have a proprietary system to measure environmental and social impact. <input type="checkbox"/> We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights. <input type="checkbox"/> Other, specify _____ <input type="checkbox"/> None of the above
<b>FI 09.2</b>	Additional information [OPTIONAL]

<b>FI 09</b>	<b>EXPLANATORY NOTES</b>		
<b>FI 09.1</b>	Requirements toward issuers is applicable if and only if issuers have the capacity to meet the specific request. Otherwise, options should not be ticked if issuers cannot fulfil the request.		
<b>LOGIC</b>			
<b>FI 09</b>	[FI 09] will be applicable if your organisation reported themed investing in [FI 01.1].		
<b>ASSESSMENT</b>			
<b>FI 09</b>	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [09.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'None of the above'	○	
	One selection	★	
Two selections	★★		
Three selections	★★★		



**IMPLEMENTATION PROCESS**

*c) Implementation: Integration of ESG issues*

<b>FI 10</b>	Indicator status <b>MANDATORY</b>	Purpose <b>DESCRIPTIVE</b>	Principle <b>PRI 1</b>
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<b>FI 10</b>	<b>INDICATOR</b>	
<b>FI 10.1</b>	Describe your approach to integrating ESG into traditional financial analysis.	
<b>FI 10.2</b>	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.	
	SSA	
	Corporate (financial)	
	Corporate (non-financial)	
	Securitised	
<b>FI 10.3</b>	Additional information <b>[OPTIONAL]</b>	

<b>FI 10</b>	<b>EXPLANATORY NOTES</b>
<b>FI 10.1</b>	<p>This indicator gives you the opportunity to describe, among other things, your motivations for integrating ESG factors, how you apply your approach to each type of fixed income (broadly), how investment professionals and RI/ESG staff work together, how long this approach has been in effect and the proportion of your total fixed income assets it applies to.</p> <p>For the purposes of the PRI Reporting Framework, ESG integration should NOT include negative, positive or norms-based screening, thematic investing engagement or engagement, all of which fall within the broader definition of ESG incorporation.</p>
<b>FI 10.2</b>	You may like to describe how your research process, criteria, weighting of ESG factors and other elements differ for each different type of issuer.

FI 11	Indicator status <b>MANDATORY</b>	Purpose <b>CORE ASSESSED</b>	Principle <b>PRI 1</b>
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FI 11	INDICATOR				
<b>FI 11.1</b>	Indicate how ESG information is typically used as part of your investment process.				
		<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	<b>Securitised</b>
	ESG analysis is integrated into fundamental analysis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ESG analysis is used to adjust the internal credit assessments of issuers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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"/>	<input type="checkbox"/>	<input type="checkbox"/>
	ESG analysis is integrated into portfolio weighting decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input 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"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, specify _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>FI 11.2</b>	Additional information [OPTIONAL]				

FI 11		EXPLANATORY NOTES	
FI 11.1	<p>You should indicate which approach(es) you take to integrating ESG analysis into your fixed income decisions across all fixed income assets. If you indicate 'other', you should ensure that your description fits the scope of the PRI's definition of ESG integration—"the explicit and systematic inclusion of ESG factors in investment analysis and investment decisions".</p> <p>For more information about the options identified, refer to the CFAI and PRI's <a href="#">'Guidance and Case Studies for ESG Integration – Equities and Fixed Income'</a>.</p>		
<b>LOGIC</b>			
FI 11	[FI 11] will be applicable if you reported an ESG integration strategy in relation to your fixed income investments in [FI 01.1].		
<b>ASSESSMENT</b>			
FI 11	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [11.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	No options selected	○	"Other" is <b>NOT</b> counted as an option towards your assessment.
	One option selected	★	"Other" is <b>NOT</b> counted as an option towards your assessment.
Three options selected	★★	"Other" is <b>NOT</b> counted as an option towards your assessment.	
Five options selected	★★★	"Other" is <b>NOT</b> counted as an option towards your assessment.	

