

LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input checked="" type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</li> <li><input checked="" type="checkbox"/> To engage internal staff</li> <li><input checked="" type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> </ul>	
<p>Collaborative engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> </ul>	
<p>Service provider engagements</p>	<ul style="list-style-type: none"> <li><input type="checkbox"/> To support investment decisionmaking in a company's material ESG issues</li> <li><input type="checkbox"/> To influence corporate practice or identify the need for additional or enhanced ESG disclosure</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage</li> </ul>	

# RI TRANSPARENCY REPORT

## 2018

Longfellow Investment Management Co., LLC

## 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 2018 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	✓	Private							✓
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 by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	✓	Private							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	✓	Private							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO PE 01	Breakdown of investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership	🔒	n/a							✓
OO PR 01	Breakdown of investments	🔒	n/a							✓
OO PR 02	Breakdown of assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of investments	🔒	n/a							✓
OO INF 02	Breakdown of assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure	🔒	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 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	🔒	n/a							✓
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 14	Long term investment risks and opportunity	✓	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	Negative screening - overview and rationale	✓	Public	✓						
FI 06	Examples of ESG factors in screening process	✓	Private	✓						
FI 07	Screening - ensuring criteria are met	✓	Public	✓						
FI 08	Thematic investing - overview	✓	Private	✓						
FI 09	Thematic investing - themed bond processes	✓	Public	✓						
FI 10	Thematic investing - assessing impact	✓	Public	✓						
FI 11	Integration overview	✓	Public	✓						
FI 12	Integration - ESG information in investment processes	✓	Public	✓						
FI 13	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 14	ESG incorporation in passive funds	🔒	n/a	✓						
FI 15	Engagement overview and coverage	✓	Private		✓					
FI 16	Engagement method	✓	Private	✓	✓					
FI 17	Engagement policy disclosure	✓	Private	✓	✓					
FI 18	Financial/ESG performance	✓	Private							✓
FI 19	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Assurance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM1 01.1	Assurance, verification, or review	✓	Public							✓
CM1 01.2 & 01.8	Assurance of this year's PRI data	✓	Public							
CM1 01.3 & 01.9	Assurance of last year's PRI data	✓	Public							✓
CM1 01.4, 10-12	Other confidence building measures	✓	Public							✓
CM1 01.5	External assurance	🔒	n/a							✓
CM1 01.6	Assurance or internal audit	🔒	n/a							✓
CM1 01.7	Internal verification	✓	Public							✓
CM1 01 End	Module confirmation page	✓	-							

# Longfellow Investment Management Co., LLC

## 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

Fund management

% of assets under management (AUM) in ranges

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

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

% of assets under management (AUM) in ranges

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

Other, specify

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

- Execution and advisory services
- Hedge funds
- Fund of hedge funds

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

32

**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 04** Mandatory Public Gateway/Peering General

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

31/12/2017

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

	trillions	billions	millions	thousands	hundreds
Total AUM		11	123	704	132
Currency	USD				
Assets in USD		11	123	704	132

**OO 06** Mandatory Public Descriptive General

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

**OO 06.1** Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	>50%	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	<10%	0
Other (1), specify	<10%	0
Other (2), specify	0	0

'Other (1)' specified

Alternative strategy: Absolute Return Strategy

**OO 06.2** Publish asset class mix as per attached image [Optional].

### Asset class implementation gateway indicators

<b>OO 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
--------------	------------------	---------------	----------------	----------------

#### Fixed income SSA – 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 (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
-------	-----------	--------	---------	---------

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.

Cash

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

Other (1)

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

'Other (1)' [as defined in OO 05]

Alternative strategy: Absolute Return Strategy

OO 12	Mandatory	Public	Gateway	General
-------	-----------	--------	---------	---------

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 - Fixed Income

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

RI implementation via external managers

Closing module

- Closing module

**OO 12.2** Additional information. [Optional]

N/A

# Longfellow Investment Management Co., LLC

## Reported Information

### Public version

### Strategy and Governance

## 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.

## 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 type="checkbox"/> Asset class-specific RI guidelines <input checked="" type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<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

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 and related issues
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

<b>SG 01.4</b>	Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.
----------------	--

LIM operates under the following principles:

