




Type of engagement	Reason for interaction
Individual/ internal staff engagements	<input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments <input type="checkbox"/> To engage investor ESG advisors <input type="checkbox"/> Other - specify
Collaborative engagements	<input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments <input type="checkbox"/> To engage investor ESG advisors <input type="checkbox"/> Other - specify
Service provider engagements	<input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues <input type="checkbox"/> To influence corporate transition or identify the need for additional or different investments <input type="checkbox"/> To engage investor ESG advisors <input type="checkbox"/> Other - specify

RI TRANSPARENCY REPORT

2014/15

Petercam Institutional Asset Management

About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Private							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public							✓
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	✓	Private							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
LEI 02	Description of ESG incorporation	✓	Private	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Description of ESG integration	✓	Private	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓					✓

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Private		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	⚡	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	⚡	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 14	Examples of ESG engagements	✓	Private		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Private		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	✓	Public		✓					
LEA 19	Confirmation of votes	✓	Private		✓					
LEA 20	Securities lending programme	✓	Private		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Private		✓					
LEA 24	Shareholder resolutions	✓	Private		✓					
LEA 25	Examples of (proxy) voting activities	✓	Private		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private	✓						
FI 02	Breakdown of investments by credit quality	✓	Private							✓
FI 03	Description of ESG incorporation	✓	Private	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Private	✓						
FI 06	Types of screening applied	🔒	n/a	✓						
FI 07	Processes to ensure screening is based on robust analysis	🔒	n/a	✓						
FI 08	Processes to ensure fund criteria are not breached	🔒	n/a	✓						
FI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
FI 10	Description of ESG integration	✓	Private	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Private	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
FI 19	Engagement with corporate issuers	✓	Private		✓					
FI 20	Engagement with government issuers	✓	Private		✓					

Petercam Institutional Asset Management

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Gateway/Peering

General

OO 01.1

Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Other, specify

Execution and advisory services

OO 02

Mandatory

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Belgium

OO 02.2

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

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

OO 02.3

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

FTE

94.3

OO 02.4

Additional information. [Optional]

We indicate the FTE number for the subsidiary Petercam Institutional Asset Management exclusively.

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1 Indicate the year end date for your reporting year.

31/12/2014

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		11	527	456	000
Currency	EUR				
Assets in USD		15	118	156	821

OO 04.5 Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06	Mandatory	Descriptive	General
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OO 06.1 To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown
- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income – corporate	10-50%	0
Fixed income – government	10-50%	0
Fixed income – other	0	0

Private debt	0	0
Private equity	0	0
Property	<10%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	<10%	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	0
Other (1), specify	0	0
Other (2), specify	0	0

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We incorporate ESG issues into investment decisions on our internally managed assets
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Fixed income – corporate
- Fixed income – government
- Property
- Hedge funds
- Cash
- None of the above

OO 11.3

Additional information. [Optional]

We have developed a proprietary sustainability screening of countries since 2007. This is used as basis to define eligible investment universe for sovereign debt strategies.

OO 12**Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below.

This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed Income - Corporate
- Fixed Income - Government

Closing module

- Closing module

Petercam Institutional Asset Management

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01

Mandatory

Gateway/Core Assessed

General

OA 01.1

Indicate if you have a responsible investment policy.

- Yes
- No

OA 01.2

Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
- No

OA 01.3

Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

Key elements refer to our global approach regarding responsible investment i.e.

- global commitment at the company level defined in a coherent approach
- willingness to be part of collaborative and dynamic global networks to improve understanding
- raising key questions with experts and challenging analysts to be able to invest in full knowledge of the facts
- shareholder responsibility i.e. voting and engaging dialogue with companies

Next to this, the responsible investment policy describes the integration of ESG issues within the asset management activity.

The responsible investment policy has been approved by the Responsible Investment Committee and the Board of Petercam Institutional Asset Management . The scope is the asset management activity of Petercam, the core business of the company.

Petercam's core business is managing the assets for its clients and the sole client's interests with a financial objective consistent with client objectives & guidelines. It is not the role of Petercam to "dictate" to its clients what is good or not, what is sustainable or not. Nevertheless, it is Petercam's fiduciary responsibility, as a financial and research expert, to map all risks and opportunities of any specific investment.

