



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>	<p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>	
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider</p>	<p><input type="checkbox"/> To support investment decision-making in &amp; company's internal ESG issues</p> <p><input type="checkbox"/> To enhance corporate transparency for identifying the need to take action on</p> <p><input type="checkbox"/> To engage directly</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider</p>	

# RI TRANSPARENCY REPORT

## 2013/14

ClearBridge Investments

## 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 2013-14 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. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly 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.

## PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

# 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	✓	n/a							✓
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	✓	Public							✓
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	✓	Public							✓
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	✓	Public				✓	✓	✓	
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	✓	Public							✓
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	✓	Public	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
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	✓	Public	✓						
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	✓	Public	✓						
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	✓	Public		✓					
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	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
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	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Private		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

# ClearBridge Investments

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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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

Other, specify

Execution and advisory only services

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

United States

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

175

OO 03	Mandatory	Descriptive	General
-------	-----------	-------------	---------

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.

31/12/2013

**OO 04.2** | Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		90	000	000	000
Currency	USD				
Assets in USD		90	000	000	000

**OO 04.3** | 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

	Internally managed (%)	Externally managed (%)
Listed equity	99	0
Fixed income – corporate	0	0
Fixed income – government	1	0
Fixed income – other	0	0
Private debt	0	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0



Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

Publish our asset class mix as broad ranges

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

<b>OO 09</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
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<b>OO 09.1</b>	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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The firm has a history in investment management, with a specialty in listed equities, going back to 1964. Our organization, and our predecessor firms, began down the path of offering responsible investment options in 1987, when the firm established its ESG program (back then, it was called "SRI"). Our firm was one of the first mainstream firms in the U.S. to publicly acknowledge that we integrate ESG factors into our research and investment process. Our SRI peers at that early time were mainly respected SRI boutique shops. We began our program with one ESG active equity style (large cap core - U.S.) and this has since evolved into 8 active equity styles.

Our CEO, CIO and Head of Research have each supported the firm's ESG approach. The co-CIO's each co-manage ESG strategies. Our head of Research is also a sector analyst with ESG responsibilities. We've included ESG research coverage as part of our fundamental analyst responsibilities and a formal part of the analyst compensation structure.

### Gateway asset class implementation indicators

<b>OO 10</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 10.1</b>	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.
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- 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

<b>OO 10.3</b>	Additional information. [Optional]
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We have spoken at many investor conferences to provide education and awareness-raising around responsible investment, and about the PRI. We have served as an Expert on responsible investment for articles and webinars. We have provided ESG investing overviews to consultancies and to business schools.

<b>OO 11</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 11.1</b>	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.
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- Fixed income – government
- None of the above

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 12.1</b>	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, 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. Direct - Fixed Income and Infrastructure are always voluntary.
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**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
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- Listed Equity incorporation

	Direct - Listed Equity active ownership
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- Engagements
- (Proxy) voting

**Closing module**

- Closing module

**Note:** Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

# ClearBridge Investments

## Reported Information

### Public version

### Overarching Approach

## PRI disclaimer

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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**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 02	Mandatory	Core Assessed	PRI 6
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**OA 02.1** Indicate if your responsible investment policy is publicly available.

- Yes

**OA 02.2** Provide a URL to your responsible investment policy.

URL

<http://www.clearbridge.com>

- No

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

- 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.

Policy or document name	URL
ESG investing white paper	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>
Environmental Drivers white paper	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>
ESG proxy voting guidelines	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>
ESG overview process fact card	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>
ESG and fiduciary duty	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>
ESG standard guidelines	<a href="http://www.clearbridge.com">http://www.clearbridge.com</a>

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 type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input checked="" type="checkbox"/> Other, specify ESG integration and fundamental research <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 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  
 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.

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

## Governance and human resources

OA 07	Voluntary	Descriptive	General
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**OA 07.1** Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.

Our CEO is the executive behind our responsible investment commitment. Our co-CIOs support and assist with our responsible investing equity strategies and management. Our Head of Research leads the support for the fundamental analysts to include ESG research as part of their company coverage and thematic coverage, and to include in appraisals.

