



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking (e.g. company research, ESG issues)</li> <li><input checked="" type="checkbox"/> To enhance corporate practice (e.g. identify the need to update internal or external ESG policies)</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via internal staff</li> <li><input type="checkbox"/> To support investment decisionmaking (e.g. company research, ESG issues)</li> <li><input type="checkbox"/> To enhance corporate practice (e.g. identify the need to update internal or external ESG policies)</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via collaborative engagements</li> <li><input type="checkbox"/> To support investment decisionmaking (e.g. company research, ESG issues)</li> <li><input type="checkbox"/> To enhance corporate practice (e.g. identify the need to update internal or external ESG policies)</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via service providers</li> <li><input type="checkbox"/> To support investment decisionmaking (e.g. company research, ESG issues)</li> <li><input type="checkbox"/> To enhance corporate practice (e.g. identify the need to update internal or external ESG policies)</li> <li><input type="checkbox"/> Other: specify</li> </ul>	
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# RI TRANSPARENCY REPORT

2020

Conning

## 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 2020 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 TG		🔒	n/a							
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	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	✓	Private							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	✓	Private							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		✓	Private							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Private	✓						
FI 06	Screening - ensuring criteria are met	✓	Public	✓						
FI 07	Thematic investing - overview	🔒	n/a	✓						
FI 08	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 09	Thematic investing - assessing impact	🔒	n/a	✓						
FI 10	Integration overview	✓	Public	✓						
FI 11	Integration - ESG information in investment processes	✓	Public	✓						
FI 12	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 13	ESG incorporation in passive funds	🔒	n/a	✓						
FI 14	Engagement overview and coverage	✓	Private		✓					
FI 15	Engagement method	✓	Private	✓	✓					
FI 16	Engagement policy disclosure	✓	Private	✓	✓					
FI 17	Financial/ESG performance	✓	Private							✓
FI 18	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01	Assurance, verification, or review	✓	Public							✓
CM1 02	Assurance of last year`s PRI data	✓	Public							✓
CM1 03	Other confidence building measures	✓	Public							✓
CM1 04	Assurance of this year`s PRI data	✓	Public							✓
CM1 05	External assurance	🔒	n/a							✓
CM1 06	Assurance or internal audit	🔒	n/a							✓
CM1 07	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

# Conning

## Reported Information

### Public version

### Organisational Overview

## 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.

## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 01.2

Additional information. [Optional]

Conning, Inc. and Conning Asset Management Limited, collectively, "Conning", manage separate account mandates for institutional investors such as insurance companies and pension funds. Each mandate has unique guidelines and objectives.

OO 02

Mandatory

Public

Peering

General

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

291

**OO 03** **Mandatory** **Public** **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 03.3** Additional information. [Optional]

In June 2018, Conning's ultimate parent, Conning Holdings Limited, acquired a 45% stake in Global Evolution Holding ApS and its group of companies, at least one of which is a PRI signatory in its own right. In addition, Conning also has a U.S. affiliate, Octagon Credit Investors, LLC, that also became a PRI signatory in early 2020.

**OO 04** **Mandatory** **Public** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2019

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

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		112	548	082	038
Currency	USD				
Assets in USD		112	548	082	038

Not applicable as we are in the fund-raising process

OO 04.4

Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

Not applicable as we do not have any assets under execution and/or advisory approach

OO 06

Mandatory

Public

Descriptive

General

OO 06.1

Select how you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	3	0
Fixed income	94	0
Private equity	0	0

Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	3	0
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

**OO 06.2**

Publish asset class mix as per attached image [Optional].

**OO 06.3**

Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes  
 No

**OO 06.5**

Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.  
 No, we do not use fiduciary managers.

**OO 09**

**Mandatory**

**Public**

**Peering**

**General**

**OO 09.1**

Indicate the breakdown of your organisation's AUM by market.

Developed Markets

95

5	Emerging Markets
0	Frontier Markets
0	Other Markets
100%	Total 100%

### Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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#### OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

##### Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

##### Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

##### Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

##### Fixed income Corporate (financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (non-financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Fixed income Corporate (securitised) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Public	Gateway	General
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OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - securitised

- We address ESG incorporation.
- We do not do ESG incorporation.

Money market instruments

- We address ESG incorporation.
- We do not do ESG incorporation.