- Customize solutions tailored to our clients' needs
- Collaborate with clients to form responsive and rewarding relationships with direct access to the investment team
- Capitalize on a wider, diverse range of investment opportunities available to boutique managers
- Earn attractive, lower volatility returns consistently
- Engage employees in an environment that properly motivates and incentivizes the entire team

LIM's investment strategy is based on the premise that outperformance can be delivered consistently by focusing on the risks to a portfolio. Investors are best served by avoiding securities which significantly underperform and by reducing volatility through rigorous research and diversification. LIM's ESG integration approach enables our research team to identify and mitigate material risks often overlooked during traditional fundamental credit work. By incorporating analysis of ESG factors into our framework, we build a more complete and nuanced picture of an issuer's risk profile and more accurately price credit risk. This added scrutiny also helps us identify corporate trends and management progress in improving sustainability practices.

No

<b>SG 02</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 6</b>
--------------	------------------	---------------	----------------------	--------------

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

<b>SG 02.1</b>	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.longfellowim.com/solutions/process>

Attachment (will be made public)

Formalised guidelines on environmental factors

	URL/Attachment
--	----------------

URL

Attachment (will be made public)

Attachment

[File 1:LIM ESG White Paper Mar 2017.pdf](#)

- Formalised guidelines on social factors

URL/Attachment

- URL  
 Attachment (will be made public)

Attachment

[File 1:LIM ESG White Paper Mar 2017.pdf](#)

- Formalised guidelines on corporate governance factors

URL/Attachment

- URL  
 Attachment (will be made public)

Attachment

[File 1:LIM ESG White Paper Mar 2017.pdf](#)

- Sector specific RI guidelines  
 Screening / exclusions policy

URL/Attachment

- URL

URL

<https://longfellowim.com/product/customized-solutions>

- 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://longfellowim.com/sites/default/files/Responsible%20Investing%20in%20Fixed%20Income.pdf>

- Attachment
- 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

URL/Attachment

- URL

URL

<https://longfellowim.com/sites/default/files/Responsible%20Investing%20in%20Fixed%20Income.pdf>

- Attachment
- Active ownership approaches

URL/Attachment

- URL
- Attachment

File Attachment

[LIM ESG White Paper Mar 2017.pdf \[401KB\]](#)

- Reporting
- Climate-related issues
- We do not publicly disclose any investment policy components

<b>SG 02.3</b>	Indicate if your organisation's investment principles, and overall investment strategy is publicly available
----------------	--

- Yes

URL

<https://longfellowim.com/company/philosophy>

- No

<b>SG 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
--------------	------------------	---------------	----------------------	----------------



**SG 03.1**

Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

**SG 03.2**

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

Employees are bound by the firm's Code of Ethics. This includes duty to client, personal trading, and guidelines for honest and ethical conduct to avoid conflicts of interest. On an annual basis, each employee must review and sign their commitment to abide by the Code. Along with the Code of Ethics, LIM's trading policies are also designed to ensure fair treatment of all clients through the allocation of securities.

LIM's only source of revenue is investment management fees. Employees receive no performance incentives. All employee compensation is driven by the success of the firm, which is directly a result of the overall success and satisfaction of our clients.

No

## Objectives and strategies

**SG 05**

**Mandatory**

**Public**

**Gateway/Core Assessed**

**General**

**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

## Governance and human resources

**SG 07**

**Mandatory**

**Public**

**Core Assessed**

**General**

**SG 07.1**

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  
COO, CCO

- 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
- ESG portfolio manager
- 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
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

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

The lead members of our investment team are responsible for setting ESG policies and guidelines and must also ensure that the entire investment staff understands the risk-driven focus of ESG. This includes identifying material factors for each sector/security and determining the proper weighting for each factor.

Analysts then take these policies and incorporate them into their security level research. Tools and processes continue to be developed and enhanced to more effectively analyze and score on ESG. As a fixed income manager, we believe this risk evaluation can add value to our clients.

<b>SG 07.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
----------------	--

	Number
--	--------

1

## Promoting responsible investment

<b>SG 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
--------------	------------------	---------------	----------------------	----------------

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

**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

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- 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

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

Supported and participated in the organization's events.