The integration of environmental, social and governance (ESG) criteria is part of the process to identify optimised investments, the most appropriate to the client's objective and guidelines.

The key themes at heart of our responsible investment approach are :

- Climate change : resource depletion, water scarcity
- Social licence to operate including human and labour rights
- Product safety, adequacy and transparency
- Business ethics and corporate governance

The Responsible Investment Vision and Engagement of the company is articulated around 3 key pillars :

- Raising key questions
- Making its voice heard
- Globally committed towards long-term and sustainable financing.

The Responsible Investment Strategies are managed fully compliant with these and aim at :

- Guaranteeing diversification and liquidity
- Promoting transparency (holdings, reporting, costs, etc.)
- Ensuring performance and positive ESG impact.

For this, we have defined key indicators to be used to assess the sustainability development each year.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
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Yes

OA 02.2	Provide a URL to your responsible investment policy.
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	URL
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https://www.petercam.com/sites/default/files/inline-files/en_responsible_investment_policy_122013.pdf

No

OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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Yes

Yes, all

Yes, some

OA 02.4	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.
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Policy or document name	URL
Controversial activities in sustainable strategies	https://www.petercam.com/be-en/institutional/publications/controversial-activities-policy-august-2014
Global Compact in sustainable strategies	https://www.petercam.com/be-en/institutional/publications/global-compact-principles-august-2014
Voting Policy	https://www.petercam.com/sites/default/files/inline-files/uk_voting_policy_petercam.pdf
voting activity reporting	https://www.petercam.com/be-en/institutional/publications/voting-activity-report-2014
Engagement program	https://www.petercam.com/sites/default/files/inline-files/en_engagement_policy_and_process_20150107.pdf
Responsible Investment Policy	https://www.petercam.com/sites/default/files/inline-files/en_responsible_investment_policy_122013.pdf

No

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 03.2	Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]
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The Responsible Investment Approach covers all AUM of the company.

The Voting Policy defines a minimum threshold to vote; we do not therefore vote on all holdings.

The exclusions apply to specifically sustainable strategies.

OA 03.3	Additional information. [Optional]
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Petercam's approach is a pragmatic one. We apply ESG integration in all our asset classes and strategies. The screening, exclusions and best in class/best effort approaches are applied to sustainable strategies specifically.

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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Petercam IAM has a dedicated and comprehensive Conflicts of Interest Policy. Petercam ensures the rules stipulated in this policy are enforced by Internal Audit, Risk Management and Compliance, which monitor them closely. The Conflicts of interest policy is for internal use only and cannot be transmitted outside of the company.

As regarding, situations that could potentially be viewed as a conflict of interest and how they are handled: Structured Chinese walls (even a separate company) exist between departments such as Corporate Finance and Brokerage (sell side) and IAM (buy side). The management entails a definition of a conflicts of interest policy, maintenance of an up-to-date conflicts of interest cartography and register. An inventory of all potential conflict of Interests has been drafted and the compliance department has to report suspicions of market abuses to the FSMA (local regulators). This ensures potential conflicts of interests can be detected and avoided at all times.

Furthermore, regarding sustainability strategies, the eligible universe, defined by the sustainability screening, is updated by the RI coordinator, independently of the portfolio management team, and communicated to the risk management and portfolio management teams in the same time.

No

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.
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Yes

OA 05.2

Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
 - Biannually
 - Annually
 - Every two years or less
 - It is not reviewed
- No

OA 05.4

Additional information. [Optional]

The Responsible Investment Committee set up a score card with quantitative objectives to be reviewed on an annual basis

Governance and human resources

OA 08

Mandatory

Gateway/Core Assessed

General

OA 08.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Other role, specify
- Other role, specify

OA 08.2 Indicate the number of dedicated responsible investment staff your organisation has. [Optional]

Number

9

Promoting responsible investment

OA 10 **Mandatory** **Core Assessed** **PRI 4,5**

OA 10.1 Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Signatory

Implementation of the principles

Reporting and assessment

Clearing House: collaborative engagement

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.
[Optional]

Participating in conferences and surveys.

Panellists of debates when required

- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
Member of FIR in France, Spain, Italy, Belgium, German-speaking countries (FNG)

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

In France, we organise regularly events/ debates to make progress on the ESG topics, notably in the framework of the SRI week.