I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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**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
- 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
  - Head of Fundamental Research**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- 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
  - Compliance, Trading, Risk team**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify

## Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

Yes

**OA 10.2**

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**

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change

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

- Basic
- Moderate
- Advanced

- CDP Forests

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

- Basic
- Moderate
- Advanced

- CDP Water

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

- Basic
- Moderate
- Advanced

- CFA Institute Centre for Financial Market Integrity

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

- Basic
- Moderate
- Advanced

- 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)



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

- Basic
- Moderate
- Advanced

- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES

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

- Basic
- Moderate
- Advanced

- Local Authority Pension Fund Forum
- Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

We are members of US SIF and RIA (Canada SIF)

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

- Basic
- Moderate
- Advanced

- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

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

- Basic
- Moderate
- Advanced

- United Nations Global Compact
- Other collaborative organisation/initiative, specify

Global Impact Investing Network (GIIN)

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

- Basic
- Moderate
- Advanced

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

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

Wrote and helped to publish External research papers on responsible investment

No

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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**OA 12.1** Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

Yes

- Yes, individually
- Yes, in collaboration with others

<b>OA 12.2</b>	Select the methods you have used.
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- Endorsed written submissions to governments, regulators or standard-setters developed by others
- Drafted your own written submissions to governments, regulators or standard-setters
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify  
SASB and FASB and governmental agencies

<b>OA 12.3</b>	Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.
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- Yes, publicly available
- No
- No

<b>OA 12.4</b>	Additional information.
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We also serve on a number of SASB working groups, including the Education and Awareness WG (Investing), Healthcare, Financials, Services, etc

## Innovation

<b>OA 18</b>	Voluntary	Descriptive	General
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<b>OA 18.1</b>	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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We include ESG integration across our fundamental analyst platform. This is carried out in ESG research, valuation discussion, training, internal meeting notes, compensation structure, appraisal process, etc. We believe in the significance of the inclusion of ESG factors such that this is incorporated throughout our platform.

Our two co-CIOs co-manage ESG strategies. In addition, we publish engagement reports upon client request. This is an extensive exercise, and is carried out by our fundamental analysts. We manage 8 ESG strategies, so the number of company engagements is quite high.

# ClearBridge Investments

## Reported Information

### Public version

#### Direct - Listed Equity Incorporation

## 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.

## Overview

LEI 02	Voluntary	Descriptive	PRI 1
LEI 02.1	Provide a brief overview of how you incorporate ESG issues in listed equity investments.		

Briefly, we incorporate ESG issues across our fundamental research platform and in our stock-selection process. We incorporate ESG issues in our company engagement, in our listed equities advocacy via proxy voting, in our communication with clients and in public education efforts.

## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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)

Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)	 10
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- 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 (estimate +/- 10%)	 80
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- No incorporation strategies applied

Percentage of active listed equity to which no incorporation strategy is applied (estimate +/- 10%)	<div style="display: flex; align-items: center;"> <div style="width: 100px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <span>%</span> </div> 10
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**Total actively managed listed equities**

100%

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

**LEI 03.3** If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]

We believe all three types of ESG incorporation strategies have merit. We combine the use of any of the three ESG strategies - depending on the opportunity set we are working with at a given time and within a given listed equity strategy.

<b>LEI 04</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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**LEI 04.1** Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

**Type of ESG information**

- Raw ESG company data

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Company-related analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Sector-related analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Country-related analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Screened stock list
- Issue-specific analysis or ratings

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Other, specify  
Independent ngo's or non-profits with credible research capabilities and networks

**Indicate who provides this information**

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager

<b>LEI 04.2</b>	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.
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We access all available sources of research - both traditional and untraditional.

<b>LEI 04.3</b>	Indicate if you incentivise brokers to provide ESG research.
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Yes

<b>LEI 04.4</b>	Describe how you incentivise brokers.
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We pay commission dollars to sell-side brokers for quality SRI research. We acknowledge and name the specific analysts who do a good job in coverage of the issues and valuation. We vote for the Thomson Extel survey to rank sell-side analysts in their category.

No

<b>LEI 05</b>	Voluntary	Additional Assessed	PRI 1
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<b>LEI 05.1</b>	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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Engagement

- We have a systematic process to ensure the information is made available.
- We occasionally make this information available.
- We do not make this information available.

