



LEA 02	Disclosures	Monetary	Gateway	Principle: PRI 1, 2, 3
<p>By providing investors the ability to view and compare the ESG data for all the companies in their portfolio, investors can make more informed decisions on whether to invest in or divest from a company. This is particularly important for companies that are in high-risk industries or that have a high carbon footprint.</p> <p>The data is presented in a clear and concise manner, allowing investors to quickly identify areas of concern and take action where necessary. This is a key element of responsible investment and helps to ensure that investors are able to make decisions that are in line with their values and objectives.</p>	<p>LEA 02</p>	<p>Monetary</p>	<p>Gateway</p>	<p>Principle: PRI 1, 2, 3</p>
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making (e.g. company research, ESG issues)</p> <p><input checked="" type="checkbox"/> To enhance corporate practice (e.g. identify the need for additional or improved ESG disclosure)</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage: no internal staff</p> <p><input type="checkbox"/> To support investment decision-making (e.g. company research, ESG issues)</p> <p><input type="checkbox"/> To enhance corporate practice (e.g. identify the need for additional or improved ESG disclosure)</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage: no collaborative engagements</p> <p><input type="checkbox"/> To support investment decision-making (e.g. company research, ESG issues)</p> <p><input type="checkbox"/> To enhance corporate practice (e.g. identify the need for additional or improved ESG disclosure)</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage: no service providers</p>			

# RI TRANSPARENCY REPORT

## 2020

Hwabao WP Fund Management Co., Ltd

## 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	-	n/a							✓
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	-	n/a				✓	✓	✓	
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	🔒	n/a							✓
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 - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	-	n/a	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	✓	Private	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

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



# Hwabao WP Fund Management Co., Ltd

## 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 type="radio"/> 0% <input checked="" 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 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

China

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

280

**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.

31/12/2019

**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		161	000	000	000
Currency	CNY				
Assets in USD		22	862	413	829

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 06.1	Select how you would like to disclose your asset class mix.
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- as percentage breakdown
- as broad ranges

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

**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	5
Emerging Markets	95
Frontier Markets	0
Other Markets	0
Total 100%	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.

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.

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)

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

59.6

Active - quantitative (quant)

1.6

Active - fundamental and active - other

38.8

Total

100%

OO FI 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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**OO FI 01.1** Provide a breakdown of your internally managed fixed income securities by active and passive strategies



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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.

SSA	Developed markets	0
	Emerging markets	100
	Total	100%

**OO FI 03.2** Indicate the approximate (+/- 5%) breakdown of your corporate and securitised 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 type="radio"/> <10% <input checked="" 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 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.

# Hwabao WP Fund Management Co., Ltd

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### 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 type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <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"/> Engagement policy <input type="checkbox"/> (Proxy) voting 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
- 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.

Our investment philosophy is to invest in those companies with long term growth and competitive advantage. And we believe that ESG could provide us a more comprehensive dimensions other than the fundamental analysis while we make investment decision. Therefore, in order to implement responsible investment, our fund is dedicated to screen out those companies with good performance on ESG performance. We started with the environmental factor first and in order to achieve this, we have formed a 'green' screening criteria including the industry's features, the company's main business and so on. This will help us to gather the listed companies' information to construct an ESG database of our own. After that, the portfolio manager could construct portfolio and make any adjustment based on that database.