In Belgium, we have actively contributed to the assessment of the association, definition of its mission and strategy for the future.

In Spain, we organised event to explain our sustainability country screening model to improve understanding on the topic.

We are a supportive investor of the initiative on collaborative engagement regarding anti-corruption practices. Our motivation here is to learn further on engagement initiatives, which are quite untraditional practices in Belgium.

- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

No

OA 11.3

Additional information. [Optional]

This year we sponsored a survey on the responsible investment practices in Europe, with a French specialised consultant.

We are sponsoring also a roundtable in France to debate on the added value of sustainable strategies.

Petercam Institutional Asset Management

Reported Information

Public version

Direct - Listed Equity Incorporation

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ESG incorporation in actively managed listed equities


Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.
----------	--

ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies
- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined

Percentage of actively managed listed equities to which each strategy or combination of strategies is applied - you may (estimate +/- 10%)	 100
--	---

- No incorporation strategies applied

Total actively managed listed equities
--

100%

LEI 03.2	Describe your primary reasons for choosing a particular ESG incorporation strategy.
----------	---

For sustainability reason, linked to the challenges of measuring sustainability, we have adopted an holistic approach, which allow us to avoid some bias of specific ESG incorporate strategy.

Indeed, the challenges are various: materiality, measurability, normalisation of standards, comparability, etc.

For financial performance reason, we have also adopted an holistic approach, which seems to be best performing over medium and long-term. Screening linked to exclusions is not necessarily performing. Thematic investments can create bubbles on financial markets, which are by definition unsustainable.

To convince investors of the added value and credibility of responsible investment, we have to be credible in terms of financial performance as well.

Finally, ESG integration methodology, approach and measures are rapidly evolving but remain quite recent and imperfect. We have to be cautious with the use of these and therefore be cautious with the consequence they can have on eligibility of investments.

A combination of different strategies seems to us more adapted to meet our objective of being pragmatic, rational and consistent with our business and strategic development. It enables a development in an evolving and to be improved framework as it is exactly the case for the ESG.

LEI 03.3

Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

For sustainable strategies, we firstly use an exclusion approach based on controversial weapons, tobacco and adult entertainment. We also exclude from the universes the companies which are assessed independently as non-compliant with the Global Compact and which face the most severe allegations in ESG issues.

We then apply a screening, based on a dedicated matrix, to set up a best in class ranking. We are also attentive to dynamism and willingness of the companies and look at their ESG progress over years.

For specific cases, which present disputable ESG profiles, we go in depth, discuss the cases within the Responsible Investment Committee and we engage with the companies

(A) Implementation: Screening

LEI 06

Mandatory

Descriptive

PRI 1

LEI 06.1

Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

Negative/exclusionary screening

Screened by

Product

Activity

Sector

Country/geographic region

Environmental and social practices and performance

Corporate governance

Description

Controversial weapons are excluded of all of our investments.

Regarding sustainable strategies, we exclude the aerospace& defence sector to exclude any involvement in armament; tobacco, gambling and pornography.

The companies facing the most severe controversy or non-compliant with the principles of the Global Compact are also excluded from the sustainable universes.

The sustainable matrix includes environmental, social and governance KPI's which could result in exclusion of a company from the eligible universe

Positive/best-in-class screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

	Description
--	-------------

The sustainable matrix includes environmental, social and governance KPI's. based on this, the companies are best-in-class ranked in each peer group .

- Norms-based screening

Screened by

- UN Global Compact Principles
- Universal Declaration of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

	Description
--	-------------

The 10 Principles of the Global Compact are integrated in our specifically sustainable strategies. The companies which are not compliant with those principles are excluded from the sustainable investments.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
-----------------	---

The screening criteria have been established in close co-operation between the in-house research teams and the specialised research teams of the independent provider to ensure the best adequacy of the retained criteria.

The criteria are defined on the medium and long-term. Nevertheless, an annual assessment of the criteria is done to assess the relevancy and materiality of the selected KPI's.

The ESG scorings are updated on a monthly basis.

The non-compliance with Global Compact is reviewed on a quarterly basis by our independent specialised provider.

The severity level of controversies is assessed every two weeks by our independent specialised provider.

The clients and beneficiaries receive an extra financial reporting on a quarterly basis, which inform them on methodology and potential changes, eligible universe, in and out from this universe for ESG reasons.

