

PRI REPORTING FRAMEWORK 2014/15

Direct – Listed Equity Active Ownership

September 2014

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# +44 (0) 20 3714 3187Understanding 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 to 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 which PRI Principle it relates to.

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|  | Indicator status | Purpose | Principle |
| xxx 01 | MANDATORY | CORE ASSESSED | PRI 2 |

**Indicator status**

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| MANDATORY | Mandatory indicators reflect core practices. These responses will be made public and must be completed to submit the framework. |
| MANDATORY TO REPORT  VOLUNTARY TO DISCLOSE | 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 may also contain commercially sensitive information. |
| VOLUNTARY | Voluntary indicators reflect alternative or advanced practices. These indicators are voluntary to report and disclose. |

**Purpose**

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| 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 contain important information on interpreting and completing the indicators. Read the logic box to make sure an indicator is applicable to you.

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| xxx 01 | **EXPLANATORY NOTES** |
| **xxx 01.1** | This provides guidance on how to interpret the sub-indicators, including examples of what could be reported. |
| **xxx 01.2** |
| **LOGIC** | |
| **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. |
| **ASSESSMENT** | |
| **xxx 01** | This provides a brief overview of the pilot assessment approach for this indicator. |
|  |  |
| xxx 01 | **DEFINITIONS** |
| **xxx 01** | Definitions of specific terms that are used in the indicator are defined here. |

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# Pathways through the module

**LEA 02:** Reasoning for interaction on ESG issues

**LEA 01:** Description of approach to engagement

**LEA 03:** Process for identifying and prioritising individual engagement activities

**LEA 04:** Objectives for individual engagement activities

**LEA 05:** Process for identifying and prioritising collaborative engagement activities

**LEA 06**: Objectives for collaborative engagement activities

**LEA 07:** Role in engagement process

**LEA 08:** Monitor / discuss service provider information

**LEA 09:** Share insights from engagements with internal/external managers

**LEA 10:** Tracking number of engagements

**LEA 11:** Number of companies engaged with, intensity of engagement and effort

**LEA 12:** Engagements on E, S and/or G issues

**LEA 13:** Companies changing practices / behaviour following engagement

**LEA 13:** Companies changing practices / behaviour following engagement

**LEA 14:** Examples of ESG engagements

**LEA 15:** Disclosure of approach to ESG engagements

Engagements to influence corporate practice on ESG or encourage improved ESG disclosure.

Collaborative engagements

Individual engagements

Service provider engagements

***Note:*** *If you report engagement to support investment decision making, or ‘other’ reasons, only indicators [01] and [02] will be applicable.*

**LEA End:** Module confirmation page

**LEA Proxy Voting section:** indicators 16 - 26 (shown on next page)

If you track or can estimate number of engagements

**LEA 17:** Typical approach to (proxy) voting decisions

**LEA 16**: Description of approach to (proxy) voting

**LEA 18:** Percentage of voting recommendations reviewed

**LEA 19:** Confirmation of votes

**LEA 20:** Securities lending programme

**LEA 21**: Informing companies of the rationale of abstaining/voting against management

**LEA 22:** Percentage of (proxy) votes cast

**LEA 23:** Proportion of ballot items that were for/against/abstentions

**LEA 24:** Shareholder resolutions

**LEA 25:** Examples of (proxy) voting activities

**LEA 26:** Disclosing voting activities

**LEA End:** Module confirmation page

If you hire service provider(s) that make voting decisions on your behalf, except for some pre-defined scenarios for which you review and make voting decisions.

**LEA Engagement section:** indicators 01 - 15. (shown on previous page)

# Preface

The information reported in this module will enable your stakeholders to understand how your organisation carries out the following activities in relation to listed equities: (a) your own engagement activities (i.e. engagement conducted by internal staff, both collaboratively and individually) or any engagement activities undertaken on your behalf by service providers; and (b) (proxy) voting and shareholder resolutions decided upon by you or on your behalf by service providers.

This module does not cover engagement and/or (proxy) voting activities carried out on your behalf by external investment managers. These activities are covered in the module on external managers: *Indirect - Manager Selection, Appointment and Monitoring (SAM).*

Note: this module has two different sections.

**Summary of updates**

The Reporting Framework has not changed significantly since 2013-14. Some minor amendments have been made to improve data quality or assessment. The guidance has also been clarified throughout.

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| Indicator | Update |
| LEA 15 | This indicator (communications) has been restructured. The content of this indicator has not changed, therefore prefilling is enabled. |
| LEA 19 | This indicator has been reworded. The term “lodged” has been replaced with “counted by the company” to remove ambiguity. |
| LEA 23 | This indicator has been reworded to correct an error. The original wording referred to management proposals. It was intended to refer to management recommendations. |
| LEA 26 | This indicator (communications) has been restructured. The content of this indicator has not changed, therefore prefilling is enabled. |
| Prefilling | Prefilling is enabled for this module, with the following exceptions:   * In the engagements section, LEA 11, 12, 13 and 14 will not prefill, as the responses are specific to the reporting year. * In the (proxy) voting section, LEA 19, 22, 23, 24 and 25 will not prefill as the responses are specific to the reporting year. |

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| SECTION |
| Engagement |

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| Macintosh HD:Work:PRI:PRI Chevrons for Word:PRI_Chevron_Orange.png | **OVERVIEW** |

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|  | Indicator status | Purpose | Principle |
| LEA 01 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 01 | INDICATOR |
| **LEA 01.1** | Provide a brief overview of your organisation’s approach to engagement. |
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| LEA 01 | **EXPLANATORY NOTES** |
| **LEA 01.1** | This open-ended indicator is an opportunity to provide additional or contextual information to supplement the closed-ended indicators that follow. You can describe your organisation’s approach to engagement and why your organisation follows this approach. This may include a discussion of:   * Your organisation’s objectives for undertaking engagement activities. * Whether engagement is conducted with companies that are currently held in your portfolios or also with companies that you do not hold. * Whether your engagements are primarily proactive to ensure that ESG issues are well managed in a preventive manner, or reactive to address issues that may have already occurred. * Who carries out the engagement (e.g. specialised in-house engagement teams, the analysts, more senior-level roles, etc.). * Who you seek to engage with within companies (e.g. Board representatives, chairman, CEO, CR/IR managers). |

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|  | Indicator status | Purpose | Principle |
| LEA 02 | MANDATORY | GATEWAY | PRI 1,2,3 |