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
- Formalised guidelines on environmental factors

URL/Attachment

- URL

URL

<http://www.fsfund.com/data/20191129/%E5%8D%8E%E5%AE%9D%E7%BB%BF%E8%89%B2%E9%A2%86%E5%85%88%E8%82%A1%E7%A5%A8%E5%9E%8B%E8%AF%81%E5%88%B8%E6%8A%95%E8%B5%84%E5%9F%BA%E9%87%91%E6%8B%9B%E5%8B%9F%E8%AF%B4%E6%98%8E%E4%B9%A6%EF%BC%88%E6%9B%B4%E6%96%B0%EF%BC%89.pdf>

- Attachment (will be made public)
- Sector specific RI guidelines
- Screening / exclusions policy
- 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
- Your investment objectives that take ESG factors/real economy influence into account
- ESG incorporation approaches

URL/Attachment

- URL

URL

<http://www.fsfund.com/data/20191129/%E5%8D%8E%E5%AE%9D%E7%BB%BF%E8%89%B2%E9%A2%86%E5%85%88%E8%82%A1%E7%A5%A8%E5%9E%8B%E8%AF%81%E5%88%B8%E6%8A%95%E8%B5%84%E5%9F%BA%E9%87%91%E6%8B%9B%E5%8B%9F%E8%AF%B4%E6%98%8E%E4%B9%A6%EF%BC%88%E6%9B%B4%E6%96%B0%EF%BC%89.pdf>

- Attachment
- We do not publicly disclose any investment policy components

<b>SG 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
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**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.

Our company is based on various systems and specifications, supplemented by the audit, to ensure the independence and isolation of the investment management of various assets from different perspectives. In terms of the organizational structure and the post setting, the assets of all managed accounts are kept separately in custodian banks and the mutual fund managers and mandate accounts managers are not allowed to serve each other concurrently. At the same time, our company implements the "centralized trading room" mechanism, and the trading department and investment department belong respectively to the back and front office and independent of each other; all company's departments implement functional isolation and physical isolation. Moreover, we strictly manage and supervise the transaction fairness and conflicts of interest and related transactions by executing relevant systems and processes and regularly evaluating relevant risks. The specific transaction fairness and abnormal transactions control are divided into pre transaction execution part and post independent supervision step.

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 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
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

**SG 07.3**

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

Number

5

**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
  
- 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+

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

- Basic
  - Moderate
  - Advanced
- 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  
Asset Management Association of China

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

- Basic
  - Moderate
  - Advanced
- Other collaborative organisation/initiative, specify  
LUJIAZUI Financial City

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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Green Finance of China

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

- Basic
- Moderate
- Advanced

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

We have provided both internal and external education of responsible investment to our clients and staffs through roadshow, internet marketing and internal training. Moreover, we have supported PRI to provide some case studies about ESG integration in China.

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

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

We have allocated some fund to support the ESG team on industry research and relationship between ESG and financial performance.

	Frequency of contribution
--	---------------------------

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

<b>Outsourcing to fiduciary managers and investment consultants</b>				
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<b>SG 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 12.1</b>	Indicate whether your organisation uses investment consultants.
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- Yes, we use investment consultants
- No, we do not use investment consultants.

<b>ESG issues in asset allocation</b>				
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<b>SG 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**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

Describe

We are under the progress of implementing scenario analysis for different industries. For example, we have run through an analysis on how the environmental impact would affect the PCB industry's landscape and we found out the more stricted enviromental regulatory enviroment would benefit the leading companies.

Yes, in order to assess future climate-related risks and opportunities

No, our organisation does not currently carry out 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

## Communication

**SG 19**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2, 6**

**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.

Listed equity - Incorporation

Do you disclose?

We do not proactively disclose it to the public and/or clients/beneficiaries

We disclose to clients/beneficiaries only.