FI 12	Indicator status <b>MANDATORY</b>	Purpose <b>ADDITIONALLY ASSESSED</b>	Principle <b>PRI 1</b>
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FI 12	INDICATOR				
FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.				
		SSA	Corporate (financial)	Corporate (non-financial)	Securitised
	Environmental	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
	Social	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
	Governance	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
FI 12.2	Please provide more detail about how you review E, S and G factors in your integration process.				
		Issuer	Explanation		
		SSA			
		Corporate (financial)			
		Corporate (non-financial)			
		Securitised			
FI 12.3	Additional information [OPTIONAL]				

FI 12	EXPLANATORY NOTES
FI 12.1	<p>This indicator allows you to explain whether you research and integrate analysis of different types of ESG factors.</p> <p>ESG factors differ in their relevance and materiality across companies, sectors and markets. This indicator does not relate to your final judgements about relevance or materiality, but rather to the scope of your research and integration processes.</p> <p>Systematic processes review the relevance of ESG factors across different sectors, markets, strategies and issues. Occasional reviews are typically ad hoc and applied by some, but not all, investment managers in your organisation based on region, market or team.</p> <p>For additional guidance on the terms 'systematic' and 'occasional', see the separate Reporting Framework <a href="#">Overview and Guidance document</a>.</p>
	<p>This indicator allows you to provide additional information and examples of how you integrate ESG analysis into decision-making for different issuer types in [12.1].</p>

LOGIC			
FI 12	[FI 12] will be applicable if you reported that your organisation applies an ESG integration strategy in relationship to your fixed income investments in [FI 01.1].		
ASSESSMENT			
FI 12	Maximum score: Three ★ The assessment of this indicator is based on your responses to [12.1].		
	Indicator scoring methodology		
	Selected response	Level score	Further Details
	All three options 'Not at all'	○	
	One/two ESG issue(s) occasionally reviewed	★	
	Three ESG issues occasionally reviewed <b>OR</b> One/two ESG issue(s) systematically reviewed	★★	
	Three ESG issues systematically reviewed	★★★	

**SECTION**

**Passively Managed Fixed Income**

<b>FI 13</b>	Indicator status <b>VOLUNTARY</b>	Purpose <b>DESCRIPTIVE</b>	Principle <b>PRI 1</b>
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<b>FI 13</b>	<b>INDICATOR</b>
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<b>FI 13.1</b>	Describe your RI approach for passively managed fixed income assets.
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<b>FI 13</b>	<b>EXPLANATORY NOTES</b>
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<b>FI 13.1</b>	You are encouraged to provide details about how you consider ESG issues for passively managed investments.
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<b>LOGIC</b>
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<b>FI 13</b>	[FI13] will be applicable if you reported that you hold passive fixed income investments in the 'Organisational overview' module, [OO FI 01].
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## SECTION

## Actively Managed Fixed Income — Engagement

FI 14	Indicator status MANDATORY TO REPORT, VOLUNTAY TO DISCLOSE	Purpose CORE ASSESSED	Principle PRI 2
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FI 14	INDICATOR				
FI 14.1	Indicate whether you engage on your fixed income assets. Please exclude any engagements carried out solely in your capacity as a shareholder.				
	Proportion of assets	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
	>50%	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	26-50%	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	5-25%	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	More than 0%, less than 5%	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
FI 14.2	Indicate your motivations for conducting engagements.				
		SSA	Corporate (financial)	Corporate (non-financial)	Securitised
	To gain an understanding of ESG strategy and/or management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	To encourage improved/increased ESG disclosure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	To influence issuer practice (or identify the need to influence) on ESG issues	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
FI 14.3	Additional information [OPTIONAL]				