(Proxy) voting

- We have a systematic process to ensure the information is made available.
- We occasionally make this information available.
- We do not make this information available.

<b>LEI 05.2</b>	Additional information. [Optional]
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For Engagement: We have a systematic process to ensure the information is available internally. All engagements are tracked and company research notes from those engagements are shared across the firm and is considered proprietary research. However, we are able to provide summary engagement reports externally to clients upon request.

## (A) Implementation: Screening

<b>LEI 06</b>	Mandatory	Descriptive	PRI 1
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<b>LEI 06.1</b>	Indicate and describe the type of screening you apply to your internally managed active listed equities.
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**Type of screening**



- Negative/exclusionary screening

**Screened by**

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

Description

In addition to the above, we can exclude by Industry (or sub-sector), but we typically wouldn't have a policy of excluding an entire sector (e.g., exclude Consumer Staples for Tobacco reasons)

- Positive/best-in-class screening

**Screened by**

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

Description

We seek to invest in best-in-class companies by sector and sub-sector. We would require the company to meet our investment criteria - and we seek best-in-class for ESG characteristics, sustainability strategy, transparency, engagement, etc.

- 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
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While we review the norms that companies may sign up to, we wouldn't select a stock solely based on that norm. If anything, the company's adherence with the norms are a signal that there are international standards are being recognized.

<b>LEI 06.2</b>	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.
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The screening criteria was established at the inception of our ESG investment program, which dates back to 1987. We review the guidelines continuously, but we have not made many material changes to our guidelines.

<b>LEI 07</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>LEI 07.1</b>	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
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- 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  

In addition to the above, we reach out to all related (and unconventional) and relevant sources to verify information on our companies
- None of the above

**(B) Implementation: Thematic**

<b>LEI 09</b>	<b>Mandatory</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>LEI 09.1</b>	Indicate the type of sustainability thematic funds or mandates that your organisation manages.
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- Environmentally themed funds
- Socially themed funds
- Combination of themes

<b>LEI 09.2</b>	Describe your organisation's processes for sustainability thematic funds. [Optional]
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We are not necessarily managing "themed funds," but we do manage equity separate account strategies that are inclusive of all material and relevant E, S, and G data and issues. We are not limited to one theme. Rather, we seek to identify the issues (across the spectrum) associated with investment opportunities.

### (C) Implementation: Integration of ESG issues

<b>LEI 10</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>LEI 10.1</b>	Describe how you integrate ESG factors into investment decision making processes.
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This is a long discussion, but the short version is that our fundamental analyst team is charged with researching and evaluating the significance of the E,S,G issues to the companies under their coverage. In addition, our analysts have found engagement to be of value in the assessment of industry risk and how companies are addressing the issues that they've identified as drivers. Then, the analysts will present these views and research to the investment teams and collaboratively, we will make the investment decision to proceed or pass. Valuation is also a key consideration at time of recommendation.

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

<b>LEI 11.2</b>	Additional information. [Optional]
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Since much of our ESG research is conducted by our Sector and Portfolio analysts on the fundamental team, the coverage of potentially significant E, S, or G issues are monitored on a regular, timely basis.

<b>LEI 13</b>	Voluntary	Additional Assessed	PRI 1
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<b>LEI 13.1</b>	Indicate into which aspects of investment analysis you integrate ESG information.
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- (Macro) economic analysis
  - Systematically
  - Occasionally
- Industry analysis
  - Systematically
  - Occasionally
- Analysis of company strategy and quality of management
  - Systematically
  - Occasionally
- Idea generation
  - Systematically
  - Occasionally
- Portfolio construction
  - Systematically
  - Occasionally
- Fair value/fundamental analysis
  - Systematically
  - Occasionally

<b>LEI 13.2</b>	Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis.
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- Adjustments to income forecasts (sales, earnings, cash flows)
- Adjustments to valuation tools (discount rates, return forecasts, growth rates)
- Other adjustments to fair value projections, specify
- Other, specify

<b>LEI 13.3</b>	Additional information.
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Since our ESG research is conducted by our fundamental analysts, the ESG issues are systematically factored into the research process. That said, with regard to above items in 13.2, the adjustments would primarily be warranted if the ESG information is more material in nature (not minutia).