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

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

**Core modules**

- Organisational Overview
- Strategy and Governance

**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 - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)
- Fixed income - Securitised

**Closing module**

- Closing module

**Peering questions**

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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**OO LE 01.1**

Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

**Percentage of internally managed listed equities**

Passive
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0

Active - quantitative (quant)
-------------------------------

0

	Active - fundamental and active - other
--	---

100

	Total
--	-------

100%

<b>OO LE 01.2</b>	Additional information. [Optional]
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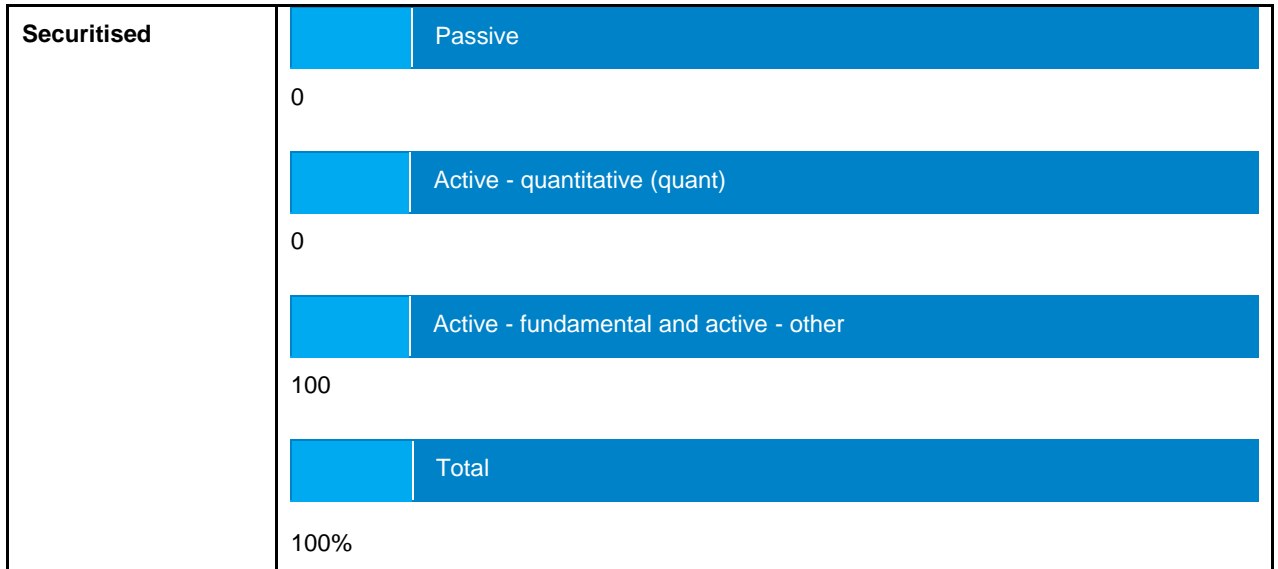
Active strategies are a combination of quantitative screens and fundamental analysis, including ESG risk factor integration, to develop model portfolios.

<b>OO FI 01</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
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<b>OO FI 01.1</b>	Provide a breakdown of your internally managed fixed income securities by active and passive strategies
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<p><b>SSA</b></p>	<p>Passive 0</p> <p>Active - quantitative (quant) 0</p> <p>Active - fundamental and active - other 100</p> <p>Total 100%</p>
<p><b>Corporate (financial)</b></p>	<p>Passive 0</p> <p>Active - quantitative (quant) 0</p> <p>Active - fundamental and active - other 100</p> <p>Total 100%</p>
<p><b>Corporate (non-financial)</b></p>	<p>Passive 0</p> <p>Active - quantitative (quant) 0</p> <p>Active - fundamental and active - other 100</p> <p>Total 100%</p>





**OO FI 01.2** Additional information. [Optional]

FI strategies are separate account structures for institutional client mandates. All strategies are actively managed based on the specific guidelines of each mandate.

<b>OO FI 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

**OO FI 03.1** Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.



**OO FI 03.2** Indicate the approximate (+/- 5%) breakdown of your corporate and securitized investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Securitised	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<b>100%</b>

If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below

OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

# Conning

## Reported Information

### Public version

### Strategy and Governance

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## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 01.1**

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

**SG 01.2**

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**SG 01.3**

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Conning has the responsibility and obligation to assess and manage all investment risks as a part of executing its responsibilities as fiduciary for its clients. Conning believes that environmental, social, and governance (ESG) risk factors can affect portfolio performance and are necessary considerations for responsible investing.