LEI 07	Mandatory	Core Assessed	PRI 1
---------------	------------------	----------------------	--------------

LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
-----------------	---

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify

ESG raw data are provided by an external independent specialist, which is assessed by external quality auditor.
- None of the above

LEI 07.2	Additional information. [Optional]
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The ESG research provider is independent and the quality of its research has been recognised by specialised organisations.

Our approach is based on open minded and critical spirit at the heart of the discussion between ESG analyst and research team and representatives of the senior management of the company.

The selected criteria are submitted to the Responsible Investment Committee.

The quality of the research is continuously checked.

(B) Implementation: Thematic

LEI 09	Mandatory	Descriptive	PRI 1
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LEI 09.1	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
-----------------	--

- Environmentally themed funds
- Socially themed funds
- Combination of themes

LEI 09.2	Describe your organisation's processes for sustainability themed funds. [Optional]
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No thematic funds; we integrate systematically the E, S and G factors for a whole picture.

(C) Implementation: Integration of ESG issues

LEI 11	Mandatory	Core Assessed	PRI 1
---------------	------------------	----------------------	--------------

LEI 11.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

LEI 11.2

Additional information. [Optional]

Our sustainability and responsible investment approach is holistic and not thematic and systematically relies on the three dimensions: E, S & G.

At the ESG integration level in the mainstream funds, specific E, S & G issues have been defined as relevant for typical peer groups. In very seldom cases, the environmental issue is not included, giving the preference for social and governance criteria as it is the case for the banking sector for example.

At the sustainable strategies level, the three sustainability dimensions are assessed. 25% of the matrix weight is granted to corporate governance, 12% to the principles of the Global Compact and the remaining 63% are ESG KPI's specifically designated at peer group level.

Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

We disclose it publicly

Provide URL

https://www.petercam.com/sites/default/files/inline-files/en_responsible_investment_policy_122013.pdf

LEI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes
- No

LEI 18.3

Indicate the information your organisation proactively discloses to the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 18.4

Indicate how frequently you typically report this information to the public.

- Quarterly or more frequently
- Between quarterly and annually
- Less frequently than annually
- Other, specify

LEI 18.5

Indicate the information your organisation proactively discloses to clients/ beneficiaries regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 18.6

Indicate how frequently you typically report this information to clients/beneficiaries.

- Quarterly or more frequently
 - Between quarterly and annually
 - Less frequently than annually
 - Other, specify
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

LEI 18.7

Additional information. [Optional]

The Belgian regulation regarding information to public/retail investors is strict.

The Belgian regulation regarding information to qualified investors allows to give more details and on a higher frequency than information provided to retail investors.

For this reason, the information is not the same between public/retail investors and qualified investors, in particular institutional investors who are the large majority of the client of the sustainable strategies.

Petercam Institutional Asset Management

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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

Engagement

Overview

LEA 02	Mandatory	Gateway	PRI 1,2,3
--------	-----------	---------	-----------

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	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other, specify to learn from the shared experience <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

LEA 02.2	Additional information. [Optional]
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We do not engage via service providers. Nevertheless, we vote via service providers.

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
----------	---

Yes

LEA 03.2	Describe how you identify and prioritise engagements.
----------	---

In the framework of our voting policy, this is articulated around four main principles, namely:

1. Protection of shareholders;
2. Sound corporate governance;
3. Transparency and integrity of information and
4. Social and environmental responsibility.

The Voting Policy Committee has committed to engage systematically with the companies in the following cases:

- In case of technical issues regarding appointment or re-election of a member of the Board, Petercam however votes favourably but the company management is encouraged for greater information and transparency in conformity with our main objectives
- In case of Board independency issue, Petercam IAM abstains the first year as the theoretical equitable allocation can be disputable in practice but the company management is encouraged to improve the independency of its various boards and relevant committees
- In case of poison pills, the given voting instruction is opposed to any proposal which may reduce minority shareholders' rights. In the same philosophy, Petercam IAM considers that multiple voting share classes are not in the best interest of shareholders and is a defender of "one share, one vote, one dividend" principle. The company management is informed of our decision and is encouraged to avoid such situation and to take corrective measures.