We disclose it publicly

The information disclosed to clients/beneficiaries is the same

Yes

No

<b>Disclosure to public and URL</b>	
<b>Disclosure to public and URL</b>	
<input type="radio"/> Broad approach to ESG incorporation	
<input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used	
<b>Frequency</b>	
<input checked="" type="checkbox"/> Quarterly or more frequently	
<input type="checkbox"/> Biannually	
<input type="checkbox"/> Annually	
<input type="checkbox"/> Less frequently than annually	
<input type="checkbox"/> Ad-hoc/when requested	
<b>URL</b>	
<a href="http://www.fsfund.com/data/20190928/1/%E5%8D%8E%E5%AE%9D%E7%BB%BF%E8%89%B2%E4%B8%BB%E9%A2%98%E6%B7%B7%E5%90%88%E5%9E%8B%E8%AF%81%E5%88%B8%E6%8A%95%E8%B5%84%E5%9F%BA%E9%87%912019%E5%B9%B4%E5%8D%8A%E5%B9%B4%E5%BA%A6%E6%8A%A5%E5%91%8A.pdf">http://www.fsfund.com/data/20190928/1/%E5%8D%8E%E5%AE%9D%E7%BB%BF%E8%89%B2%E4%B8%BB%E9%A2%98%E6%B7%B7%E5%90%88%E5%9E%8B%E8%AF%81%E5%88%B8%E6%8A%95%E8%B5%84%E5%9F%BA%E9%87%912019%E5%B9%B4%E5%8D%8A%E5%B9%B4%E5%BA%A6%E6%8A%A5%E5%91%8A.pdf</a>	

Listed equity - Engagement

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

Listed equity – (Proxy) Voting

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

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

Hwabao WP Fund Management Co., Ltd

Reported Information

Public version

Direct - Listed Equity Incorporation

## PRI disclaimer

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## ESG incorporation in actively managed listed equities

### Implementation processes


LEI 01	Mandatory	Public	Gateway	PRI 1
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**LEI 01.1**


Indicate which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities; and the breakdown of your actively managed listed equities by strategy or combination of strategies.

#### ESG incorporation strategy (select all that apply)

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

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 90
---	--

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

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 10
---	--

- We do not apply incorporation strategies

Total actively managed listed equities

100%

**LEI 01.2**

Describe your organisation's approach to ESG incorporation and the reasons for choosing the particular strategy/strategies.

For some specific ESG fund products, we are using a combination strategy including screening, thematic and integration. We have issued three green thematic funds and these funds are dedicated to invest in those companies with good "green" performance. In terms of good "green" performance, it indicates those companies whose main business could either reduce the pollution, remedy the environment or promote the environment protection. After screening out those companies, we will form a green theme stock pool and the portfolio manager will select stocks from this pool to construct their portfolio. After the investment decisions are made, a negative screening will be conducted regularly. And if a negative incident happened to a listed company, we will judge the seriousness of the influence and make a decision to lower the weight or even reject the firm from the pool. And for the other funds, we are using screening only to monitor the negative incidents.

Therefore, the ESG incorporation strategy we implement includes screening, thematic and integration. We believe the strategy could assist us to screen out those companies with long term competitive advantages and sustainability. And it could also help us to reduce the risk of black swan event.

## (A) Implementation: Screening

**LEI 04****Mandatory****Public****Descriptive****PRI 1****LEI 04.1**

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

**Type of screening**

- Negative/exclusionary screening

**Screened by**

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

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

One of the main screening types we use is negative screening. This screening method is used for all our active managed mutual funds and will be implemented before and after the investment decision is made. While analyzing a company, the past negative news would be investigated since we don't want to invest in those companies that are at high risk. And after an investment decision is made, the post monitoring process will be followed as a weekly task. If any negative incidents happened to the company, the analyst would analyze the influence and make some prejudgments. If we consider it as a very serious problem and would cause a significant impact, the stock would be removed.

- Positive/best-in-class screening
- Norms-based screening

**LEI 04.2**

Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.

All of the criteria would be published on our official website. If there are any changes to the criteria, the alternation would be also published on the website.

**LEI 05****Mandatory****Public****Core Assessed****PRI 1****LEI 05.1**

Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- Trading platforms blocking / restricting flagged securities on the black list.
- A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- A periodic review of internal research is carried out.
- Review and evaluation of external research providers.
- Other; specify
- None of the above

**LEI 05.2**

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

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

**LEI 05.3**

Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 05.4**

Indicate how frequently you review internal research that builds your ESG screens.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

## (B) Implementation: Thematic

LEI 07	Mandatory	Public	Descriptive	PRI 1
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**LEI 07.1** Indicate the type of sustainability thematic funds or mandates your organisation manages.