As a result, Conning integrates ESG risk factors into the assessment of debt issuers in order to appropriately evaluate fundamental creditworthiness and security valuation. Proper integration of ESG risk factors assist in the determination of the sustainability of an issuer's operating model. Entities that have questionable operating practices or governance, by their very nature, do not have sustainable operating models and are likely to experience financial deterioration that will adversely impact client portfolio performance.

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Consistent with our responsibilities as a fiduciary to achieve the financial goals and objectives of each client mandate, Conning integrates responsible investment principles into our investment process to both manage portfolio risk and improve portfolio investment returns. Conning applies positive/negative/exclusionary screening related to ESG ratings for client specific portfolio mandates and objectives.

Responsible investment is ultimately overseen by Conning's heads of regional businesses and the chair of the investment policy committee. Conning also maintains an ESG Steering Committee in order to provide guidance and monitor implementation of responsible investing and ESG initiatives. The ESG Steering Committee reports to Conning's heads of regional businesses and to the chair of the investment policy committee. Membership consists of senior members of the firm spanning diverse functions including portfolio management, research, legal and risk management as well as multiple geographies of the U.S., Europe and Asia.

No

**SG 02****Mandatory****Public****Core Assessed****PRI 6**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 02.1**

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

<https://www.conning.com/about-us>

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors

URL/Attachment

- URL

URL

<https://www.conning.com/about-us>

- Attachment (will be made public)
- Fiduciary (or equivalent) duties

URL/Attachment

- URL

URL

[https://www.adviserinfo.sec.gov/IAPD/Part2Brochures.aspx?ORG\\_PK=107423](https://www.adviserinfo.sec.gov/IAPD/Part2Brochures.aspx?ORG_PK=107423)

- Attachment (will be made public)
- We do not publicly disclose our investment policy documents

**SG 02.2**

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

<https://www.conning.com/about-us>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://www.conning.com/about-us>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<https://www.conning.com/about-us>

Attachment

Understanding and incorporating client / beneficiary sustainability preferences

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
---------	---

Conning's policy on the management of potential conflicts of interest is to take actions that are in the best interests of its clients. Conning requires employees to avoid situations that might interfere with making decisions that are in the best interest of its clients. Employees are expected to avoid placing Conning or themselves in a position that gives rise to conflicts of interest.

Each employee is expected to:

- avoid conflicts of interest wherever possible
- handle any actual or apparent conflict of interest ethically
- not use his or her personal influence or personal relationships to influence investment decisions or financial reporting by Conning

- not allow any conflict of interest to cause Conning to take action, or fail to take action that would disadvantage any client
- not use knowledge of portfolio transactions made or contemplated for a client to profit, or cause others to profit, by the market effect of such transactions
- discuss with General Counsel or Compliance Officer any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest

No

## Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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**SG 05.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

**SG 05.2**

Additional information. [Optional]

Responsible investment is ultimately overseen by Conning's heads of regional businesses and head of investment policy committee. Conning also maintains an ESG Steering Committee in order to provide guidance and monitor implementation of responsible investing and ESG initiatives. The ESG Steering Committee reports to Conning's heads of regional businesses and head of investment policy committee.

The ESG Steering Committee convenes throughout the year, intentionally reviewing responsible investment activities with the heads of regional businesses and head of investment policy committee annually.

## Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

**SG 07.1**

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.



## Roles

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

## Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), 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  
**CRO, Head Corporate & Municipal Teams**
  - 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
- Investor relations
- Other role, specify (1)

## Other description (1)

### ESG Steering Committee

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

## Other description (2)

### General Counsel

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment

**SG 07.2** For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Investment analysts are responsible for developing ESG risk factor assessments for all issuers covered based on sector-specific metrics and weights and incorporating the assessments into the overall Conning target rating and outlook for each issuer. Analysts communicate ESG risk factor assessments to portfolio managers, who are responsible for insuring implementation in client portfolios they manage in accordance with client guidelines and the best interests of each individual client, consistent with Conning's fiduciary responsibilities. Heads of regional businesses and head of investment policy committee have ultimate oversight of responsible investment processes. The Chief Risk Officer is responsible for oversight and compliance with respect to client guidelines related to ESG issues and reporting to the CEO and Board of Directors as appropriate. The process is supported by an ESG Steering Committee that is chaired by the Chief Risk Officer and reviews ESG risks and opportunities in client portfolios as part of a best practices process.