## Communication

<b>LEI 18</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,6</b>
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<b>LEI 18.1</b>	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
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- We disclose it publicly

Provide URL

<http://www.clearbridge.com>

Provide URL

[http://www.unepfi.org/work\\_streams/investment/index.html](http://www.unepfi.org/work_streams/investment/index.html)

**LEI 18.2**

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

Yes

**LEI 18.3**

Indicate the information your organisation proactively discloses to clients/ beneficiaries and 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.

- Quarterly or more frequently
  - Between quarterly and annually
  - Less frequently than annually
  - 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

**LEI 18.5**

Additional information. [Optional]

The above question (LEI 18.2) is a little unclear. Yes, we disclose the same information to the general public as we do to our clients. However, we do disclose additional information to our clients, with regard to their holdings and their ESG separately managed equity accounts with our firm. It would be understandable that we would at least offer our clients the same information that we offer to the general public, and also understandable that we would offer even more details and information about our investment process and holdings to clients.

# ClearBridge Investments

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

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## Engagement

### Overview

<b>LEA 01</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
<b>LEA 01.1</b>	Provide a brief overview of your organisation's approach to engagement.		

Through our ClearBridge fundamental research platform, we are able to engage all ESG portfolio holdings on issues for engagement. These issues may vary by sector and by company. Examples would include human rights policies, water utilization, energy efficiency, executive compensation, waste minimization, labor management, overall sustainability reporting and transparency, etc.

Our analysts write company research notes on each engagement and post to our shared research drive. All company engagements are posted to our public research calendar for both PMs and analysts.

Then, we track each company engagement and summarize the issues covered and areas of impact in a summary report for clients.

<b>LEA 02</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1,2,3</b>
<b>LEA 02.1</b>	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.		



Type of engagement	Reason for interaction
<b>Individual/Internal staff engagements</b>	<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 As a top 10 shareholder in many of our listed equity holdings, we want better understand the sustainability strategy within the context of overall strategy <input type="checkbox"/> We do not engage via internal staff
<b>Collaborative engagements</b>	<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 demonstrate the broad, large support of a specific issue, as a group of investors to company management <input type="checkbox"/> We do not engage via collaborative engagements
<b>Service provider engagements</b>	<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 tend to be active equity owners for a very long period of time and so engagement helps to confirm our full understanding of the company's impact to society, growth strategy, quality of management, and view of their business operations for future generations.

## Process

### Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
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☉ Yes

LEA  
03.2

Describe how you identify and prioritise engagements.

Firstly, we post all ESG issue engagement meetings on our public research calendar. All PMs and fundamental analysts are invited. The fundamental team tracks all engagements internally and posts the company engagement notes to our shared research drive. We want to track progress and stay informed on new initiatives, but also express concerns if needed. Our company engagements and issues covered in the meetings are then summarized in an engagement report, by active equity strategy, and available upon request.

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.

We maintain an internal database and research notes on our Bloomberg terminals for each ESG company engagement

No

### Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

<b>LEA 05.1</b>	Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.
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Yes

<b>LEA 05.2</b>	Describe how you identify and prioritise collaborative engagements.
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We participate in a number of membership organizations to help increase and broaden our company engagements. We would participate in most "issue" engagements, e.g., climate change, human rights, etc, but also be selective in the actual company engagements, e.g. prioritize for companies in our portfolios. For example, as members of SIRAN, ICCR, and INCR, etc, we have conducted or participated in collaborative engagements. These meetings are tracked by the member organization, e.g., SIRAN as part of US SIF and also tracked internally, and we would track our involvement as well.

No

<b>LEA 06</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 06.1</b>	Indicate if the collaborative engagements in which you are involved have defined objectives.
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Yes

- Yes, for all collaborative engagement activities
- Yes, for the majority of collaborative engagement activities
- Yes, for a minority of collaborative engagement activities

No

<b>LEA 06.2</b>	Indicate if you monitor the actions companies take following your collaborative engagements.
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Yes

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

<b>LEA 06.3</b>	Describe how you monitor and evaluate the progress of your collaborative engagement activities.
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We will monitor our collaborative engagements directly, but we also defer to our peers on occasion, whereby someone else takes the lead on the engagement and so they are monitoring and evaluating for our collective group.