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| LEA 02 | INDICATOR | |
| **LEA 02.1** | Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions**.** | |
|  | **Type of engagement** | **Reason for interaction** |
| Individual/Internal staff engagements | * To support investment decision-making (e.g. company research) * To influence corporate practice (or identify the need to influence) on ESG issues * To encourage improved ESG disclosure * Other, specify\_\_\_\_\_\_\_\_\_ * We do not engage via internal staff |
| Collaborative engagements | * To support investment decision-making (e.g. company research) * To influence corporate practice (or identify the need to influence) on ESG issues * To encourage improved ESG disclosure * Other, specify\_\_\_\_\_\_\_\_\_ * We do not engage via collaborative engagements |
| Service provider engagements | * To support investment decision-making (e.g. company research) * To influence corporate practice (or identify the need to influence) on ESG issues * To encourage improved ESG disclosure * Other, specify\_\_\_\_\_\_\_\_\_ * We do not engage via service providers |
| **LEA 02.2** | Additional information.  [Optional] | |
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| LEA 02 | **EXPLANATORY NOTES** |
| **LEA 02** | Your responses to this indicator will determine which sections and indicators you will see in later stages of this module. |
| **LEA 02.1** | Option ‘**To support investment decision-making’**  Includes interactions with companies to inform buy/sell/hold decisions but does not include interactions where the aim is to influence company management or reporting on ESG issues. These are interactions related to [Principle 1 and Principle 3](http://www.unpri.org/about-pri/the-six-principles/).  Option ‘**To influence corporate practice** (or identify the need to influence) **on ESG issues**’  These are interactions with companies to influence (or identify the need to influence) company practices on ESG issues. These interactions relate to [Principle 2](http://www.unpri.org/about-pri/the-six-principles/).  Option ‘**To encourage improved ESG disclosure’**  These are engagements that seek to improve companies’ ESG-related disclosure and transparency. These are interactions related to [Principle 2 and Principle 3](http://www.unpri.org/about-pri/the-six-principles/).  Select **‘Other’** only if your organisation is doing something additional or that does not relate to the existing options. If you only select ‘Other’ you will be able to explain your approach, but you will not be able to report on the rest of the engagement section. |
| **LOGIC** | |
| **LEA 02** | Between indicators:  [02.1] determines which indicators are applicable in the engagement section of LEA.  If you select ‘To influence corporate practice’ and/or ‘To encourage improved ESG disclosure’ , you will see the full set of indicators related to engagement (i.e. how you implement PRI Principles 2 and 3 in listed equities). Indicators [03-04] cover Individual/Internal staff engagements; indicators [05-06] cover Collaborative engagements; indicators [07-08] cover Service Provider engagements. In addition to this, if engagements are reported for the above reasons that are conducted by internal staff, service providers and/or collaboratively, indicators [09], [10] and [12-15] will be applicable.  Organisations that only report ‘To support investment decision-making’ and/or ‘Other’ will not report on the rest of the engagement section. |
| **ASSESSMENT** | |
| **LEA 02** | Organisations that only report ‘To support investment decision-making’ and/or ‘Other’ will not be able to report on the engagement section of the LEA module and will score zero for engagement.  Your aggregated LEA score will be based on your ‘primary’ method of engagement (directly by internal staff, in collaboration with other investors and/or through commercial service providers). The ‘primary’ method will be determined by your responses to LEA 11.1–11.3, the number of engagements combined with how comprehensive they were and the level of your involvement. All reported assessed indicators will be included in your module scorecard. It is possible to score in the top level regardless of who conducts your engagements. |

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| LEA 02 | | DEFINITIONS |
| ENGAGEMENTS SPLIT BY WHO CONDUCTS THEM | | |
| There are many different configurations of engagement. Investors engage with companies directly in their own name, in collaboration with other investors (through investor networks and membership organisations) and through commercial service providers. The distinctions between these are not always clear-cut. Please use the definitions below and your best professional judgement when deciding how to classify your engagements. Review the process indicators for each category (LEA 03-04 for internal; LEA 05-06 for collaborative; and LEA 07-08 for service provider) and determine which indicator(s) best fit your business model.  Please contact the Reporting and Assessment team if you require additional clarification. | | |
| **Individual/Internal staff engagement** | The defining characteristics of an individual/internal staff engagement are:   * It is carried out by your internal staff alone, with no involvement or support from other investors, investor networks or service providers. * It is conducted in the name of your organisation (i.e. the companies with which you engage can identify your organisation individually) and you do not act on behalf of other organisations.   Being a signatory to CDP should not be counted as an engagement but reported as part of the way you support responsible investment in Organisational Approach OA10. However, if your organisation engages in its own name with companies on their carbon emissions, water or forest footprint disclosure as a follow-up to CDP disclosure requests, you should report these engagements as individual/internal staff engagements. | |
| **Collaborative engagement** | Collaborative engagement is engagement that an investor conducts jointly with other investors. This includes:   * Groups of investors working together without the involvement of a formal investor network or other membership organisation(s). * Groups of investors working together with the support of a formal investor network or other membership organisation, with some level of support but with individual members of the collaboration responsible for most of the engagement activity. * Collaborative engagement supported by PRI staff and conducted through the PRI Clearinghouse platform.   Being a signatory to CDP should not be counted as an engagement but reported as part of the way you support responsible investment in Organisational Approach OA10. However, if your organisation engages with a group of investors in its own name with companies on their carbon emissions, water or forest footprint disclosure as a follow-up to CDP disclosure requests, you should report these engagements as collaborative engagements. | |
| **Service provider engagement** | Service provider engagements include engagements conducted via:   * Commercial parties that provide stand-alone engagement services, without managing their clients’ underlying assets. * Investor organisations that conduct engagement on their members’ behalf, and which have an explicit mandate from their members to represent them.   These include engagements conducted entirely on an outsourced basis as well as those facilitated by the service provider, but the investor’s own staff undertake some of the engagement activity. | |

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| Macintosh HD:Work:PRI:PRI Chevrons for Word:PRI_Chevron_Orange.png | **PROCESS** | Macintosh HD:Work:PRI:PRI Chevrons for Word:PRI_Chevron_MB_short.png | *Process for engagements run internally* |

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|  | Indicator status | Purpose | Principle |
| LEA 03 | MANDATORY | CORE ASSESSED | PRI 2 |

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| LEA 03 | INDICATOR | |
| **LEA 03.1** | Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 03.2** | Describe how you identify and prioritise engagements. | |
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| **LEA 03.3** | Additional information.  [Optional] | |
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| LEA 03 | **EXPLANATORY NOTES** |
| **LEA 03.2** | Investors carrying out both individual internal staff engagements and collaborative engagements may prioritise their engagements across both categories. In this scenario, please report your process in both indicator LEA 03 and LEA 05.  This may include a discussion of:   * The range of ESG issues that are considered when setting engagement priorities * How and by whom engagement priorities are set and agreed, including discussion of any strategy/criteria/guidance used in this process (e.g. significance of the issues or impacts in question, financial materiality) * The frequency with which engagement priorities are reviewed and updated |
| **LOGIC** | |
| **LEA 03** | This indicator is applicable if you have engagements conducted by internal staff and these engagements are “to influence corporate practice” or “to encourage improved ESG disclosure”, as reported in [02.1]  [03.2] is triggered if you report ‘Yes’ to [03.1] |
| **ASSESSMENT** | |
| **LEA 03** | Maximum score: Three ★  The assessment of this indicator is based on your responses to [03.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 04 | MANDATORY | CORE ASSESSED | PRI 2 |

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| LEA 04 | INDICATOR |
| **LEA 04.1** | Indicate if you define specific objectives for your engagement activities. |
|  | 🔾 Yes, for all engagement activities  🔾 Yes, for the majority of engagement activities  🔾 Yes, for a minority of engagement activities  🔾 No |
| **LEA 04.2** | Indicate if you monitor the actions that companies take following your engagements. |
| 🔾 Yes, in all cases  🔾 Yes, in the majority of cases  🔾 Yes, in the minority of cases  🔾 No |
| **LEA 04.3** | Describe how you monitor and evaluate the progress of your engagement activities. |
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| **LEA 04.4** | Additional information. [Optional] |
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| LEA 04 | **EXPLANATORY NOTES** |
| **LEA 04.1** | The purpose of this indicator is to allow you to demonstrate the extent to which your engagement activities have clearly defined objectives. |
| **LEA 04.3** | Depending on the approach adopted, this may include a discussion of:   * If/how engagement objectives and goals are defined * If/how progress of engagement activities is tracked (e.g. milestones, intermediate targets), including how you monitor action taken by companies * If/how the decision to escalate or terminate an engagement programme or activity is made * If/how insights gained from the engagement programme are incorporated into investment decision-making * If/how lessons learned from the engagement are captured and integrated into future engagement programmes |
| **LOGIC** | |
| **LEA 04** | This indicator is applicable if you have engagements conducted by internal staff and these engagements are “to influence corporate practice” or “to encourage improved ESG disclosure”, as reported in [02.1]  Within this indicator:  [04.3] is applicable if you report ‘Yes’ to [04.1] and/or [04.2] |
| **ASSESSMENT** | |
| **LEA 04** | Maximum score: Three ★  The assessment of this indicator is based on whether you define specific objectives [04.1] and whether you monitor those actions [04.2]. |