**SG 07.3** Indicate the number of dedicated responsible investment staff your organisation has.

Number

0

**Promoting responsible investment**

**SG 09** **Mandatory** **Public** **Core Assessed** **PRI 4,5**

**SG 09.1** 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]

Attended PRI sponsored events such as the PRI in Person in Paris and ESG in Ratings.

Signed certain action requests from PRI where we believe the initiatives would ultimately enhance our ability to create value for our clients.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- 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)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

**Insurance Research articles**

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

- Basic
- Moderate
- Advanced

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

Conning's Insurance Research department published two articles on Integrating ESG into Investment Research this year which were published in Asian Insurance Review.

- Other collaborative organisation/initiative, specify

Member of PRI Corporate Reporting Reference Group

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

- Basic
- Moderate
- Advanced

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

The Head of the Corporate and Municipal teams is a member of the PRI Corporate Reporting Reference Group.

- Other collaborative organisation/initiative, specify

Promoting PRI and ESG in Fixed Income Panel

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

- Basic
- Moderate
- Advanced

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

Participated in Fixed Income Panel promoting Conning integration of ESG risk factors into our investment process.

- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

**SG 10.1**

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**SG 10.2**

Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)

## Description

The Head of the Corporate and Municipal Teams presented Conning's ESG philosophy and processes to the Conning Parent Board, highlighting potential development areas for the evolution of this discipline throughout the organisation under the board's direction.

A PRI representative presented to Conning's Parent Board on the subject, as well as responsible investing and trends as well as growth within the Insurance industry.

## Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Provided financial support for academic or industry research on responsible investment

Provided input and/or collaborated with academia on RI related work

Encouraged better transparency and disclosure of responsible investment practices across the investment industry

## Description

The Head of the Corporate and Municipal teams is a member of the PRI Corporate Reporting Reference Group.

## Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Spoke publicly at events and conferences to promote responsible investment

Description

Head of Corporate and Municipal Teams made presentations at client conferences on ESG integration into investment process.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

Wrote and published in-house research papers on responsible investment

Description

Conning's Insurance Research department published two articles on Integrating ESG into Investment Research this year which were published in Asian Insurance Review.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other

- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify

No

**Outsourcing to fiduciary managers and investment consultants**

SG 12	Mandatory	Public	Core Assessed	PRI 4
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**SG 12.1**

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

**ESG issues in asset allocation****SG 13****Mandatory****Public****Descriptive****PRI 1****SG 13.1**

Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities
- No, our organisation does not currently carry out scenario analysis and/or modelling

**Asset class implementation not reported in other modules****SG 16****Mandatory****Public****Descriptive****General****SG 16.1**

Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Listed equities - ESG incorporation	Analysts integrate ESG risk factors into the assessment of issuers held in Conning equity strategies. Investment professionals take into consideration these ESG risk factors with all potential investment opportunities before investing on behalf of our clients. Certain clients have specific investment guidelines for the portfolios with respect to ESG principles that are adhered to, other clients have no specific policies.
Listed equities - engagement	Conning's engages with senior management of issuers related to ESG risk factors as appropriate for all potential investment opportunities before investing on behalf of our clients.
Listed equity - (proxy) voting	EC Proxy, Conning's third-party proxy-voting service monitors and votes proxies based on guidelines set forth annually by the Conning's Director of Equity Strategies. Conning's guidelines and voting decisions are made in the best interest of the client.
Money market instruments	Analysts integrate ESG risk factors into the assessment of issuers held in Conning short term investment strategies. These ESG risk factors are considered within a holistic perspective of an issuer's credit profile.