No

## General processes for all three groups of engagers

LEA 09	Voluntary	Additional Assessed	PRI 1,2
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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.
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Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
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LEA 10.1	Indicate if you track the number of companies you engage with.
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Type of engagement	Tracking engagements
Individual / Internal staff engagements	<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	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" 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

## Outputs and outcomes

LEA 11	Mandatory to Report Voluntary to Disclose	Core Assessed	PRI 2
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LEA 11.1	Indicate the number of companies with which your organisation engaged during the reporting year.
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	<b>Number of companies engaged</b> (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	100
Collaborative engagements	25

**LEA 11.2** Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

**LEA 11.3** Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]

Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

**LEA 11.5** Additional information. [Optional]

For our direct, proprietary research meetings, we would lead the engagements. That said, we are active, long-term equity owners with a large position in many of our holdings, so it would not be uncommon for us to lead the collaborative engagement, or for us to work with other shareowners to facilitate the engagement.

<b>LEA 12</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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**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	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

**LEA 12.2** Provide an estimated breakdown by E, S and/or G issues.

Individual / Internal staff engagements

% Environmental only

10

% Social only

10

% Corporate Governance only

10

% Overlapping ESG issues

70

**100%**

Collaborative engagements

% Environmental only

15

% Social only

15

	% Corporate Governance only
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10

	% Overlapping ESG issues
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50

**100%**

<b>LEA 12.3</b>	Additional information.
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For our internal engagements, we weren't sure if we should count "Overlapping ESG" at 100% or list each category individually. We may have had multiple meetings with the same company with a different focus per mtg (e.g., E at one mtg; S at another mtg, etc). But for companies that are more difficult to set up a mtg date more than once a year or two, we try to cover as many of the relevant E, S, and G issues in that one mtg.

<b>LEA 14</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 14.1</b>	Provide examples of the engagements that your organisation carried out during the reporting year.
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Add Example 1

Topic or ESG issue	Request company to disclose carbon emissions as a reporter to the CDP
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	Increase carbon emissions disclosure and begin formally and publicly benchmarking and setting goals for reductions
Scope and Process	Not sure if we are interpreting question correctly, but as a major shareowner we approached our company holdings that did not report to the CDP and made the CDP request directly to the management.
Outcomes	A number of the companies did already conduct internal, quasi-carbon reporting, but did not necessarily go public with the data, so for these companies, it was an achievable outcome to become a CDP reporter. A few other companies did not believe the CDP disclosure was necessary to their business (or business risk) and so they considered the CDP to be huge endeavor and attempted to delay reporting for as long as possible. However, we provided examples of other peer companies (e.g. in Financials) who had been reporting for years and that they deemed the disclosure to be of value for internal management and for stakeholders.

Add Example 2

Topic or ESG issue	More disclosure on environmentally sensitive projects in the pipeline in terms of environmental risks and community risks
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To get a better sense of the due diligence process conducted by the company if considering projects that could potentially have environmental or community impact, as well as reputational impact.
Scope and Process	As a shareowner, we reached out to senior management and requested a meeting to go over the specifics of the due diligence
Outcomes	Meeting was conducted and management answered questions from our analyst team and went to the level of detail that the company may not have typically been asked to do by other investors (according to the company).

Add Example 3



Topic or ESG issue	Insurer reaction and preparation for climate change and/or natural disasters (property, casualty insurers)
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To understand how the company is setting up its liability reserve to address increasing number of insurance claims from natural disasters. And, to suggest that the insurer proactively educate and lead the industry in addressing climate change to potentially reduce the number of financial claims on the company
Scope and Process	As a shareowner, we reached out to the CEO and had discussions on how the company is calculating the risks and what's being set aside in the SEC filing
Outcomes	Company is leading the disclosure of natural disaster reserves and has an Institute that is reaching out to its customers/brokers and municipalities to discuss preparedness for disasters that may be linked to climate change.