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|  | Indicator status | Purpose | Principle |
| LEA 05 | MANDATORY | CORE ASSESSED | PRI 2 |

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| LEA 05 | INDICATOR | |
| **LEA 05.1** | Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 05.2** | Describe how you identify and prioritise collaborative engagements. | |
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| **LEA 05.3** | Additional information.  [Optional] | |
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| LEA 05 | **EXPLANATORY NOTES** |
| **LEA 05.2** | Investors carrying out both individual internal staff engagements and collaborative engagements may prioritise their engagements across both categories. In this scenario, please report your process in both indicator LEA 03 and LEA 05.  Additional information on priority-setting could include:   * The benefits to your organisation of engaging collaboratively * Why your organisation joined any specific collaborative engagements and the role it played (e.g. leader or supporter, contributions to planning or drafting of documents, etc.) |
| **LOGIC** | |
| **LEA 05** | This indicator is applicable if you participate in collaborative engagements aiming “to influence corporate practice” or “to encourage improved ESG disclosure”, as reported in [02.1]  [05.2] is applicable if you report ‘Yes’ to [05.1] |
| **ASSESSMENT** | |
| **LEA 05** | Maximum score: Three ★  The assessment of this indicator is based on your response to [05.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 06 | MANDATORY | CORE ASSESSED | PRI 2 |

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| --- | --- |
| LEA 06 | INDICATOR |
| **LEA 06.1** | Indicate if the collaborative engagements in which you are involved have defined objectives. |
|  | 🔾 Yes, for all collaborative engagement activities  🔾 Yes, for the majority of collaborative engagement activities  🔾 Yes, for a minority of collaborative engagement activities  🔾 No |
| **LEA 06.2** | Indicate if you monitor the actions companies take following your collaborative engagements. |
| 🔾 Yes, in all cases  🔾 Yes, in the majority of cases  🔾 Yes, in the minority of cases  🔾 No |
| **LEA 06.3** | Describe how you monitor and evaluate the progress of your collaborative engagement activities. |
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| **LEA 06.4** | Additional information.  [Optional] |
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| LEA 06 | **EXPLANATORY NOTES** |
| **LEA 06.3** | Depending on the approach adopted, this may include a discussion of:   * If/how collaborative engagement objectives and goals are defined * If/how progress of collaborative engagement activities are tracked (e.g. milestones, intermediate targets), including how you monitor action taken by companies * If/how the decision to terminate or escalate a collaborative engagement programme or activity is made * If/how insights gained from the collaborative engagement are incorporated into investment decision-making * If/how lessons learned are captured and integrated into future engagement programmes   You may wish to provide an example of how you have monitored and evaluated progress in a particular collaborative engagement. |
| **LOGIC** | |
| **LEA 06** | This indicator is applicable if you participate in collaborative engagements aiming “to influence corporate practice” or “to encourage improved ESG disclosure”, as reported in [02.1]  [06.3] is applicable if you report ‘Yes’ to [06.1] and/or [06.2]. |
| **ASSESSMENT** | |
| **LEA 06** | Maximum score: Three ★  The assessment of this indicator is based on whether your collaborative engagements have defined objectives [06.1] and whether you monitor those actions [06.2]. |

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|  | Indicator status | Purpose | Principle |
| LEA 07 | MANDATORY | CORE ASSESSED | PRI 2,4 |

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| LEA 07 | INDICATOR | |
| **LEA 07.1** | Indicate if you play a role in the engagement process that your service provider conducts on your behalf. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 07.2** | Indicate what role you play in engagements that your service provider conducts on your behalf. | |
|  | * Specify the issues for the engagement * Specify the objectives for the engagement * Select the companies to be engaged with * Participate directly in the engagements with your service provider * Actively monitor and review the activities of the service provider * Other, specify\_\_\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 07.3** | Additional information.  [Optional] | |
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| LEA 07 | **EXPLANATORY NOTES** |
| **LEA 07** | This indicator refers to engagement in relation to your internally and externally managed assets conducted by service providers. Any engagements carried out by your external investment managers are covered in the *indirect* *Manager Selection, Appointment and Monitoring (SAM)* module. |
| **LEA 07.2** | The term ‘specify’ implies here that the investor proactively discusses with its provider what it aims to achieve from its services. Investors report that they do ‘specify’ the engagement issues and/or objectives if the investor actively contributed to defining them. |
| **LEA 07.3** | The response may include discussion of:   * Your role in setting engagement/active ownership objectives * How you monitor/oversee the activities of the service provider * Any joint engagement conducted with the service provider (e.g. participating in company meetings) |
| **LOGIC** | |
| **LEA 07** | This indicator is applicable if you have service provider engagements aiming “to influence corporate practice” or “to encourage improved ESG disclosure”, as reported in [02.1]  [07.2] is applicable if you report ‘Yes’ to [07.1] |
| **ASSESSMENT** | |
| **LEA 07** | Maximum score: Three ★  The assessment of this indicator is based on your responses to [07.1] and [07.2]. |

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|  | Indicator status | Purpose | Principle |
| LEA 08 | MANDATORY | CORE ASSESSED | PRI 2,6 |

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| LEA 08 | INDICATOR |
| **LEA 08.1** | Indicate whether you monitor and/or discuss the following information provided to you by your service provider. |
|  | * The subject (or ESG issue(s)) of engagement * The objectives of the engagement * The rationale for engagement * The frequency/intensity of interactions with companies * Progress towards the achievement of engagement objectives * Outcomes that have been achieved from the engagement * Next steps for engagement activity * Other, specify \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ * None of the above |
| **LEA 08.2** | Additional information.  [Optional] |
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| LEA 08 | **EXPLANATORY NOTES** |
| **LOGIC** | |
| **LEA 08** | This indicator is applicable if you have service provider engagements aiming to influence corporate practice’ or ‘encourage better ESG disclosure’, as reported in [02.1]. |
| **ASSESSMENT** | |
| **LEA 08** | Maximum score: Three ★  The assessment of this indicator is based on your responses to [08.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 09 | VOLUNTARY | ADDITIONAL ASSESSED | PRI 1,2 |