In the framework of the worldwide sustainable equity strategy, we vote systematically with companies which could be on the buy list but are facing at least one controversy of level 4 (on a scale from 1 to 5) in any ESG topic. We engage individually with the company. If the issue is a key topic of a collaborative engagement initiative, we will then join the collaborative initiative to gain credibility, size and efficiency to engage.

No

LEA 04	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 04.1	Indicate if you define specific objectives for your engagement activities.
----------	--

Yes

- 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
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases

LEA 04.3 Describe how you monitor and evaluate the progress of your engagement activities.

For the engagement activities carried out in the framework of our voting policy, the next year shareholder meeting is the opportunity to monitor and evaluate the progress. A second letter to inform them of the absence of reaction, progress will force us to change our voting instruction with a one year grace.

For the engagement through collaborative initiative, progress is regularly measured and assessed and a call is organised on a monthly basis to evaluate the initiative and its results/impact.

For the individual engagement, we clearly set up a deadline for reaction of the company. Beyond this deadline, a second letter is sent to the company, from firstly the investor relationship manager progressively to the CEO until a reaction is received. In the absence of reaction, the case is discussed within the RI Committee and corrective measures are adopted.

- No

Process for engagements conducted via collaborations

LEA 05	Mandatory	Core Assessed	PRI 2
---------------	------------------	----------------------	--------------

LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

- Yes

LEA 05.2 Describe how you identify and prioritise collaborative engagements.

Collaborative engagements are carried out exclusively with the Clearing House. Other collaborative engagements are not part of the process for the moment.

Within the collaborative engagements of the Clearing House, priorities are defined according to the four principles of our voting policy or if these are related with a controversy we are discussing in the framework of the worldwide sustainable equity strategy.

- No

LEA 06	Mandatory	Core Assessed	PRI 2
---------------	------------------	----------------------	--------------

LEA 06.1 Indicate if the collaborative engagements in which you are involved have defined objectives.

- Yes
 - 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
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases

LEA 06.3 Describe how you monitor and evaluate the progress of your collaborative engagement activities.

By participating in all conference calls the Clearing House organises, we are kept informed and updated on monitoring, progress and evaluation of the collaborative engagement activity, in which we participate.

- No

General processes for all three groups of engagers

LEA 10

Mandatory

Gateway/Core Assessed

PRI 2

LEA 10.1 Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<ul style="list-style-type: none"> <input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<ul style="list-style-type: none"> <input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

Communication

LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.
----------	--

We disclose it publicly

provide URL

https://www.petercam.com/sites/default/files/inline-files/en_engagement_policy_and_process_20150107.pdf

LEA 15.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
----------	---

Yes

LEA 15.3	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.
----------	--

Engagement information disclosed

- 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.
----------	---

- Disclosed continuously (prior to and post engagements)
- Disclosed quarterly
- Disclosed annually
- Disclosed every two years or less
- Other, specify
- No
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries.

(Proxy) voting and shareholder resolutions
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Process

LEA 17	Mandatory	Descriptive	PRI 2
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LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.
----------	---

Approach

- We use our own research or voting team and make our own voting decisions without the use of service providers.
- We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
- 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.

Based primarily on

- 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.

LEA 17.2	Additional information.[Optional]
----------	-----------------------------------

Our voting policy lists non-exhaustively principles, which aim at briefly describing the stance taken for votes pertaining to recurrent themes involving issuers established on nearby markets and deemed of strategic importance by Petercam, namely: the approval of annual accounts, financial operations, the appointment and remuneration of directors and company representatives and resolutions pertaining to the structure of company capital (anti-takeover measures, capital decrease conditions (share buy-backs), and/or capital increases that may harm the principle of equal treatment of shareholders or lead to a dilution of the position of existing shareholders).

Any strategic question not covered by these guidelines will be judged on a case-by-case basis while taking into account Petercam's voting principles and its scope of activity.

The Voting Policy Committee is engaged to submit for specialised advice any issue between the management and the proxy voter recommendation. The investment professionals are consulted and their advice discussed within the Voting Policy Committee for final voting instruction.