FI 14	EXPLANATORY NOTES		
FI 14.1	This indicator is an opportunity to demonstrate the extent of your active stewardship of the fixed income investments you manage.		
FI 14.2	'Engagement' refers to interactions between the investor and current or potential investees (which may be companies, governments, municipalities, etc.) on ESG issues. Engagements are undertaken to influence (or identify the need to influence) ESG practices and/or improve ESG disclosure. Interactions for gathering information should not be reported as engagements.		
<b>LOGIC</b>			
FI 14	[FI 14] will be applicable if in 'Organisational Overview' module, [OO 10.1] under "Fixed income – engagement" row, you reported "We engage with companies on ESG issues via our staff, collaborations or service providers".		
<b>ASSESSMENT</b>			
FI 14	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [14.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'We do not engage' OR 'less than 5%'	●	N/A for FI – SSA
	'5-25%'	★	N/A for FI – SSA
	'26-50%'	★★	N/A for FI – SSA
'>50%'	★★★	N/A for FI – SSA	



FI 15	Indicator status <b>MANDATORY TO REPORT</b> <b>VOLUNTARY TO DISCLOSE</b>	Purpose <b>ADDITIONALLY ASSESSED</b>	Principle <b>PRI 1,2</b>
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FI 15	INDICATOR				
<b>FI 15.1</b>	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 in which you are both a bondholder and shareholder but engage as a listed equity investor only.)				
	<b>Type of Engagement</b>	<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	<b>Securitised</b>
	Individual/Internal staff engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Collaborative engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Service provider engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 15.2</b>	Indicate how your organisation prioritises engagements with issuers.				
		<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	<b>Securitised</b>
	Size of holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Credit quality of the issuer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Duration of holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Quality of transparency on ESG	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Specific markets and/or sectors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Specific ESG themes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Issuers in the lowest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Issuers in the highest ranks of ESG benchmarks	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other; describe _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 15.3</b>	Indicate when your organisation conducts engagements with issuers.				
	We engage pre-investment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We engage post-investment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We engage proactively in anticipation of specific ESG risks and/or opportunities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	We engage in reaction to ESG issues that have already affected the issuer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We engage prior to ESG-related divestments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other; describe _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 15.4</b>	Indicate what your organisation conducts engagements with issuers on.				
	We engage on ESG risks and opportunities affecting a specific bond issue or its issuer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We engage on ESG risks and opportunities affecting the entire industry or region that the issuer belongs to.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We engage on specific ESG themes across issuers and industries (e.g., human rights).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other; describe _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 15.5</b>	Indicate how your organisation ensures that information and insights collected through engagement can feed into the investment decision-making process.				
	Ensuring regular cross-team meetings and presentations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Sharing engagement data across platforms that is accessible to ESG and investment teams.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Encouraging ESG and investment teams to join engagement meetings and roadshows.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Delegating some engagement dialogue to portfolio managers/credit analysts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Involving portfolio managers when defining an engagement programme and developing engagement decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Establishing mechanisms to rebalance portfolio holdings based on levels of interaction and outcomes of engagements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Considering active ownership as a mechanism to assess potential future investments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Other, describe _____	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>FI 15.6</b>	Additional information [OPTIONAL]				