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| LEA 09 | INDICATOR |
| **LEA 09.1** | Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions. |
|  | **Individual/Internal staff engagements** |
| 🔾 Yes, systematically, 🔾 Yes, occasionally, 🔾 No |
| **Collaborative engagements** |
| 🔾 Yes, systematically, 🔾 Yes, occasionally, 🔾 No |
| **Service provider engagements** |
| 🔾 Yes, systematically, 🔾 Yes, occasionally, 🔾 No |
| **LEA 09.2** | Additional information. |
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| LEA 09 | **EXPLANATORY NOTES** |
| **LEA 09.1** | The purpose of this indicator is to allow you to explain whether you have a formal process for sharing information derived from engagement with your internal or external investment managers (i.e. to link PRI Principle 2 and Principle 1).  This indicator mirrors indicator LEI 05. This aspect is addressed in both the LEI and LEA modules in order to highlight the link between Principles 1 and 2, and to reward this link from both the listed equity incorporation and active ownership standpoints.  Report ‘Yes, systematically’ if you have such a formal system or process. This may for example, consist of meetings or the recording of the results of engagement on an IT system that is shared with investment staff.  Report ‘Yes, occasionally’ if the information is shared in some cases, but not according to a formal process of this kind. |
| **LEA 09.2** | This may include a discussion of:   * How you decide what information to pass on to investment decision makers * What you expect investment decision makers to do with the insights you pass on * How you monitor their use of the insights you pass on |
| **LOGIC** | |
| **LEA 09** | This indicator will be applicable if you reported “to influence corporate practice” or “to encourage improved ESG disclosure” for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider.  You will only be required to report information relevant to the engagement methods you reported at [02.1]. |
| **ASSESSMENT** | |
| **LEA 09** | Maximum score: Three ★ per engagement implementation group.  The assessment of this indicator is based on your responses to [09.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 10 | MANDATORY | GATEWAY/CORE ASSESSED | PRI 2 |

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| LEA 10 | INDICATOR | |
| **LEA 10.1** | Indicate if you track the number of companies you engage with. | |
|  | **Type of engagement** | **Tracking engagements** |
| Individual/Internal staff engagements | 🔾 Yes, we track the number of our engagements in full  🔾 Yes, we partially track the number of our engagements  🔾 No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers  🔾 No, we do not track and cannot estimate our engagements |
| Collaborative engagements | 🔾 Yes, we track the number of our collaborative engagements in full  🔾 Yes, we partially track the number of our collaborative engagements  🔾 No, we do not track our engagements but can provide a reasonable estimate of our collaborative engagements numbers  🔾 No, we do not track and cannot estimate our collaborative engagements |
| Service provider engagements | 🔾 Yes, we track the number of our service provider engagements in full  🔾 Yes, we partially track the number of our service provider engagements  🔾 No, we do not track our engagements but can provide a reasonable estimate of our service provider engagements numbers  🔾 No, we do not track and cannot estimate our service provider engagements |
| **LEA 10.2** | Additional information.  [Optional] | |
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| LEA 10 | **EXPLANATORY NOTES** |
| **LEA 10.1** | The purpose of this indicator is to allow you to report your approach to tracking the number of engagements conducted by your organisation and/or its service providers.  To answer LEA 11, which is triggered by a “yes” answer to this indicator, you will need a figure for the number of companies with which you engage. To answer the voluntary indicators, you may also need to track the number of individual engagements and their ESG theme.  You may be tracking your engagements but doing so partially (e.g. when engagements carried out by a dedicated ESG team are recorded but not engagements by mainstream portfolio managers). If so, select ‘Yes, we partially track the number of our engagements’. |
| **LEA 10.2** | This may include a discussion of:   * The systems in place to track progress of engagements * A description of the information collected * How regularly tracking systems are updated and to whom this information is provided * Any auditing procedures to ensure information recorded is accurate |
| **LOGIC** | |
| **LEA 10** | This indicator will be applicable if you reported ‘to influence corporate practice’ or ‘to encourage improved ESG disclosure’ for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider.  You will only be required to report information relevant to the engagement methods you reported at [02.1].  If your organisation does not track or cannot provide partial information or reliable estimates on engagements, you will not see indicator [11] which asks you to provide information on the number of engagements. However, you will still be able to provide examples of your engagements later in this section [14]. |
| **ASSESSMENT** | |
| **LEA 10** | Maximum score: Three ★ per engagement implementation group.  The assessment of this indicator is based on your responses to [10.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 11 | MANDATORY TO REPORT  VOLUNTARY TO DISCLOSE | CORE ASSESSED | PRI 2 |

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| LEA 11 | **INDICATOR** | |
| **LEA 11.1** | Indicate the number of companies with which your organisation engaged during the reporting year. | |
|  | **Number of companies engaged**  (avoid double counting, see explanatory notes) |
| Individual/Internal staff engagements |  |
| Collaborative engagements |  |
| Service provider engagements |  |
| **LEA 11.2** | Indicate what percentage of your engagements were comprehensive during the reporting year.  [Optional] | |
|  | **% Comprehensive** |
| Individual/Internal staff engagements | 🔾 >50% 🔾 10-50% 🔾 <10% 🔾 None |
| Collaborative engagements | 🔾 >50% 🔾 10-50% 🔾 <10% 🔾 None |
| Service provider engagements | 🔾 >50% 🔾 10-50% 🔾 <10% 🔾 None |
| **LEA 11.3** | Indicate what percentage of your collaborative engagements you were a leading organisation on during the reporting year.  [Optional] | |
|  | **% Leading role** |
| Collaborative engagements | 🔾 >50% 🔾 10-50% 🔾 <10% 🔾 None |
| **LEA 11.4** | Indicate for which part of your service provider engagements you were highly involved during the reporting year. [Optional] | |
|  | **% High involvement** |
| Service provider engagements | 🔾 >50% 🔾 10-50% 🔾 <10% 🔾 None |
| **LEA 11.5** | Additional information.  [Optional] | |
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| LEA 11 | **EXPLANATORY NOTES** |
| **LEA 11.1** | The purpose of this sub-indicator is to allow you to report the number and intensity of your engagements in the reporting year. Do not list engagement activities where you have not had any interactions with the company in the reporting year.  *Number of companies engaged*  Please record the total number of companies with which you engaged in the reporting year irrespective of the number of issues on which you engaged.  *Estimates/partial numbers*  If you indicated in LEA 10 that you are able to provide estimates or partial numbers, provide these estimates or partial numbers here. The fact that your figures are estimates or partial will be noted in the various reporting outputs. Moreover, you may provide further explanation in the ‘Additional Information’ field below.  *Avoid double counting*  Do not count the same case of engagement with a company in more than one category. Make sure you list the engagement only in one of the three categories, based on the definitions provided. If you contract more than one service provider to conduct engagements with the same companies for the same issues, do not double count the number of companies engaged on your behalf (though a +/- 5% estimation of the overlap may be applied).  *Do not include the following as engagements here:*   * Interactions with companies for data collection and research purposes related to buy/hold/sell/weight decisions. These are related to Principle 1. * Standard questionnaires sent to companies for the purposes of information gathering and investment decision-making related to Principle 1 only (e.g. on products, or ESG policies and performance, for screening purposes). * Attendance without interactions/discussion at a company presentation, an AGM or other company meeting. * Interactions intended to influence public policy or bodies defining industry best practices. These fall under the OA module. * CDP’s disclosure requests on GHG emissions, water and forests. These are not captured as engagements but are reported in OA. * Press releases an investor may publish on a decision by a company. |
| **LEA 11.2** | When reporting comprehensive engagements, present only those engagements that involve multiple, substantive and detailed discussions or interactions with a company (e.g. letters, meetings and calls) during the reporting period relating to a particular ESG issue. If you engage comprehensively with a company on an issue and on a basic level on another issue, count the engagement as comprehensive. If you engage with a company on two issues on a basic level, count it as basic, not comprehensive. |
| **LEA 11.5** | Beyond measuring engagements by number of companies engaged, there can be additional ways investors may track and report their engagement activities. Some investors for example capture their engagements by AUM covered. Others report on their engagements, highlighting how they mostly engage where they have the highest percentage of ownership in a company. Describe here any additional way you may wish to report your engagement activities, interactions and effort. |
| **LOGIC** | |
| **LEA 11** | This indicator will be applicable if you reported that full, partial or estimated data was available for any combination of the following engagement methods at [10.1]: individual/ internal, collaborative, service provider. |
| **ASSESSMENT** | |
| **LEA 11** | Maximum score: Nine ★  The assessment of this indicator is based on your responses to [11.1–11.4]. It will be possible to receive a full score regardless of who conducts the engagements.  The assessment takes into account the number of engagements you conducted [11.1], as well as how comprehensive these engagements were [11.2] and the level of involvement by the signatory [11.3 and 11.4]. |