- 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 Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify  
CFA Society of Boston

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]

Significant volunteer efforts by employees across the firm. In 2017, one of our employees attended the event "how are social issues influencing investment decisions?" and shared feedback with the firm. The same employee was nominated to the CFA Society Boston's sustainable investing committee and helped organize its 5th annual "Sustainable Investing Seminar" in 2017.

- 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  
Sustainability Accounting Standards Board (SASB)

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]

We have been involved with SASB for a number of years. One of our employees is a Fundamentals of Sustainability Accounting (FSA) Credential holder and a couple other employees have passed level one of the program. We provided feedback to the SASB on its standards for several industries in November 2017 during its Public Comment Period.

Other collaborative organisation/initiative, specify

Building A Sustainable Investment Community (BASIC)

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]

Supported and participated in organization events.

Other collaborative organisation/initiative, specify

CFA Institute Research Foundation

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]

Initiated action to draft a research brief on Sustainable Investing, expected to be published by the CFA Institute Research Foundation in 2018.

Other collaborative organisation/initiative, specify

<b>SG 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
--------------	------------------	---------------	----------------------	--------------

**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

As part of our employee benefits package, we cover the cost of materials and registration for the SASB FSA exam.

## 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  
 Spoke publicly at events and conferences to promote responsible investment  
 Wrote and published in-house research papers on responsible investment

## Description

We published a white paper titled "ESG Integration in Corporate Credit" in March 2017.

### 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

**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

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

**SG 13.1**

Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify

LIM does qualitative scenario analysis particularly for macro-stress situations. LIM also uses quantitative stress-tested models of regulatory authorities on client portfolio bank holdings.

- We do not execute such scenario analysis and/or modelling

**SG 13.2**

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

**SG 13.3**

Additional information. [OPTIONAL]

The vast majority of our holdings are fixed income and US dollar denominated.

**Asset class implementation not reported in other modules**

<b>SG 16</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
--------------	------------------	---------------	--------------------	----------------

<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Cash	Roughly four percent of firm assets are invested in an absolute return strategy. We vote proxies on M&A activity in a manner that we view to be in the best interest of our clients. The desired outcome of this process is for announced mergers to complete on the terms disclosed in the definitive merger agreement. Equity positions are held for 60-90 days on average.

**Communication**



SG 19	Mandatory	Public	Core Assessed	PRI 6
-------	-----------	--------	---------------	-------

**SG 19.1** Indicate whether your organisation proactively discloses asset class specific information. 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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

<b>Disclosure to public and URL</b>	
Disclosure to public and URL	<input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used
Frequency	<input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input checked="" type="checkbox"/> Ad hoc/when requested
URL	<a href="https://longfellowim.com/solutions/esg-integration">https://longfellowim.com/solutions/esg-integration</a>
URL	<a href="https://longfellowim.com/insights/responsible-investing-fixed-income-investor">https://longfellowim.com/insights/responsible-investing-fixed-income-investor</a>

In addition to our two public disclosures listed in SG 19.1, we discuss our screening process at the following URL (halfway down the page): <https://longfellowim.com/product/customized-solutions>