FI 15		EXPLANATORY NOTES	
FI 15.2	<p>This indicator allows you to explain how you prioritise engagements.</p> <p>For more information about the options identified, refer to the PRI's <a href="#">'ESG Engagement for Fixed Income Investors – Managing Risks, Enhancing Returns'</a>.</p>		
FI 15.3	<p>Engagement cases usually fall into two categories:</p> <ul style="list-style-type: none"> <li>■ Proactive: When investors seek dialogue with priority companies to manage more medium/long-term issues based on their analysis of potentially material ESG issues and megatrends</li> <li>■ Reactive: When investors initiate dialogue with companies in reaction to a recent downgrade, controversy or scandal which is presenting a financial and/or reputational risk</li> </ul> <p>Timing the engagement is a strategic decision, because the bondholder's influence with issuers varies throughout the issuance lifecycle.</p> <p>For more information about the options identified, refer to the PRI's <a href="#">'ESG Engagement for Fixed Income Investors – Managing Risks, Enhancing Returns'</a>.</p>		
FI 15.4	<p>Broadly speaking, ESG factors can affect the performance of its bonds at different levels:</p> <ul style="list-style-type: none"> <li>■ <b>Issuer/company level:</b> These are risks that affect a specific bond issue or its issuer and not the market as a whole. They are generally related to factors such as the governance of an issuer, its regulatory compliance, the strength of its balance sheet and, at the corporate level, brand reputation. For example, the yield on the corporate debt of the car manufacturer Volkswagen rose and stayed high for a prolonged period of time in the aftermath of the 2015 emission scandal.</li> <li>■ <b>Industry/geographic level:</b> These risks stem from wider-ranging issues affecting the entire industry or region that the issuer belongs to. They can be related to regulatory factors, technological changes associated with the business activity the company is involved in, and/or the markets it sources or sells to. For example, utilities are relatively more exposed to climate change risks than financials.</li> <li>■ <b>Thematic level engagement:</b> This refers to thematic engagement of one issue, across industries.</li> </ul> <p>For more information about the options identified, refer to the PRI's <a href="#">'ESG Engagement for Fixed Income Investors – Managing Risks, Enhancing Returns'</a>.</p>		
FI 15.5	<p>It is considered best practice to keep relevant internal functions (risk, credit, responsible investment, corporate governance, equities teams etc.) updated on the progress and outcomes of the engagement, to ensure findings are incorporated into investment decisions.</p> <p>For more information about the options identified, refer to the PRI's <a href="#">'ESG Engagement for Fixed Income Investors – Managing Risks, Enhancing Returns'</a>.</p>		
<b>LOGIC</b>			
FI 15	<p>[FI 15] will be applicable if in 'Organisational Overview' module, [OO 10.1] under "Fixed income – engagement" row, you reported "We engage with companies on ESG issues via our staff, collaborations or service providers".</p>		
<b>ASSESSMENT</b>			
FI 15	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [15.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'We do not engage' in FI 15.1	○	'Other' will not count as a selection N/A for FI – SSA
One selection from FI 15.2, 15.3, 15.5	★	'Other' will not count as a selection N/A for FI – SSA	
One selections from FI 15.2 <b>AND</b> at least two selections from 15.3, 15.5	★★	'Other' will not count as a selection N/A for FI – SSA	

	One election from FI 15.2, <b>AND</b> at least three selections from 15.3, 15.5	★ ★ ★	'Other' will not count as a selection N/A for FI – SSA
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FI 16	Indicator status MANDATORY TO REPORT, VOLUNTARY TO DISCLOSE	Purpose ADDITIONALLY ASSESSED	Principle PRI 1,2
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FI 16	INDICATOR	
FI 16.1	Indicate whether your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.	
	<input type="radio"/> Yes	<input type="radio"/> No
FI 16.2	Please attach or provide a URL to your fixed income engagement policy document. [OPTIONAL]	
FI 16.3	Additional information [OPTIONAL]	

FI 16	EXPLANATORY NOTES	
<b>LOGIC</b>		
FI 16	[FI 16] will be applicable if in 'Organisational Overview' module, [OO 10.1] under "Fixed income – engagement" row, you reported "We engage with companies on ESG issues via our staff, collaborations or service providers".	
<b>ASSESSMENT</b>		
FI 16	Maximum score: Three ★ The assessment of this indicator is based on your responses to [16.1].	
	<b>Indicator scoring methodology</b>	
	<b>Selected response</b>	<b>Level score</b>
	'No'	●
	'Yes'	★★★
		<b>Further Details</b>
		N/A for FI – SSA
		N/A for FI – SSA