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| LEA 11 | **DEFINITIONS** |
| **LEA 11** | For definitions on engagements, who conducts them, the intensity and the effort, please refer to the [Main Definitions](http://www.unpri.org/wp-content/uploads/2013-14_PRI_RF_maindefinitions.pdf) document. |

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|  | Indicator status | Purpose | Principle |
| LEA 12 | VOLUNTARY | ADDITIONAL ASSESSED | PRI 2 |

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| LEA 12 | INDICATOR | |
| **LEA 12.1** | Indicate if your engagements in the reporting year covered E, S and/or G issues. | |
|  | **Type of engagement** | **Coverage** |
| Individual/Internal staff engagements | ❑ Environmental  ❑ Social  ❑ Corporate Governance  ❑ We do not track this information |
| Collaborative engagements | ❑ Environmental  ❑ Social  ❑ Corporate Governance  ❑ We do not track this information |
| Service provider engagements | ❑ Environmental  ❑ Social  ❑ Corporate Governance  ❑ We do not track this information |
| **LEA 12.2** | Provide an estimated breakdown by E, S and/or G issues. | |
|  | **Type of engagement** | **ESG issues** |
|  | Individual/Internal staff engagements | % Environmental only |
| % Social only |
| % Corporate Governance only |
| % Overlapping ESG issues |
| **100%** |
|  | Collaborative engagements | % Environmental only |
| % Social only |
| % Corporate Governance only |
| % Overlapping ESG issues |
| **100%** |

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|  | Service provider engagements | % Environmental only |
| % Social only |
| % Corporate Governance only |
| % Overlapping ESG issues |
| **100%** |
| **LEA 12.3** | Additional information. | |
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| LEA 12 | **EXPLANATORY NOTES** |
| **LEA 12** | The purpose of this indicator is to record the spread of your engagement across ESG issues in the reporting year. |
| **LEA 12.2** | *Overlapping ESG issues*  When engaging with a company on more than one of the Environmental, Social and Governance categories, please avoid double counting and only record as ’Overlapping ESG issues.’  *Denominator for estimated breakdown*  Use the reported numbers (by row) in LEA 11.1 as the denominator when providing an estimated percentage breakdown of E, S and/or G issues. |
| **LOGIC** | |
| **LEA 12** | This indicator will be applicable if you reported ‘to influence corporate practice’ or ‘to encourage improved ESG disclosure’ for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider.  You will only be required to report on information relevant to the engagement methods you reported at [02.1]. |
| **ASSESSMENT** | |
| **LEA 12** | Maximum score: Three ★ per engagement implementation group.  The assessment of this indicator is based on your responses to [12.1 and 12.2]. |

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| LEA 12 | **DEFINITIONS** |
| **LEA 12** | For definitions of E, S and G issues, please refer to the [Main Definitions](http://www.unpri.org/wp-content/uploads/2013-14_PRI_RF_maindefinitions.pdf) document. |

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|  | Indicator status | Purpose | Principle |
| LEA 13 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 13 | INDICATOR | |
| **LEA 13.1** | Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation’s and/or your service provider's engagement activities. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 13.2** | Indicate the number of companies that changed or committed to change in the reporting year following your organisation’s and/or your service provider's engagement activities. | |
|  | Individual/Internal staff engagements |  |
| Collaborative engagements |  |
| Service provider engagements |  |
| **LEA 13.3** | Additional information. | |
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| LEA 13 | **EXPLANATORY NOTES** |
| **LEA 13** | There are many factors that influence company practices and behaviour and change; often an engagement is only one contributing factor. The intention here is not that you should prove that your engagement was the sole reason for an identified change. However, please explain if you believe you can attribute the change to your engagement and why. |
| LOGIC | |
| **LEA 13** | This indicator will be applicable if you reported ‘to influence corporate practice’ or ‘to encourage improved ESG disclosure’ for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider.  You will only be required to report information relevant to the engagement methods you reported at [02.1]. [13.2] is applicable if you report ‘Yes’ to [13.1] |

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|  | Indicator status | Purpose | Principle |
| LEA 14 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 14 | INDICATOR | | | | |
| **LEA 14.1** | Provide examples of the engagements that your organisation carried out during the reporting year. | | | | |
|  | **Topic or ESG Issue** | **Conducted by** | **Objectives** | **Scope and Process** | **Outcomes** |
|  | Drop down:   * Individual/ Internal * Collaborative * Service provider |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
| **LEA 14.2** | Additional information. | | | | |
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| LEA 14 | **EXPLANATORY NOTES** |
| **LEA 14** | *Number of examples*  We suggest that you provide at least three examples. We suggest that, as far as practicable, examples are chosen to provide a rounded picture of your engagement activities, covering the range of topics on which you engaged. Examples can be focused on a theme, or they may be engagements with a specific company. Please describe why you selected these examples.  *Topic/ESG issue*  Specify if E, S, and/or G engagement and the issue addressed.  *Conducted by*  Clarify who was the main driver in the engagement: you directly, your organisation though collaboration, or a service provider.  *Objective*  Specify the goals and/or motivations for the engagement.  *Scope and Process*  You may wish to comment on the number of companies with which you engaged on the issue in question, relative size in terms of percentage of your portfolio or total AUM, and the approach to engagement (e.g. letters, face-to-face meetings).  *Outcomes*  You should describe the changes, if any, in corporate practice that resulted from the engagement and the role that the engagement activity played in achieving these changes. You may also link the change in behaviour to changes achieved on ESG issues and/or impacts on financial performance. Organisations may also choose to use their internal engagement tracking and monitoring systems to describe progress towards objectives. |
| LOGIC | |
| **LEA 14** | This indicator will be applicable if you reported “to influence corporate practice” or “to encourage improved ESG disclosure” for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider. |

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| **Examples** | | | | |
| **Topic or ESG issue** | **Conducted by** | **Objectives** | **Scope and Process** | **Outcomes** |
| Use of uncertified Indonesian wood in paper manufacturing, presenting a significant risk to companies’ reputation | Internal staff | Company commitment to sourcing only from certified forests | We engaged with 15 companies. This represented 18% by number of the companies in our portfolio that we believe may be exposed to this risk.  We conducted numerous meetings with all companies, including with Directors on the Board. | Seven of the companies contacted have agreed to change their purchasing practices, and two of these have issued new policy statements on this issue. |
| Corporate governance | Internal staff | Split Chairman and CEO roles | We met with 6 US listed companies that currently have a combined Chairman/CEO.  This represents x% of the US companies we hold that have a joint Chairman/CEO. | We are awaiting formal responses from these companies to our proposals. |