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

## (C) Implementation: Integration of ESG factors

LEI 08	Mandatory	Public	Core Assessed	PRI 1
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**LEI 08.1** Indicate the proportion of actively managed listed equity portfolios where E, S and G factors are systematically researched as part of your investment analysis.

ESG issues	Proportion impacted by analysis
Environmental	 Environmental <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90%
Social	 Social <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90%
Corporate Governance	 Corporate Governance <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%

LEI 09	Mandatory	Public	Core Assessed	PRI 1
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**LEI 09.1** Indicate which processes your organisation uses to ensure ESG integration is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other; specify
- None of the above

**LEI 09.2** Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

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

**LEI 09.3** Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 09.4** Indicate how frequently you review internal research that builds your ESG integration strategy.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 09.5**

Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- Other; specify
- None of the above

Hwabao WP Fund Management Co., Ltd

Reported Information

Public version

Direct - Listed Equity Active Ownership

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## Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 01.1	Indicate whether your organisation has an active ownership policy (includes engagement and/or voting).
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- Yes  
 No

LEA 01.4	Do you outsource any of your active ownership activities to service providers?
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- Yes  
 No

## Engagement

LEA 02	Mandatory	Public	Core Assessed	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
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Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via service providers



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

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

LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagements.
----------	---

- Yes
- No

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

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

LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
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Individual / Internal staff engagements	<input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff
Collaborative engagements	<input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration

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

LEA 05.1	Indicate whether you monitor and/or review engagement outcomes.
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Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our internal staff.
Collaborative engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration.

**LEA 05.2**

Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

Individual / Internal staff engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify
Collaborative engagements	<input checked="" type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on a continuous basis <input type="checkbox"/> Other; specify

<b>LEA 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 2,4</b>
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**LEA 06.1**

Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

Yes

**LEA 06.2**

Indicate the escalation strategies used at your organisation following unsuccessful engagements.

- Collaborating with other investors
- Issuing a public statement
- Filing/submitting a shareholder resolution
- Voting against the re-election of the relevant directors
- Voting against the board of directors or the annual financial report
- Submitting nominations for election to the board
- Seeking legal remedy / litigation
- Reducing exposure (size of holdings)
- Divestment
- Other; specify

No

<b>LEA 08</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 2</b>
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**LEA 08.1**

Indicate whether you track the number of your engagement activities.

Type of engagement	Tracking engagements
<b>Individual/Internal staff engagements</b>	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
<b>Collaborative engagements</b>	<input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track

### (Proxy) voting and shareholder resolutions

<b>LEA 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2</b>
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**LEA 12.1** Indicate how you typically make your (proxy) voting decisions.

#### Approach

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

#### Based on

- Our own voting policy
- Our clients` requests or policies
- Other (explain)

We do not have specific voting policy.

- We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.
- We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- We hire service providers who make voting decisions on our behalf.

<b>LEA 15</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2</b>
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**LEA 15.1** Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

<b>LEA 16</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 16.1</b>	Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.
-----------------	---

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers did not abstain or vote against management recommendations

<b>LEA 17</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 17.1</b>	For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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- We do track or collect this information
- We do not track or collect this information

<b>LEA 17.2</b>	Explain your reason(s) for not voting on certain holdings
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- Shares were blocked
- Notice, ballots or materials not received on time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other (explain)

<b>LEA 19</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 19.1</b>	Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.
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- Yes
- No