# Longfellow Investment Management Co., LLC

## Reported Information

Public version

Direct - Fixed Income

## PRI disclaimer

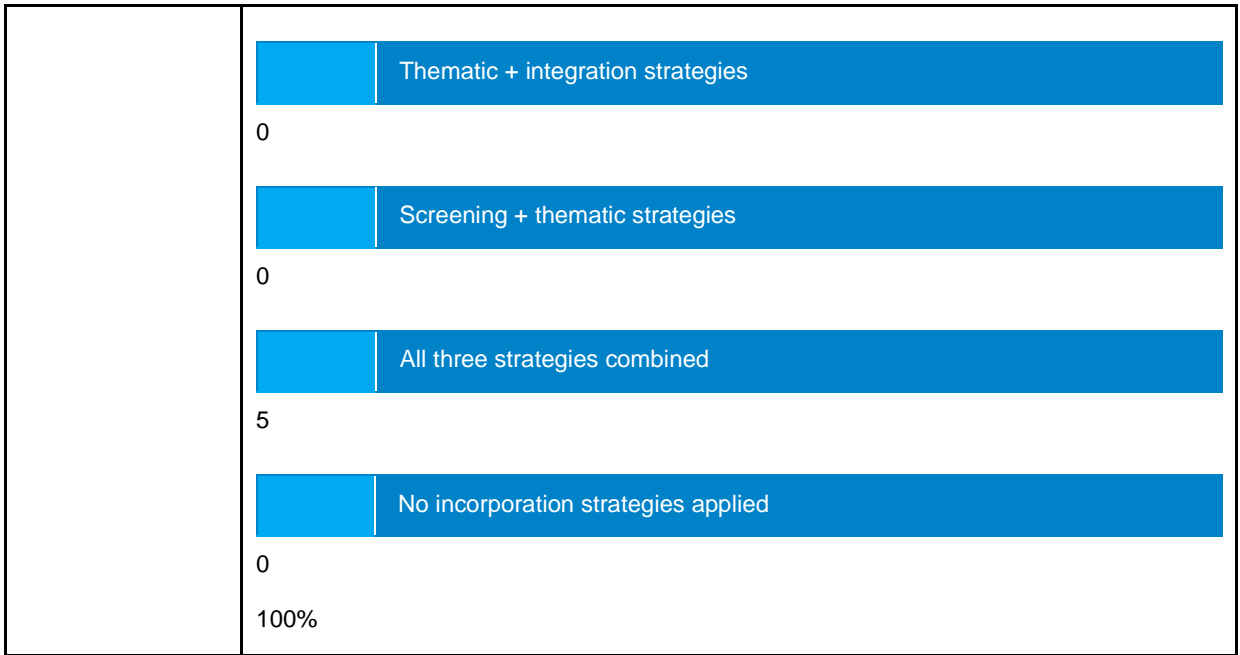
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information 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>10</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>15</td> </tr> <tr> <td>All three strategies combined</td> <td>5</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>70</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	10	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	15	All three strategies combined	5	No incorporation strategies applied	70
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	10																		
Screening + integration strategies	0																		
Thematic + integration strategies	0																		
Screening + thematic strategies	15																		
All three strategies combined	5																		
No incorporation strategies applied	70																		
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>95</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	95	Screening + integration strategies	0								
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	95																		
Screening + integration strategies	0																		



Corporate (non-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>95</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>5</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> <tr> <td><b>Total</b></td> <td><b>100%</b></td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	95	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	5	No incorporation strategies applied	0	<b>Total</b>	<b>100%</b>
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	95																				
Screening + integration strategies	0																				
Thematic + integration strategies	0																				
Screening + thematic strategies	0																				
All three strategies combined	5																				
No incorporation strategies applied	0																				
<b>Total</b>	<b>100%</b>																				
Securitized	<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>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	0	Screening + integration strategies	0										
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	0																				
Screening + integration strategies	0																				

	Thematic + integration strategies	0
	Screening + thematic strategies	5
	All three strategies combined	0
	No incorporation strategies applied	95
		100%

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

Screening and thematic strategies are client directed with a few firm-wide exceptions for ethical reasons. ESG integration is applied across corporate (financial and non-financial) and municipal holdings.

**FI 03** **Mandatory** **Public** **Additional Assessed** **PRI 1**

**FI 03.1** Indicate how you ensure that your ESG research process is robust:

- 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 of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- 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 a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' 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**

**FI 04** **Mandatory** **Public** **Gateway** **PRI 1**

**FI 04.1** Indicate the type of screening you conduct.

Select all that apply

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

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

Most of our screening is client directed. We accommodate our client's guidelines by applying a blend of negative, positive and norms-based screening techniques that draw from a set of ESG factors. Firm-wide, we restrict investment in certain industries and negative screen to remain compliant with this rule.

**FI 05** **Mandatory** **Public** **Descriptive** **PRI 1**

**FI 05.1** Indicate why you conduct negative screening.

**SSA**

**SSA**

- For legal reasons
- For non-legal reasons

### Corporate (financial)

Corporate (fin)

- For legal reasons
- For non-legal reasons

### Corporate (non-financial)

Corporate (non-fin)

- For legal reasons
- For non-legal reasons

### Securitised

Securitised

- For legal reasons
- For non-legal reasons

**FI 05.2** Describe your approach to ESG-based negative screening of issuers from your investable universe.

As previously discussed, restricted investment in certain issuers and industries (e.g. Tobacco sales, Weapons of Mass Destruction) is client directed and we apply negative screens to remain compliant with their respective guidelines.