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|  | Indicator status | Purpose | Principle |
| LEA 15 | MANDATORY | CORE ASSESSED | PRI 2,6 |

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| LEA 15 | INDICATOR | |
| **LEA 15.1** | Indicate whether your organisation proactively discloses information on its engagements. | |
|  | 🔾 We disclose it publicly, provide URL\_\_\_\_\_\_\_\_\_\_  🔾 We disclose it to clients/beneficiaries only  🔾 We do not proactively disclose it to the public and/or clients/beneficiaries | |
| **LEA 15.2** | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 15.3** | Indicate what engagement information your organisation proactively discloses to the public. | |
| ❑ Details of the selections, priorities and specific goals of engagement  ❑ Number of engagements  ❑ Breakdown of engagements by type/topic  ❑ Breakdown of engagements by region  ❑ An assessment of the current status of the engagement  ❑ Outcomes that have been achieved from the engagement  ❑ Other information\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 15.4** | Indicate how frequently you typically report engagements information to the public. | |
|  | 🔾 Disclosed continuously (prior to and post engagements)  🔾 Disclosed quarterly  🔾 Disclosed annually  🔾 Disclosed every two years or less  🔾 Other, specify\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 15.5** | Indicate what engagement information your organisation proactively discloses to clients/beneficiaries. | |
| ❑ Details of the selections, priorities and specific goals of engagement  ❑ Number of engagements  ❑ Breakdown of engagements by type/topic  ❑ Breakdown of engagements by region  ❑ An assessment of the current status of the engagement  ❑ Outcomes that have been achieved from the engagement  ❑ Other information\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 15.6** | Indicate how frequently you typically report engagements information to clients/beneficiaries. | |
| 🔾 Disclosed continuously (prior and post engagements)  🔾 Disclosed quarterly  🔾 Disclosed annually  🔾 Disclosed every two years or less  🔾 Other, specify\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 15.7** | Describe any other differences in the information being disclosed.  [Optional] | |
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| **LEA 15.8** | Additional information.  [Optional] | |
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| LEA 15 | **EXPLANATORY NOTES** |
| **LEA 15.1** | The purpose of this indicator is to allow signatories to demonstrate how widely they make information about their responsible investment activities available. Information provided to certain groups – such as pension fund beneficiaries – may in practice be in the public domain. However, deliberate reporting to the public at large is treated here as a separate category of communication.  Proactively means beyond the publication of your responses to the PRI Reporting Framework on the PRI website. This can be information on your own website (such as your PRI Reporting Framework responses), in your annual report, newsletter, etc. which may include the information from the PRI Reporting Framework, in full, a selection or as a link. |
| **LEA 15.3** | If the information your organisation proactively discloses to clients/beneficiaries and the public is the same the online tool will generate one column to enable you to report this information. |
| **LOGIC** | |
| **LEA 15** | This indicator will be applicable if you reported ‘to influence corporate practice’ or ‘to encourage improved ESG disclosure’ for any combination of the following engagement methods at [02.1]: individual/ internal, collaborative, service provider.  Within indicator:   * If you report that your organisation discloses information to the public, indicators [15.3] and [15.4] will be applicable. * If you report that your organisation discloses information to your clients/beneficiaries only, indicators [15.5] and [15.6] will be applicable. * If you report that the information presented to the public and clients/beneficiaries is different in indicator [15.2], indicators [15.5] and [15.6] will also be applicable, allowing you to describe the differences in approach. |
| **ASSESSMENT** | |
| **LEA 15** | Maximum score: Six ★  The assessment of this indicator is based on whether information is disclosed to the public or clients/beneficiaries only [15.1], what information is disclosed [15.3] and how frequently [15.4]. The top score can only be achieved if information is being disclosed to the public. |

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| SECTION |
| Proxy) voting and shareholder resolutions |

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|  | Indicator status | Purpose | Principle |
| LEA 16 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 16 | INDICATOR |
| **LEA 16.1** | Provide a brief overview of your organisation’s approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable). |
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| LEA 16 | **EXPLANATORY NOTES** |
| **LEA 16.1** | The overview could, as relevant to your organisation, include a discussion of:   * The scope of your voting activities * The objectives of your voting activities * How voting activities are related to your engagement and investment activities * How, if at all, your voting approach differs between markets (e.g. if you do not use your voting rights in particular markets) * Whether you pay particular attention to specific corporate governance guidelines or frameworks * Whether you have a default position of voting in favour of management in particular markets or on particular issues * Whether, and how, local regulatory or other requirements influence your approach to voting * Whether you vote by proxy or in-person by attending AGMs (or a combination of both) |

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|  | Indicator status | Purpose | Principle |
| LEA 17 | MANDATORY | DESCRIPTIVE | PRI 2 |

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| LEA 17 | INDICATOR | |
| **LEA 17.1** | Indicate how you typically make your (proxy) voting decisions and what this approach is based on. | |
|  | **Approach** | **Based primarily on** |
| 🔾 We use our own research or voting team and make our own voting decisions without the use of service providers | 🔾 Our own voting policy  🔾 Our clients requests or policy  🔾 Other, explain\_\_\_\_\_\_\_\_\_\_ |
| 🔾 We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions | 🔾 The service provider voting policy signed off by us  🔾 Our own voting policy  🔾 Our clients requests or policy  🔾 Other, explain\_\_\_\_\_\_\_\_\_\_ |
| 🔾 We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions | 🔾 The service provider voting policy signed off by us  🔾 Our own voting policy  🔾 Our clients requests or policy  🔾 Other, explain\_\_\_\_\_\_\_\_\_\_ |
|  | 🔾 We hire service provider(s) which make voting decisions on our behalf | 🔾 The service provider voting policy signed off by us  🔾 Our own voting policy  🔾 Our clients requests or policy  🔾 Other, explain\_\_\_\_\_\_\_\_\_\_ |
| **LEA 17.2** | Additional information.  [Optional] | |
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| LEA 17 | **EXPLANATORY NOTES** |
| **LEA 17.1** | If you selected the latter two responses combined with ‘our own voting policy’, the word ‘decisions’ implies that your service provider is applying your voting policy and framework.  If you select ‘Other’, this will affect the peer group to which you are allocated. If you base your voting decisions partly on a policy developed in-house and partly on your service provider’s or a client’s policy, please indicate which is the most significant factor in the majority of cases. |
| **LEA 17.2** | This may include discussion of:   * Situations where there is more than one decision-maker (e.g. if you delegate all voting decisions on corporate governance matters to a service provider but you make all decisions on environmental and social issues internally). * Situations where decisions may be made jointly. * Situations where there may be a divergence from the agreed policy. * How you manage any conflicts of interest that may arise when making your voting decisions. |
| **LOGIC** | |
| **LEA 17** | Indicator [18] is applicable if you select ‘We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.’ |

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|  | Indicator status | Purpose | Principle |
| LEA 18 | MANDATORY | DESCRIPTIVE | PRI 2 |