**Communication**



SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.
---------	---

	Fixed income
--	--------------

	Do you disclose?
--	------------------

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

	<b>Disclosure to clients/beneficiaries</b>		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #0072bc; color: white; width: 15%;"></td> <td style="background-color: #0072bc; color: white;">Disclosure to clients/beneficiaries</td> </tr> </table> <ul style="list-style-type: none"> <li><input type="radio"/> Broad approach to RI incorporation</li> <li><input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used</li> </ul>		Disclosure to clients/beneficiaries
	Disclosure to clients/beneficiaries		
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #0072bc; color: white; width: 15%;"></td> <td style="background-color: #0072bc; color: white;">Frequency</td> </tr> </table> <ul style="list-style-type: none"> <li><input type="checkbox"/> Quarterly</li> <li><input type="checkbox"/> Biannually</li> <li><input type="checkbox"/> Annually</li> <li><input type="checkbox"/> Less frequently than annually</li> <li><input checked="" type="checkbox"/> Ad hoc/when requested</li> </ul>		Frequency
	Frequency		

# Conning

## Reported Information

### Public version

#### Direct - Fixed Income

## PRI disclaimer

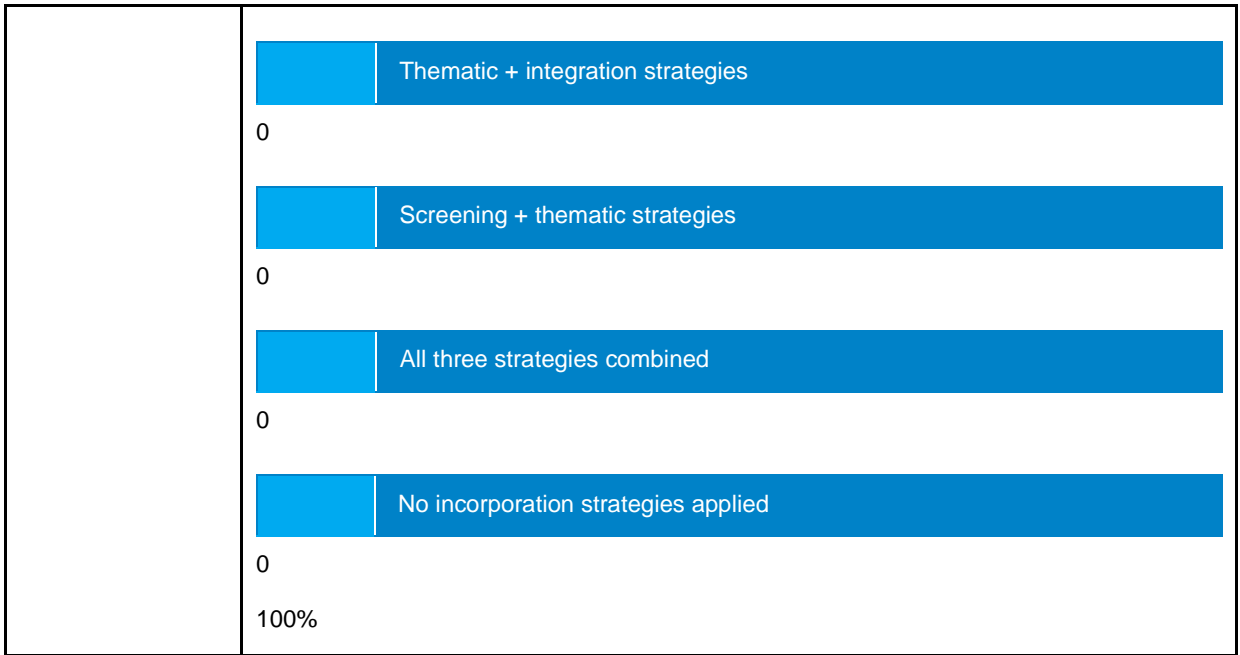
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information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

## ESG incorporation in actively managed fixed income

### Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

SSA	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0
Strategy	Percentage																		
Screening alone	0																		
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Thematic + integration strategies	0																		
Screening + thematic strategies	0																		
All three strategies combined	0																		
No incorporation strategies applied	0																		
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0								
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	100																		
Screening + integration strategies	0																		



Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	95
	Screening + integration strategies	5
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%
Securitized	Screening alone	0
	Thematic alone	0
	Integration alone	100
	Screening + integration strategies	0

	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%

**FI 01.2** Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

Conning integrates ESG risk factors into the fixed income research process in order to holistically assess issuer credit profiles. Conning also integrates screening strategies for certain clients in order to achieve portfolio specific goals and objectives.