**SECTION**

## Outputs and Outcomes

<b>FI 17</b>	Indicator status <b>MANDATORY TO REPORT VOLUNTARY TO DISCLOSE</b>	Purpose <b>ADDITIONALLY ASSESSED</b>	Principle <b>GENERAL</b>
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<b>FI 17</b>	<b>INDICATOR</b>				
<b>FI 17.1</b>	Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or performance.				
		<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	<b>Securitised</b>
	We measure whether incorporating ESG impacts portfolio risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We measure whether incorporating ESG impacts portfolio returns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	We measure the ESG performance/profile of portfolios (relative to the benchmark).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>FI 17.2</b>	Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. <b>[OPTIONAL]</b>				
<b>FI 17.3</b>	Additional information <b>[OPTIONAL]</b>				

FI 17		EXPLANATORY NOTES	
FI 17.1	This indicator aims to capture whether you measure the impact, positive or negative, of taking account and managing ESG issues on reputation, returns, risk or ESG performance. This indicator allows you to explain how, if at all, your ESG incorporation strategy has affected portfolio design and construction (e.g., in relationship to particular sectors, geographies, exclusions or positive screening, or as a result of ESG analysis, integration and engagement).		
FI 17.2	Describe how you measure the impact of ESG issues on financial returns, risks and/or ESG performance.		
<b>LOGIC</b>			
FI 17	[FI 17] will be applicable if you reported that a screening, thematic or integration strategy is applied to some part of your actively managed Fixed Income in [FI 01.1]. It will also be applicable if you reported your fixed income investments to be passively managed in [OO FI 01].		
<b>ASSESSMENT</b>			
FI 17	Maximum score: Three ★		
	The assessment of this indicator is based on your responses to [17.1].		
	<b>Indicator scoring methodology</b>		
	<b>Selected response</b>	<b>Level score</b>	<b>Further Details</b>
	'None of the above'	○	
	One selection	★	
	Two selections	★★	
Three selections	★★★		

FI 18	Indicator status VOLUNTARY	Purpose DESCRIPTIVE	Principle PRI 1, 2
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FI 18 INDICATOR				
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.			
	Type of fixed income	ESG issue and explanation	RI strategy applied	Impact on investment decision or performance
	<ul style="list-style-type: none"> <li>SSA</li> <li>Corporate (financial)</li> <li>Corporate (non-financial)</li> <li>Securitised [dropdown]</li> </ul>		<ul style="list-style-type: none"> <li>Screening</li> <li>Thematic</li> <li>Integration</li> <li>Engagement</li> <li>ESG incorporation in passively managed funds [dropdown]</li> </ul>	
			[same as above]	
			[same as above]	
			[same as above]	
FI 18.2	Additional information [OPTIONAL]			

FI 18 EXPLANATORY NOTES	
FI 18	<p>You are encouraged to provide at least three and up to five examples. The examples should clearly explain individual cases in which your RI strategy affected your investment decision and/or outcome.</p> <p>Depending on your organisation, the examples may focus on different ESG issues or different sectors or may have resulted in different investment decisions (e.g., exclude, buy, sell, hold, overweight, underweight). Further details may include:</p> <ul style="list-style-type: none"> <li>ESG issue and explanation—you are not expected to disclose the name of the company but instead can use generic descriptions, e.g., UK bank, Chinese retailer, etc.;</li> <li>impact on investment view or performance—this can include the number of holdings in your portfolio that is affected and in which sectors; and/or</li> <li>explain whether you believe your strategy reduced the overall risk or volatility of the fund or improved the fund's overall ESG performance.</li> </ul>
<b>LOGIC</b>	
FI 18	[FI 18] will be applicable if you reported that a screening, thematic or integration strategy is applied to some part of your actively managed fixed income in [FI 01.1]. It will also be applicable if you reported your fixed income investments to be passively managed in [OO FI 01.1]



The options in field 'which strategies were analysed?' will be applicable depending on your responses in [FI 01.1] for active strategies (screening, thematic, integration or combination of ESG incorporation strategies).