

European SRI Transparency Code - Guidance Document -

This document is meant to assist the fund manager in filling out the European SRI Transparency Code.

Signatories should commit to the following principles:

- Response should be informative and clear. Generally speaking, required information (on tools and methodologies) should be as detailed as possible;
- Funds should report data in the currency that they use for other reporting purposes;
- Reasons preventing the fund from providing the required information should be clearly stated. Signatories should systematically state if and when they hope to comply with the questions they cannot answer at this time;
- Response will have to be updated at least on an annual basis and should have a precise publication date;
- Response to the Guidelines should be easily accessible from the fund's and/or fund managers' website. In any case, signatories should make it very clear where to find the information required by the Code;
- Order and exact wording of the questions should be respected;
- Response to the questionnaire is under the responsibility of the signatories.

To clarify these commitments, signatories should include at the beginning of the response document the following two statements:

Statement of Commitment

Sustainable and Responsible Investing is an essential part of the strategic positioning and behaviour of COMPANYXXX. We have been involved in SRI since YEARXXX and welcome the European SRI Transparency Code.

This is our first, second...XXX statement of commitment and covers the period XXX to XXX. Our full response to the European SRI Transparency Code can be accessed below and is available in the annual report of the retail funds and on our web site.

Compliance with the Transparency Code

FUNDMANAGERXXX is committed to transparency and we believe that we are as transparent as possible given the regulatory and competitive environments that exist in the countries in which we operate.

COMPANYXXX meets the full recommendations of the European SRI Transparency Code with the exception of QUESTIONXX & YY.

If the full recommendations are not met, please state then if and when you hope to comply with the questions you cannot answer at this time

DATEXXX

Section 1 - Basic Details

The fund management company

1a - *Provide the name of the fund management company managing the fund(s) to which this code apply.*

Provide general information about the fund management company managing the fund(s) to which this code apply (eg. name, address, website...).

1b - *Describe, in a general way, the SRI philosophy of the fund management company and the way it is declined concretely.*

Describe the SRI activity of the fund management company and/or the financial group (eg. philosophy, organisation, research, assets managed, number of dedicated employees...), and/or indicate where this information is available.

Describe the way the fund management company and/or the financial group participates in the promotion and distribution of SRI (eg. initiatives, commitments, SRI activities, mainstreaming...), and/or indicate where this information is available.

The SRI fund(s)

1c - *Provide the name of the fund(s) to which these guidelines apply, and its (their) main characteristics.*

Provide the main characteristics of the SRI fund(s) (eg. AUM, currency, SRI approach, fund's category, fund of funds, benchmark, labelling, Total Expense Ratio, financial performance history data...), and/or indicate where this information is available.

Disclose the names of the portfolio holdings at a specified date within a six month period prior to the information being released and provide information related to the SRI investment universe.

1d - *Provide the way to find further information regarding the funds.*

Indicate where more information about the SRI fund(s) is available (for instance: SRI researches on stocks or sectors invested by the SRI fund(s)...) and provide information related to the SRI investment universe.

Section 2 - ESG Investment Criteria

2a – *How does the fund define SRI?*

We would like this answer to reflect the fund's definition of SRI as it applies to the specific fund. This should describe the main idea that is behind the fund, or in other words the fund's purpose/aim/philosophy/etc. Explain, for instance for this SRI fund management strategy, the meaning of concepts such as ethical screening, negative screening, norms-based screening, best in class, best in universe, best effort, thematic screening, engagement, mainstreaming etc...

2b – *What are the ESG investment criteria of the fund?*

This response should be as detailed as possible in terms of the criteria used to make ESG investment decisions. For instance, specify, if the fund has exclusion criteria, the weight of each ESG criteria; specify sector /thematic bias, capitalisation bias, geographic bias...

2c- *How are the ESG criteria defined?*

Indicate how frequently and by whom these criteria are reviewed.

Section 3 – ESG Research Process

Funds signatories have to explain tools used to collect, address, share information, as well as procedures of control and review of their research methodologies.