Conning believes ESG considerations can have a material impact on the risk profile of a fixed income security and can influence the appropriateness of such a security to a client investment portfolio, based upon the unique risk preference of each client. Consequently, a thorough analysis and understanding of ESG risk factors better enables Conning to adhere to the fiduciary duty owed to each client.

Conning employs highly experienced research analysts who assign a propriety ESG risk factor rating of Strong, Average or Weak to each corporate issuer in the coverage universe. The ESG risk factor rating is integrated into the analyst proprietary target rating and fundamental outlook in order to derive a holistic understanding of creditworthiness. ESG risk factor ratings are updated quarterly.

<b>FI 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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**FI 03.1** Indicate how you ensure that your ESG research process is robust:

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

**FI 03.2** Describe how your ESG information or analysis is shared among your investment team.

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, ‘tear sheets’, or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

**(A) Implementation: Screening**

<b>FI 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 1</b>
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**FI 04.1** Indicate the type of screening you conduct.

Select all that apply

			<b>Corporate (non-financial)</b>	
Negative/exclusionary screening			<input checked="" type="checkbox"/>	
Positive/best-in-class screening			<input checked="" type="checkbox"/>	
Norms-based screening			<input type="checkbox"/>	

**FI 04.2** Describe your approach to screening for internally managed active fixed income

Conning utilizes screening strategies in order to achieve client specific goals according to investment policy guidelines. When this is applicable for clients and in accordance with investment guidelines, Conning utilizes MSCI ESG ratings to screen for an appropriate investment universe. Conning reports on MSCI ESG portfolio quality for those clients who request it.

<b>FI 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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**FI 06.1** Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.



Type of screening	Checks
<b>Negative/exclusionary screening</b>	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
<b>Positive/best-in-class screening</b>	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

### (C) Implementation: Integration

FI 10	Mandatory	Public	Descriptive	PRI 1
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FI 10.1	Describe your approach to integrating ESG into traditional financial analysis.
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Conning integrates material ESG risk factors into the proprietary target rating and fundamental outlook of issuers in order to derive a holistic understanding of creditworthiness. In order to ensure integration, Conning's highly experienced research analysts assign a propriety ESG risk factor rating of Strong, Average or Weak to each issuer. This insight into material non-financial information is utilized as part of the assessment into the direction or sustainability of credit metrics, which could affect issuer credit profiles. The importance and materiality of ESG factors will vary depending on the industry. As a result, Conning utilizes a reference grid that assigns various weightings to ESG factors for each unique industry.

FI 10.2	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
---------	---

SSA
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Conning regularly assesses potentially material ESG factors in our investment analysis of SSA issuers, from new issuance, to position monitoring, and relative value recommendations. ESG assessment and commentary is included in analyst notes, and Conning research databases.

Conning believes that for SSA issuers, it important that we assess governance factors including the strength of the issuer's institutions and political risks as these often influence a sovereign's ability and willingness meet its obligations to creditors in a timely fashion.

As a part of SSA issuer assessment, Conning will evaluate the materiality of any environmental risks, as we believe that country's exposure environmental risks, and its capacity to mitigate these risks, will often impact economic performance, and therefore its ability to honor its credit commitments and attract additional capital.

Conning believes that is important to analyze social risks as these can foment political instability that can impact issuers' credit profiles.

Corporate (financial)

Conning integrates the assessment of material ESG risk factors into its fundamental and relative value analysis of corporate financial issuers. Where Conning believes that ESG factors present the prospect of material impact to future financial results and the durability of business models, we take these factors into account in assessing issuer fundamental creditworthiness, relative value recommendations and client portfolio weightings.

Corporate (non-financial)

Similar to the approach to corporate financial issuers, Conning integrates the assessment of material ESG risk factors into fundamental and relative value analysis of corporate issuers. Where Conning believes ESG factors impact credit profiles and valuations, we take these factors into account in assessing issuer fundamental creditworthiness, relative value recommendations and client portfolio weightings.

Securitized

Conning integrates ESG risk factors utilizing publicly available data with material ESG implications to compare deals and firms that operate in the marketplace. Considerations include whether firms are charging an unusually high interest rate for a mortgage, car loan or consumer loan. Conning assesses whether an issuer servicing practice is best in class. Conning also evaluates the appropriateness of management compensation of issuers. Furthermore, Conning assesses intangibles such as firm reputations, experience during face to face meetings, and whether management is forthcoming with relevant information.