# Hwabao WP Fund Management Co., Ltd

## Reported Information

Public version

Direct - Fixed Income

## PRI disclaimer

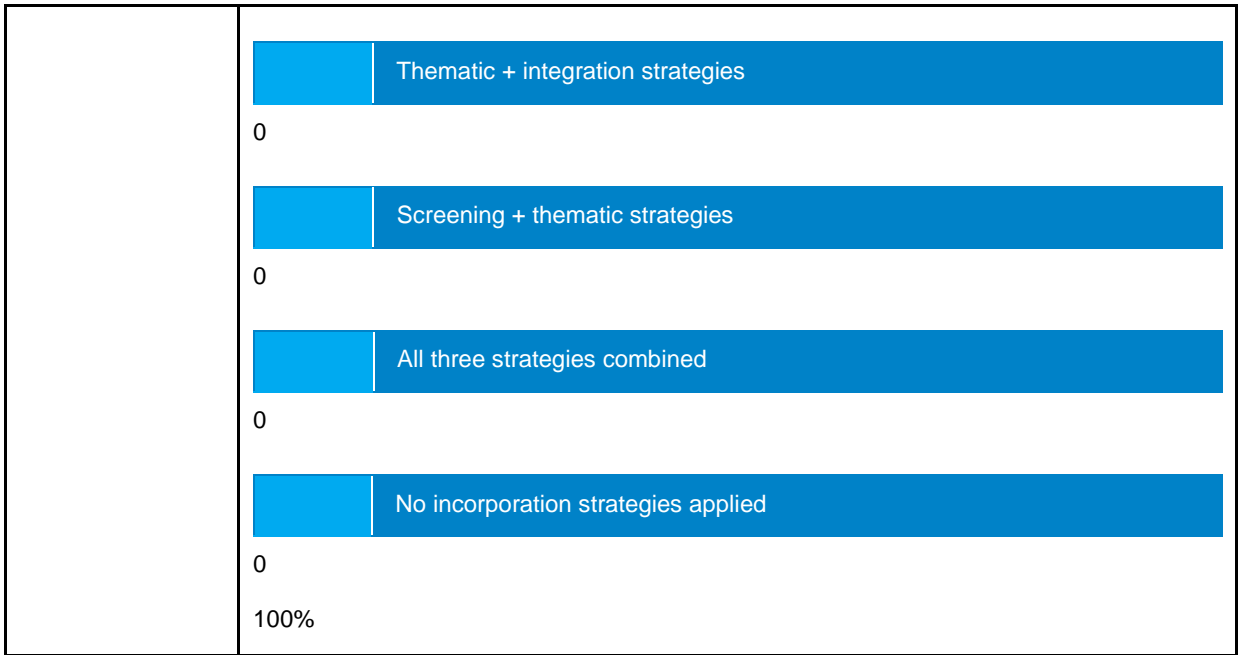
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information 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>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>100</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	0	Screening + integration strategies	100	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	0																		
Screening + integration strategies	100																		
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>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>100</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	0	Screening + integration strategies	100								
Strategy	Percentage																		
Screening alone	0																		
Thematic alone	0																		
Integration alone	0																		
Screening + integration strategies	100																		





Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	100
	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.

Integration strategy can take ESG factors into consideration in the existing credit rating framework of bond issuers, which is conducive to the establishment of a unified credit risk assessment system, rather than separate evaluation of traditional credit risk and ESG risk.

Negative/ exclusionary screening is more suitable for the centralized screening of the same type of risks, which are usually sudden, dynamic, and concentrated in a certain type of issuer. For example, credit risks of private enterprises increase when risk appetite declines, issuers in heavily polluted areas face more severe operating pressure when environmental regulation is strengthened, and small financial enterprises face higher liquidity risks when financial market risks occur. Negative/ exclusionary screening help to compare the risk levels of different issuers facing the same problem and to adjust the list of evasive targets according to the change in risk level.

In general, integration strategy establishes a unified and relatively stable risk assessment system, and screening strategy has faster ability and flexibility to deal with sudden risks.