Add Example 4

Topic or ESG issue	Ask company to discuss commitment and strategy to address to conflict-free smelter sourcing and to report in SEC filing if possible, e.g. 1755
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To begin the process to source from conflict-free smelters
Scope and Process	As a shareowner, speak with IR and senior management about this issue to convey our interest in this area and to ask for more information to back up any goals
Outcomes	Company committed to trying to guarantee conflict-free smelters and use of certified suppliers, however, still very difficult to trace the material back to its origin at 100% level, but continuing work toward 100%.

Add Example 5

Topic or ESG issue	Request to company to increase green products and product stewardship practices
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	To discuss with company how there is market opportunity to increase green products and to consider more product stewardship assessments
Scope and Process	As as shareowner, requested meeting with product strategy team and global operations
Outcomes	Company created a green web site to highlight green products and services available to consumers - i.e., there was an increase in such green products that it warranted its own web page

Add Example 6

Topic or ESG issue	We have about a dozen more examples, but not sure you were seeking for us to list every example...
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative
Objectives	
Scope and Process	
Outcomes	

- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

## Communication

LEA 15

Mandatory

Core Assessed

PRI 2,6

LEA 15.1

Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly
- We disclose it to clients and/or beneficiaries only

<b>LEA 15.3</b>	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.
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Engagement information disclosed
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- 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

<b>LEA 15.4</b>	Indicate how frequently you typically report engagements information
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- Disclosed continuously (prior and post engagements)
  - Disclosed quarterly
  - Disclosed annually
  - Disclosed every two years or less
  - Other, specify
- We do not proactively disclose it to the public and/or clients/beneficiaries.

<b>LEA 15.6</b>	Additional information. [Optional]
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Our internal ESG engagements are considered proprietary research, and so we do not publish for public distribution. However, we are able to disclose a summary of our engagements upon client request.

<b>(Proxy) voting and shareholder resolutions</b>
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<b>Overview</b>
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<b>LEA 16</b>	Voluntary	Descriptive	PRI 2
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<b>LEA 16.1</b>	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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Our company has a ClearBridge Proxy Voting Committee, which is made up of PMs, analysts, institutional, legal, and operations. We have a ClearBridge proxy voting policy that will be our guideline policy. That said, we will typically also review outside proxy service recommendations and/or outreach by shareholder proponents and company management if this will help us with our assessment of the proposal. Our proxy committee and PMs will have the ability to vote all proposals, and we actively review every proposal to be voted on.

## Process

<b>LEA 17</b>	<b>Mandatory</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 17.1</b>	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.
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### Approach

We use our own research or voting team and make our own voting decisions without the use of service providers.

### Based primarily on

- our own voting policy
- our clients requests or policy
- other, explain

We will still review the recommendation provided by the service provider, however, our own voting policy prevails

- 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.
- We hire service provider(s) which make voting decisions on our behalf.

<b>LEA 19</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 19.1</b>	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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- Obtain confirmation that votes have been lodged:
  - 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

<b>LEA 21</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 21.1</b>	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.
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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

Another situation would be if we tried to engage with the company before the shareholder proposal was filed to the proxy.

 No  
 Not applicable as we and/or our service providers do not abstain or vote against management recommendations

## Outputs and outcomes

<b>LEA 22</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 22.1</b>	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.
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We do track or collect this information

	Votes cast (to the nearest 1%)
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	%
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100

	Specify the basis on which this percentage is calculated
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- 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

<b>LEA 24</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 24.1</b>	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
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- Yes
- No

LEA  
24.6

Additional information.

We do not file shareholder resolutions, but we do actively engage companies in dialogue around the issue that is being raised by the proposal, and, if such proposal warrants a FOR or AGAINST vote on the proxy, we will use our shares to vote

## Communication

LEA 26

Mandatory

Core Assessed

PRI 2,6

LEA  
26.1

Indicate if your organisation proactively discloses information on your voting activities.

- We disclose it publicly

provide URL

<http://vds.issproxy.com/SearchPage.php?CustomerID=2300>

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
- 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  
26.6

Additional information. [Optional]

The above would be mixed responses for us, depending on investment vehicle. For our mutual fund holdings, we disclose all votes and follow the protocol set forth by the SEC on disclosure of proxy voting results. For our separately managed accounts, we disclose to clients.