FI 11	Mandatory	Public	Core Assessed	PRI 1
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FI 11.1	Indicate how ESG information is typically used as part of your investment process.
---------	--

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis is used to adjust the internal credit assessments of issuers.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG analysis is integrated into portfolio weighting decisions.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, specify in Additional Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 12	Mandatory	Public	Additional Assessed	PRI 1
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FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.
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	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Securitized	<input type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input checked="" type="radio"/> Not at all	<input type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input checked="" type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

**FI 12.2** Please provide more detail on how you review E, S and/or G factors in your integration process.

**SSA**

Conning regularly assesses potentially material ESG factors in our investment analysis of SSA issuers, from new issuance, to position monitoring, and relative value recommendations. ESG assessment and commentary is included in analyst notes, and Conning research databases.

Conning believes that for SSA issuers, it important that we assess governance factors including the strength of the issuer's institutions and political risks as these often influence a sovereign's ability and willingness meet its obligations to creditors in a timely fashion.

As a part of SSA issuer assessment, Conning will evaluate the materiality of any environmental risks, as we believe that country's exposure environmental risks, and its capacity to mitigate these risks, will often impact economic performance, and therefore its ability to honor its credit commitments and attract additional capital.

Conning believes that is important to analyze social risks as these can foment political instability that can impact issuers' credit profiles.

## Corporate (financial)

Conning regularly assesses potentially material ESG factors in our investment analysis of Financial issuers, from new issuance, to position monitoring, and relative value recommendations. ESG assessment and commentary is included in analyst notes, and Conning research databases.

In Conning's view, assessing governance is important to evaluating corporate financial issuers given that poor governance practices, such as aggressive financial reporting, and poor internal controls, often impact relative performance.

Social risks are prominent risks for issuers in the financial sector, as improper business practices can make a company less attractive to potential customers and clients.

Environmental risk often impacts the credit profile of issuers as concentration of assets in environmental unsustainable businesses or locations can impact financial performance.

## Corporate (non-financial)

Conning regularly assesses potentially material ESG factors in our investment analysis of Corporate issuers, from new issuance, to position monitoring, and relative value recommendations. ESG assessment and commentary is included in analyst notes, and Conning research databases.

Conning considers social risks and opportunities as having the ability to impact the financial performance of many companies, as resultant controversies can put firms at a competitive disadvantage, or result in unexpected liabilities, among other risks.

Governance is a major factor in Conning's assessment of corporate issuers. In Conning's experience, superior financial performance is often linked to the integrity of a company's management, and processes. We believe that strong governance serves as an advantage to those issuers with strong governance practices, and is a disadvantage to issuers with weak governance practices.

Environmental risks are analysed in the course of our assessment of corporate issuers. Relative natural resource intensity of businesses can be competitive advantage or disadvantage. Environmental risks are often intertwined with the durability of a business model, and companies that manage environmental risks well avoid unexpected charges, and controversy which can damage relationships with customers, clients, and suppliers.

## Securitized

Conning regularly assesses potentially material ESG factors in our investment analysis of Securitized issuers, from new issuance, to position monitoring, and relative value recommendations.

Conning believes that Governance is an important part of how we evaluate firms. Given many of these firms issue and service their own securitizations, Conning needs to be confident that management teams are ethical, and have solid reputations. As a result, Conning assesses whether the firm demonstrates a high level of corporate responsibility, has a good reputation or charges their customers an unusually high interest rate or fees, among other factors. These factors have a direct impact in how they will service deals, as well as impact the long term viability of their securitization practices.

# Conning

## Reported Information

## Public version

## Confidence building measures

## 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.

## Confidence building measures

CM1 01	Mandatory	Public	Additional Assessed	General
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**CM1 01.1** Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
  - Whole PRI Transparency Report has been internally verified
  - Selected data has been internally verified
- Other, specify
- None of the above

CM1 02	Mandatory	Public	Descriptive	General
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**CM1 02.1** We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM1 03	Mandatory	Public	Descriptive	General
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**CM1 03.1** We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM1 07

Mandatory

Public

Descriptive

General

CM1 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

**Who has conducted the verification**

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)

specify

Risk Management