FI 03	Mandatory	Public	Additional Assessed	PRI 1
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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**

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

Select all that apply

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

<b>FI 04.2</b>	Describe your approach to screening for internally managed active fixed income
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When a certain type of risk occurs in the market or a certain type of risk is expected to rise, we will analyze the impact of such risk on the debt solvency of the issuer and bond price. On this basis, we establish quantifiable indicators which have high correlation with such risks, and set a series of thresholds. When the indicators over the threshold, we believe that the issuer's debt repayment risk is high, or the bond price will fluctuate.

The criteria are normally reviewed annually, but when unexpected risks arise in the market, screening criteria will be temporarily added and the frequency of review will increase.

<b>FI 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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<b>FI 06.1</b>	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
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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 checked="" 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>(C) Implementation: Integration</b>				
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<b>FI 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>FI 10.1</b>	Describe your approach to integrating ESG into traditional financial analysis.
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We believe that ESG factors has a certain correlation with the performance of financial indicators of enterprises .On the basis of traditional internal credit rating framework, the influence of ESG factors on credit risk is identified and evaluated.

For industrial enterprises, ESG factors will directly or indirectly affect production costs. Enterprises with advantages of energy conservation and safe production will show higher gross profit rate and relatively healthy cash flow performance through higher production efficiency and lower cost and loss.We can get more reliable conclusions by combining ESG performance with corporate financial indicators.

Corporate governance factors (such as the management change, affiliate transaction, guaranty, etc.) will bring new potential contingent liabilities and negative effect to the financial sustainability. We incorporate these factors into our financial analysis, especially in the study of accounting accounts that may be prone to sugar-coating, and lower the credit scores for companies that are exposed to this risk.

<b>FI 10.2</b>	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
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SSA

We focus on ESG factors: for example, local government debt ratio, growth momentum, industrial structure (whether high pollution, overcapacity), government governance efficiency, population structure, per capita disposable income, social welfare , environmental protection, mutual insurance of regional enterprises, etc.

Corporate (financial)

Key ESG factors: enterprise nature (whether listed or state-owned), equity structure, corporate governance, affiliate transaction, business strategy, management stability, risk management level, employee compensation and benefits, government support, inclusive finance, green credit, etc.

Corporate (non-financial)

Key ESG factors:enterprise nature (whether listed or state-owned), actual control, corporate governance, affiliate transaction, external guarantee, industrial policy, energy consumption, waste emission, employee compensation and welfare, and negative news, etc.

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)	
ESG analysis is integrated into fundamental analysis	<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"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	<input 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"/>	
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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input 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"/>	
ESG analysis is integrated into portfolio weighting decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify in Additional Information	<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 checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" 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 checked="" 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 (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input checked="" type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" 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

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

**SSA**

We incorporate ESG factors into a traditional credit analysis framework. For SSA investment, we focus on ESG factors: for example, local government debt ratio, growth momentum, industrial structure, government governance efficiency, population structure, per capita disposable income, social welfare security, environmental protection, etc. Governance, the most important of the three, is directly linked to the government's ability and repayment willingness.

**Corporate (financial)**

Corporate governance is still the most important aspect. In addition, financial institutions also play an important role in assuming social responsibilities (e.g., inclusive finance, green finance, financial stability, etc.).

Key ESG factors: for example, enterprise nature (whether listed or state-owned), equity structure, corporate governance, affiliate transaction, business strategy, management stability, risk management level, employee compensation and benefits, government support, inclusive finance, green credit, etc.

**Corporate (non-financial)**

In the study of industrial and commercial enterprises, we focus on: for example, enterprise nature (whether listed or state-owned), actual control, corporate governance, affiliate transaction, external guarantee, industrial policy, energy consumption, waste emission, employee compensation and welfare, and negative news, etc

We still take the level of corporate governance as an important factor to consider, while for private enterprises, the actual controller of the enterprise often plays a key role in the development of enterprises.

# Hwabao WP Fund Management Co., Ltd

## Reported Information

### Public version

### Confidence building measures

## PRI disclaimer

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## 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
- 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)