3a- *Describe your ESG research methodology and process.*

Specify the ESG methodology, and particularly how databases are integrated in the process, and how dialogues and engagement with companies and other stakeholders are taken into account in the research process.

3b- *Does the fund manager use an in-house ESG research team and/or does he delegates this research to one or several external specialised providers?*

Indicate for instance whether you use external specialised providers, the issues of exchanges, and objectives that you follow (share of information to improve ESG research, convergence of the financial and extra-financial analyses).

If applicable specify names and functions of the external specialised providers used in the scope of the fund research process. Also indicates who is ultimately responsible for the rating of companies/ issuers.

3c – Is there an external control or external verification process in place for the ESG research process?
Where an advisory committee is used, please state its responsibilities and composition.

3d – Does the ESG research process include stakeholder consultation?
If yes, provide details on stakeholders and means of consultation used (declarative, audits...).

3e - Do companies/issuers have the opportunity to see their profile or analysis?
If yes, how? With which frequency? Specify if comments of companies/issuers were integrated in their profile and whether their evaluation was modified because of this feedback.

3f – How frequently is the process research reviewed?
Details the main reasons for this review and its impacts on the management of the fund.

3g – What research findings are disclosed to the public?
Precise what media are employed to provide this research to the public: telephone, e-mail, web site, and if this information is proactive or reactive?

Section 4 - Evaluation and implementation

Funds signatories have to clarify, for their investment policy, the link between the financial and extra-financial approaches.

Provide information about the SRI approaches (negative and/or positive screening...) in compliance with the ESG criteria, and dialogue with issuers.

4a - How are the results of ESG research integrated into the investment process, including selection and approval of companies for investment?

Specify for the different steps of the investment process (valuation, stocks/bonds picking and investment policy) the principles and means implemented to strengthen the link between the financial and extra-financial information.

We would like fund managers to address the following areas:

- How do research findings or data influence an investment decision?
- What is the selection principle (e.g. best in class, best effort, engagement)?
- How are those principles built into the investment/divestment process?

4c - What is the policy and procedure for divestments on ESG grounds?

The fund manager should explain the process for removing lines from the portfolio when due to ESG grounds e.g. over what time period, working with compliance team etc.

4d- What divestments occurred in the past year related to the SRI fund criteria?

The fund manager should feel free to comment on why a company may have remained in the portfolio while investors may have concerns about it (e.g. due to negative media attention).

4e - Are investors informed about divestments on ESG grounds?

If yes, how frequently and by what means?

4g – To what extent do any results of engagement activities feed into companies/issuers selection?

If the answer is no, the fund manager should explain why.

Section 5 - Engagement Approach

5d – What methods of engagement are employed?

Examples of typical engagement methods could include: letters to key personnel (specify who), telephone dialogue with key personnel (specify who), meetings with key personnel (specify who), support for certain campaigns, sponsoring/co-sponsoring shareholder resolutions related to improving a company's ESG practices, collaboration with other institutional shareholders and stakeholders (e.g. NGO's and policy-makers).

Precise if this fund engagement policy is different from your others funds.

5h- *What engagement activity has been carried out on behalf of the fund during the past year?*
Please specify.

Section 6 - Voting Policy

Funds signatories have to report their voting activities, and precise, if needed, particularities of the SRI fund.

6a – Does the fund have a voting policy?

The fund manager should explain the scope of the policy, indicating whether it encompasses environmental social or/and governance issues.

6b – Does the fund disclose its voting practices and reasoning for decisions?

If so, where can this information be found? Case examples are sufficient.

6d- What voting actions occurred that were related to the SRI fund ESG criteria?

The fund manager should disclose any material voting activities related to the ESG criteria of the fund and discuss reasons behind voting decisions. You may refer to your voting policy.

Additional -

If applicable briefly describe the corporate responsibility policies of the organisation that manages or promotes the fund(s), or give direction to where this information can be located.

If applicable, specify what the amount of donations and the percentage of management fees that the fund gave to charities were this past year.

Signatories should feel free to create a one-page document to synthesize the response to the guidelines. This one-pager must refer to the European Transparency Code and should not act as replacement for it.