LEA 18	Mandatory	Descriptive	PRI 2
--------	-----------	-------------	-------

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.
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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 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

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]
----------	------------------------------------

- In line with our engagement program, we inform systematically the companies in the following cases:
5. In case of technical issues regarding appointment or re-election of a member of the Board, Petercam however votes favourably but the company management is encouraged for greater information and transparency in conformity with our main objectives
 6. In case of Board independency issue, Petercam IAM abstains the first year as the theoretical equitable allocation can be disputable in practice but the company management is encouraged to improve the independency of its various boards and relevant committees
 7. In case of poison pills, the given voting instruction is opposed to any proposal which may reduce minority shareholders' rights. In the same philosophy, Petercam IAM considers that multiple voting share classes are not in the best interest of shareholders and is a defender of "one share, one vote, one dividend" principle. The company management is informed of our decision and is encouraged to avoid such situation and to take corrective measures

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
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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.

We do track or collect this information

Votes cast (to the nearest 1%)

%

100

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

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1 Indicate if your organisation proactively discloses information on your voting activities.

We disclose it publicly

provide URL

<https://www.petercam.com/be-en/institutional/publications/voting-activity-report-2014>

LEA 26.2 Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

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
annual reporting on activity
- No
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

LEA 26.8

Additional information. [Optional]

As a responsible investor, Petercam guarantees the transparency of its voting policy and its execution, the aim being to keep shareholders informed about the votes that have been exercised in their interest.

The voting policy is available on the Petercam website, as is the annual report on voting activity. The latter contains key statistics on voting activity, namely the number of resolutions voted per Target Market and the type of vote cast during the general meetings attended over the past year.

Shareholders wanting to receive additional information on the votes cast during specific general meetings and/or for specific resolution proposals can obtain this information by e-mailing.

Petercam Institutional Asset Management

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

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ESG incorporation in actively managed fixed income

Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
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FI 04.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	 65
---	--------

- Screening + Integration strategies
- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined
- No incorporation strategies applied

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	 35
---	--------

Total actively managed fixed income - corporate

100%

FI 04.2

Describe your primary reasons for choosing a particular incorporation strategy.

As of today, we do not incorporate any strategy as such. We integrate ESG research in our credit analysis, with the information we provide to the equity teams. But the coverage is not 100% relevant for corporate issuers.

We are seriously studying to fully integrate ESG research in the investment process with full coverage of the issuers and to include a norm screening based on the Global Compact.

(C) Implementation: Integration of ESG factors

FI 11	Mandatory	Core Assessed	PRI 1
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FI 11.1 Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input checked="" type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 11.2 Additional information. [Optional]

Today we have a systematic review of ESG issues for all European listed companies. Worldwide listed companies are also systematically checked regarding Global Compact compliance and ESG controversies. Nevertheless, we do not have 100% of corporate issuers covered. Therefore our "occasionally" review.

Fixed income - Government

FI 13	Mandatory	Core Assessed	PRI 1
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FI 13.1 Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

Yes

FI 13.2 Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- <10%
- 10-50%
- 51-90%
- >90%

FI 13.3 Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

FI 13.4 Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

In 2007 Petercam developed a proprietary model to screen countries of the OECD universe based on sustainability themes: transparency & democratic values, environment, economics, education and healthcare, population & wealth distribution.

In 2012 the model was extended to the emerging economies with appropriate ESG criteria.

The two models are updated twice a year. These are used by the investment team as additional information to rating analysis. Furthermore, the screening determines the eligible investment universes for two specific ISR funds.

- No

Communication

FI 18	Mandatory	Core Assessed	PRI 2,6
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FI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

- We disclose it publicly

Provide URL

<https://www.petercam.com/be-en/institutional/publications/oecd-half-yearly-sustainability-ranking>

Provide URL

<https://www.petercam.com/be-en/institutional/publications/emerging-markets-sustainability-report-h2-2014-0>

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes
 No

FI 18.3

Indicate the information your organisation proactively discloses to the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
 Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information to the public.

- Quarterly or more frequently
 Between quarterly and annually
 Less frequently than annually
 Other, specify

FI 18.5

Indicate the information your organisation proactively discloses to clients/ beneficiaries regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
 Detailed explanation of ESG incorporation strategy used

FI 18.6

Indicate how frequently you typically report this information to clients/beneficiaries

- Quarterly or more frequently
 Between quarterly and annually
 Less frequently than annually
 Other, specify
- We disclose it to clients/beneficiaries only
 We do not proactively disclose it to the public and/or clients/beneficiaries

The disclosed information refers to the country sustainability models