Firm-wide, we avoid investment in certain industries on a discretionary basis (e.g. Tobacco producers, Adult Entertainment).

FI 07	Mandatory	Public	Core Assessed	PRI 1
FI 07.1	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"/> Checks are 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 every 2 years. <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 checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly 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"/> Checks are 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 every 2 years. <input 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 regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
<b>Norms-based screening</b>	<input checked="" type="checkbox"/> Checks are 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 every 2 years. <input 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 regularly by internal audit or compliance functions <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above

**(B) Implementation: Thematic**

FI 09	Mandatory	Public	Core Assessed	PRI 1
-------	-----------	--------	---------------	-------

<b>FI 09.1</b>	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..
----------------	--

- We require that themed bond proceeds are only allocated to environmentally or socially beneficial projects
- We require the issuer (or 3rd party assurer) to demonstrate a process which determines the eligibility of projects to which themed bond proceeds are allocated
- We require issuers to demonstrate a systematic and transparent process of disbursing themed bond proceeds to eligible projects until all funds are allocated
- We require issuers to report at least once per year on the projects to which proceeds have been allocated including a description of those projects
- Other, specify
- None of the above

<b>FI 09.2</b>	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
----------------	--

We ensure the offering documents of prospective investments explicitly state what the proceeds may be used for. If such language exists and the proceeds are used for another purpose, this could constitute a legal case of misguiding the consumer using false information.

<b>FI 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------------	--------------

<b>FI 10.1</b>	Indicate how you assess the environmental or social impact of your thematic investments
----------------	---

- We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- We ensure independent audits are conducted on the environmental or social impact of our investments
- We have a proprietary system to measure environmental and social impact
- We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- Other, specify
- None of the above

### (C) Implementation: Integration

<b>FI 11</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
--------------	------------------	---------------	--------------------	--------------

<b>FI 11.1</b>	Describe your approach to integrating ESG into traditional financial analysis.
----------------	--

All our investments are subject to a thorough assessment of environmental, social, and governance characteristics as part of our normal credit research process. While our assessment always includes qualitative indicators, the emphasis on quantitative indicators varies by sector. This integration is driven by our view that ESG factors can have material long-term financial impact, including but not limited to profitability, cost of capital, access to funding, and competitiveness.

However, unless client directed, we do not make investment decisions based solely on ESG. Rather, ESG is one piece of the investment analysis in addition to fundamental, industry, technical, and relative valuation considerations.

## SSA

We invest solely in domestic USD dollar denominated SSAs (government-related securities). For SSAs, ESG is integrated into our analysis of each project and program. However, we don't generate ESG scores for SSAs due to a lack of consistent and comparable data.

**Local Authorities (Municipals):** In the municipal sector, we integrate ESG via factor and theme in our analysis of revenue and general obligation bonds. We focus on four key factors across all our municipal investments: use of bond proceeds, infrastructure quality, pension/OPEB contributions and governance. For clients with ESG/SRI specific considerations, we may invest in municipal bonds whose use of proceeds align with a desired impact or theme. For example, a revenue bond issued by a school district may be an attractive investment for a client who seeks to promote education.

**Agencies:** In the agency sector, we integrate ESG via theme in our analysis of Federal Agency bonds. For clients with ESG/SRI specific considerations, we may invest in the bonds of a Federal Agency who supports a cause aligning with a desired impact or theme. For example, a bond issued by the Small Business Administration (SBA) may be an attractive investment for a client who seeks to promote local businesses.

**Treasuries:** We use U.S. Treasuries for duration and liquidity management. Political risk and economic effectiveness are key factors in our overall sovereign risk analysis.

## Corporate (financial)

For corporates, ESG is integrated into our analysis of each company and industry. We focus on of industry-specific ESG factors that we believe are material to creditworthiness and reference the SASB standards and UN PRI to establish materiality. We place a greater emphasis on factors tied to governance, capital and business practices for financial corporates.