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| LEA 18 | INDICATOR |
| **LEA 18.1** | Of the voting recommendations that your service provider made in the reporting year, indicate what percentage your organisation reviewed, and the reasons for the review. |
|  | **Percentage of voting recommendations your organisation reviewed** |
| 🔾 >20%, 🔾 5-20%, 🔾 1-5%, 🔾 <1% |
| **Reasons for review** |
| ❑ Specific ESG issues  ❑ Votes where a significant level of ownership is held  ❑ Votes against management or abstentions  ❑ Conflicts of interest  ❑ Corporate actions such as M&A, disposal, etc.  ❑ Other, explain\_\_\_\_\_\_\_\_\_\_ |
| **LEA 18.2** | Additional information.  [Optional] |
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| LEA 18 | **EXPLANATORY NOTES** |
| **LEA 18** | The purpose of this indicator is to allow you – if in some situations you review your service providers recommendations - to explain the level and nature of your involvement in monitoring your service provider’s voting recommendations. |
| **LOGIC** | |
| **LEA 18** | This indicator is applicable if you select ‘We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions’ in [17.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 19 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 19 | INDICATOR |
| **LEA 19.1** | To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following. |
|  | ❑ Obtain confirmation that votes have been received by the company:  🔾 For a majority of votes  🔾 For a minority of votes  ❑ Participate in projects to improve the voting trail and/or to obtain vote confirmation  ❑ None of the above |
| **LEA 19.2** | Provide additional information on your organisation’s vote confirmation efforts. |
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| LEA 19 | **EXPLANATORY NOTES** |
| **LEA 19.1** | Confirmation that votes have been received refers to votes being counted by the company. |
| **LEA 19.2** | This may include a discussion of:   * The systems and processes that you have in place. * Examples of attempts to confirm a vote for a significant holding, or a specific corporate transaction, when the voting outcome is questionable, etc. * Describe the information that you receive as confirmation that votes have been counted by the company. * Describe how you review the information you receive, and the actions you take to ensure the integrity of this information. * Describe any projects that you participate in to improve vote confirmation. * Comment on any obstacles or challenges that you face. |

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|  | Indicator status | Purpose | Principle |
| LEA 20 | VOLUNTARY | ADDITIONAL ASSESSED | PRI 2 |

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| LEA 20 | INDICATOR | |
| **LEA 20.1** | Indicate if your organisation has a securities lending programme. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 20.2** | Indicate how voting is addressed in securities lending programme. | |
|  | 🔾 We recall most securities for voting on all ballot items  🔾 We recall some securities for voting on some ballot items on a systematic basis in line with specified criteria  🔾 We occasionally recall some securities for voting on some ballot items on an basis  🔾 We empower our securities lending agent to decide when to recall securities for voting purposes  🔾 We do not recall our shares for voting purposes  🔾 Other, specify \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | |
| **LEA 20.3** | Additional information. | |
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| LEA 20 | **EXPLANATORY NOTES** |
| **LEA 20.1** | If you recall shares on the basis of specific criteria, please explain these criteria, including any ESG issues that they address.  If you occasionally recall shares, please explain the circumstances under which you do this. |
| **LOGIC** | |
| **LEA 20** | [20.2] is applicable if you report ‘Yes’ to [20.1] |
| **ASSESSMENT** | |
| **LEA 20** | Maximum score: Three ★  If you report ‘Yes’ in [20.1] the assessment of this indicator is based on your responses to [20.2]. If you report ‘No’ in [20.1] this indicator will not be assessed and removed from your denominator. |

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|  | Indicator status | Purpose | Principle |
| LEA 21 | MANDATORY | CORE ASSESSED | PRI 2 |

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| LEA 21 | INDICATOR |
| **LEA 21.1** | Indicate if you ensure that companies are informed of the rationale when you, and/or the service providers acting on your behalf, abstain or vote against management recommendations. |
|  | 🔾 Yes, in most cases  🔾 Sometimes, in the following cases:  ❑ Votes in selected markets  ❑ Votes on certain issues (all markets)  ❑ Votes for significant shareholdings (all markets)  ❑ Other, explain\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  🔾 No  🔾 Not applicable as we and/or our service providers do not abstain or vote against management recommendations |
| **LEA 21.2** | Additional information.  [Optional] |
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| LEA 21 | **EXPLANATORY NOTES** |
| **LEA 21.1** | *Significant holding*  What qualifies as a significant holding is based on your policies, but typically holdings above 1% of a company’s total shares outstanding by number are considered significant. |
| **LEA 21.2** | This may include a discussion of:   * Whether companies are informed of voting decisions before or after voting takes place * The criteria according to which you inform companies of your voting decisions |
| **ASSESSMENT** | |
| **LEA 21** | Maximum score: Three ★  The assessment of this indicator is based on your responses to [21.1]. |

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| Macintosh HD:Work:PRI:PRI Chevrons for Word:PRI_Chevron_Orange.png | **OUTPUTS AND OUTCOMES** |

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|  | Indicator status | Purpose | Principle |
| LEA 22 | MANDATORY | CORE ASSESSED | PRI 2 |

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| LEA 22 | **INDICATOR** | |
| **LEA 22.1** | For listed equities where you, and/or your service provider, has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year. | |
|  | Votes cast (to the nearest 1%) | Specify the basis on which this percentage is calculated |
| % | 🔾 Of the total number of ballot items on which you could have issued instructions  🔾 Of the total number of company meetings at which you could have voted  🔾 Of the total value of your listed equity holdings on which you could have voted |
|  | ❑ We do not track or collect this information |
| **LEA 22.2** | If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors.  [Optional] | |
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| **LEA 22.3** | Additional information.  [Optional] | |
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| LEA 22 | **EXPLANATORY NOTES** |
| **LEA 22.1** | *For investment managers*  When calculating the percentage of votes cast, please include only those holdings for which you have a client mandate to vote. If you do not have a mandate, do not include those holdings in the numerator or denominator of the ratio.  *For asset owners*  When calculating the percentages of votes cast, please include only those holdings for which you or your service providers have the mandate to vote. If you have given your investment manager the mandate to vote on your behalf on all or part of your holdings, do not include those holdings in the numerator or denominator of this ratio. |
| **LEA 22.2** | Reasons for choosing not to vote (although your organisation holds the mandate) could include:   * Strategic decision not to vote on certain types of assets or funds * Operational or timing constraints * Share-blocking * Conflicts of interest * Administrative impediments (e.g. power of attorney requirements, ineligibility due to participation in share placement) * Voting fees * Geographical restrictions (non-home market) * Insufficient information * Overall cost effectiveness |
| **LOGIC** | |
| **LEA 22** | [22.2] is applicable if you report the percentage of votes cast as greater than zero in [22.1]. |
| **ASSESSMENT** | |
| **LEA 22** | Maximum score: Three ★  The assessment of this indicator is based on the percentage reported in [22.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 23 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 23 | INDICATOR | | |
| **LEA 23.1** | Indicate if you track the voting instructions that you and/or your third party have issued on your behalf. | | |
|  | 🔾 Yes, we track this information | | 🔾 No, we do not track this information |
| **LEA 23.2** | Of the voting instructions that you issued, and/or third parties issued on your behalf, indicate the proportion of ballot items that were: | | |
|  | **Voting instructions** | **Breakdown as percentage of votes cast** | |
| For (supporting) management recommendations | % | |
| Against (opposing) management recommendations | % | |
| Abstentions | % | |
|  | **Total** | **100%** | |
| **LEA 23.3** | For the reporting year, describe your approach towards voting on shareholder resolutions. | | |
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| **LEA 23.4** | Additional information. | | |
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| LEA 23 | **EXPLANATORY NOTES** |
| **LEA 23** | *Withhold votes*  Under some voting systems shareholders are given the option to only vote ‘for’ a resolution or ‘withhold’ their support (e.g. director election). For the purpose of this indicator ‘withhold’ votes that have the effect of a vote opposing the recommendation should be included under ‘against’ voting recommendations |
| **LOGIC** | |
| LEA 23 | [23.2] and [23.3] are applicable if you report ‘Yes, we track this information’ at [23.1]. |