We use these factors to score companies on their performance, using three years of historical data. When scoring a company, we evaluate 1) year-over-year changes in performance, 2) performance relative to peers, and 3) the level of public disclosure. This helps us identify areas of weakness (risks) and strengths and their possible financial implications.

The ESG scores and relevant takeaways are summarized on tear sheets that our analysts write for each company on an annual or more frequent basis. Our analysts also discuss takeaways in credit presentations and morning meetings.

While lower ESG scoring companies are not excluded from portfolios, analysts must feel comfortable that valuations appropriately compensate investors for these risks before an investment is made.

## Corporate (non-financial)

For corporates, ESG is integrated into our analysis of each company and industry. We focus on of industry-specific ESG factors that we believe are material to creditworthiness and reference the SASB standards and UN PRI to establish materiality.

We use these factors to score companies on their performance, using three years of historical data. When scoring a company, we evaluate 1) year-over-year changes in performance, 2) performance relative to peers, and 3) the level of public disclosure. This helps us identify areas of weakness (risks) and strengths and their possible financial implications.

The ESG scores and relevant takeaways are summarized on tear sheets that our analysts write for each company on an annual or more frequent basis. Our analysts also discuss takeaways in credit presentations and morning meetings.

While lower ESG scoring companies are not excluded from portfolios, analysts must feel comfortable that valuations appropriately compensate investors for these risks before an investment is made.

FI 12	Mandatory	Public	Core Assessed	PRI 1
-------	-----------	--------	---------------	-------

**FI 12.1** Indicate how ESG information is typically used as part of your investment process.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

**FI 12.2** Additional information [OPTIONAL]

The above applies when material ESG information is made available to us, either publicly or through engagement.

FI 13	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

**FI 13.1** Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance
SSA	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Social <input type="radio"/> Systematically <input checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input checked="" 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 checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Social <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input type="radio"/> Social <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

**FI 13.2** Please provide more detail on how you review E, S and G factors in your integration process.

**SSA**

Within SSAs, our integration of ESG factors is primarily concentrated to the municipal (local authority) sector as we take more of a thematic approach in the agency sector. We focus on four key factors across all our municipal investments: use of bond proceeds, infrastructure quality, pension/OPEB contributions and governance. We may add to these factors or vary the weighting placed on each as long-term structural shifts occur. For example, the gradual rise of acute weather-related events has similarly increased the risk of issuer proximity to flood-prone and coastal areas and the emphasis our analysts place on this environmental factor.

**Corporate (financial)**

Within corporates, the ESG factors we integrate vary by industry. In financials, we place a greater emphasis on social and governance factors. We review these factors annually, considering any updates to the SASB standards and evaluating the appropriateness of any newly reported metrics. For instance, U.S. companies began reporting CEO-to-median workers' pay in 2016 and we are currently evaluating if this is an appropriate metric to include in our analysis of financial and non-financial corporates.

**Corporate (non-financial)**

Within corporates, the ESG factors we integrate vary by industry. In non-financials, we place a greater emphasis on environmental factors. We review these factors annually, considering any updates to the SASB standards and evaluating the appropriateness of any newly reported metrics. For instance, U.S. companies began reporting CEO-to-median workers' pay in 2016 and we are currently evaluating if this is an appropriate metric to include in our analysis of financial and non-financial corporates.

# Longfellow Investment Management Co., LLC

## Reported Information

### Public version

### Assurance

## 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.



## Assurance

CM1 01.1	Mandatory	Public	Core Assessed	General
----------	-----------	--------	---------------	---------

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

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 implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or 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 01.2 & 01.8	Mandatory	Public	Descriptive	
-----------------	-----------	--------	-------------	--

CM1 01.2	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 01.3 & 01.9	Mandatory	Public	Descriptive	General
-----------------	-----------	--------	-------------	---------

CM1 01.3	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, or we did not have such a report last year.

CM1 01.4, 10-12	Mandatory	Public	Descriptive	General
-----------------	-----------	--------	-------------	---------

**CM1 01.4**

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 01.7**

**Mandatory**

**Public**

**Descriptive**

**General**

**CM1 01.7**

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

Sign-off or review of responses

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

**CM1 01.13**

Additional information for all confidence building measures [OPTIONAL]

We have records on file for all data contained in our report.