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|  | Indicator status | Purpose | Principle |
| LEA 24 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 24 | INDICATOR | |
| **LEA 24.1** | Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 24.2** | Indicate the number of ESG shareholder resolutions you filed or co-filed. | |
|  | Total number |  |
| **LEA 24.3** | Indicate what percentage of these ESG shareholder resolutions | |
|  | Went to vote | % |
| Were withdrawn due to changes at the company and/or negotiations with the company | % |
| Were withdrawn for other reasons | % |
|  | **Total** | **100%** |
| **LEA 24.4** | Of the ESG shareholder resolutions that you filed or co-filed and that were put to vote (i.e. not withdrawn) how many received: | |
| >50% approval |  |
| 50-20% approval |  |
| <20% approval |  |
| **LEA 24.5** | Describe the ESG shareholder resolutions that you filed or co-filed and the outcomes achieved. | |
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| **LEA 24.6** | Additional information. | |
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| LEA 24 | **EXPLANATORY NOTES** |
| **LEA 24** | This indicator is intended to capture both the number and nature of ESG shareholder resolutions that you filed or co-filed, and the outcomes of any engagement associated with the filing of resolutions*.* |
| **LEA 24.5** | Your description of the ESG shareholder resolutions could include :   * The rationale for filing these resolutions. * The process undertaken to generate the support required to submit the resolution. * The subject of the resolution(s) * The markets in which they were filed * Why some resolutions were withdrawn * Whether company management changed its approach to address your concerns, or other outcomes that resulted.   Whether your voting intentions changed as a result of action by company management. |
| **LOGIC** | |
| LEA 24 | Within this indicator:  [24.2] will be applicable if you select ‘Yes’ in [24.1].  [24.3, 24.4 and 24.5] will be applicable if you report more than zero ESG shareholder resolutions in [24.2]. |

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|  | Indicator status | Purpose | Principle |
| LEA 25 | VOLUNTARY | DESCRIPTIVE | PRI 2 |

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| LEA 25.1 | INDICATOR | | | | |
| **LEA 25.1** | Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year. | | | | |
|  | **Topic or ESG issue** | **Decision made by** | **Objectives** | **Scope and Process** | **Outcomes** |
|  | Drop down:   * Internal staff * Service provider |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
|  | [same as above] |  |  |  |
| **LEA 25.2** | Additional information. | | | | |
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| LEA 25 | **EXPLANATORY NOTES** |
| **LEA 25** | *Number of Examples*  The number of examples that you provide will depend on how you structure your voting activities. We suggest that you provide at least three, and up to 10 examples. As far as is practicable, these examples should be chosen to provide a rounded picture of your organisation’s voting activities.  *Topic or ESG issue*  Specify if E, S, and/or G and the issue addressed.  *Decision made by*  Select whether the voting decision was made internally or by a service provider  *Objectives*  Describe the voting outcome you expected and any underlying motivations for voting in this way.  *Scope and process*  For example, you might indicate if (before or after) the company was informed of your voting decision, how the decision was taken, the number of companies the voting topic applied to, and the AUM they represent.  *Outcomes*  Describe the changes, if any, in corporate practice that resulted from the voting decision. |

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| **Examples** | | | | |
| **Topic or ESG issue** | **Decision made by** | **Objectives** | **Scope and Process** | **Outcomes** |
| Executive remuneration | Internal staff | To ensure that executive remuneration is aligned with shareholder interests. | We focused on AIM-listed companies held in our small cap funds (a total of approximately 25 companies), and decided to vote against 8 remuneration packages. | Following these votes, two companies engaged with us (see engagement section of this report) on how they can ensure that their remuneration practices are supported by investors, and they undertook to make changes prior to next year’s AGM. |

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|  | Indicator status | Purpose | Principle |
| LEA `26 | MANDATORY | CORE ASSESSED | PRI 2,6 |

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| LEA 26 | INDICATOR | |
| **LEA 26.1** | Indicate if your organisation proactively discloses information on your voting activities. | |
|  | 🔾 We disclose it publicly, provide URL\_\_\_\_\_\_\_\_\_  🔾 We disclose it to clients/beneficiaries only  🔾 We do not proactively disclose it to the public and/or clients/beneficiaries | |
| **LEA 26.2** | Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries. | |
|  | 🔾 Yes | 🔾 No |
| **LEA 26.3** | Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries. | |
| Indicate how much of your voting record you disclose | |
| 🔾 All voting decisions  🔾 Some voting decisions  🔾 Only abstentions and opposing vote decisions  🔾 Summary of votes only | |
| Indicate what level of explanation you provide | |
| 🔾 Explain all voting decisions  🔾 Explain some voting decisions  🔾 Only explain abstentions and votes against management  🔾 No explanations provided | |
| **LEA 26.4** | Indicate how frequently you typically report voting information. | |
| 🔾 Continuously (primarily before meetings)  🔾 Continuously (soon after votes are cast)  🔾 Quarterly or more frequently  🔾 Between quarterly and annually  🔾 Less frequently than annually  🔾 Other, specify\_\_\_\_\_\_\_\_\_ | |
| **LEA 26.5** | Indicate the voting information your organisation proactively discloses to clients/beneficiaries. | |
| Indicate how much of your voting record you disclose | |
| 🔾 All voting decisions  🔾 Some voting decisions  🔾 Only abstentions and opposing vote decisions  🔾 Summary of votes only | |
| Indicate what level of explanation you provide | |
| 🔾 Explain all voting decisions  🔾 Explain some voting decisions  🔾 Only explain abstentions and votes against management  🔾 No explanations provided | |
| **LEA 26.6** | Indicate how frequently you typically report voting information to clients/beneficiaries. | |
| 🔾 Continuously (primarily before meetings)  🔾 Continuously (soon after votes are cast)  🔾 Quarterly or more frequently  🔾 Between quarterly and annually  🔾 Less frequently than annually  🔾 Other, specify\_\_\_\_\_\_\_\_\_ | |
| **LEA 26.7** | Describe any other differences in the information being disclosed.  [Optional] | |
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| **LEA 26.8** | Additional information.  [Optional] | |
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| LEA 26 | **EXPLANATORY NOTES** |
| **LEA 26.1** | Proactively means beyond the publication of your responses to the PRI Reporting Framework on the PRI website . This can be information on your own website (such as your PRI Reporting Framework responses),, in your annual report, newsletter, etc. which may include the information from the PRI Reporting Framework, in full, a selection of the information, or as a link. |
| **LEA 26.3** | If the information your organisation proactively discloses to clients/beneficiaries and the public is the same the online tool will generate one column to enable you to report this information. |
| **LOGIC** | |
| **LEA 26** | Within this indicator:   * If you report that your organisation discloses information to your clients/beneficiaries only, indicators [26.5] and [26.6] will be applicable. * If you report that your organisation discloses information to the public, indicators [26.3] and [26.4] will be applicable. * If you report that the information presented to the public and clients/beneficiaries is different in indicator [26.2], indicators [26.5] and [26.6] will also be applicable, allowing you to describe the differences in approach. |

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| **ASSESSMENT** | |
| **LEA 26** | Maximum score: Six ★  The assessment of this indicator is based on whether information is disclosed to the public or clients/beneficiaries only [15.1], what information is disclosed [15.3] and how frequently [15.4]. The top score can only be achieved if information is being disclosed to the public. |