



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decision-making in a company relevant ESG issues <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to take action on <input checked="" type="checkbox"/> To engage internal ESG advisors <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 		
Collaborative engagements	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decision-making in a company relevant ESG issues <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to take action on <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements 		
Service provider engagements	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decision-making in a company relevant ESG issues <input checked="" type="checkbox"/> To enhance corporate practice for identifying the need to take action on <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider 		

RI TRANSPARENCY REPORT

2019

Nomura Corporate Research and Asset Management Inc.

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 2019 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	✓	Public							✓
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	🔒	n/a							✓
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	🔒	n/a							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
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	-	n/a							✓
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	✓	Public	✓						
SG 14 CC		🔒	n/a							✓
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	✓	Public	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	🔒	n/a	✓						
FI 05	Examples of ESG factors in screening process	🔒	n/a	✓						
FI 06	Screening - ensuring criteria are met	🔒	n/a	✓						
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	✓	Public		✓					
FI 15	Engagement method	✓	Public	✓	✓					
FI 16	Engagement policy disclosure	✓	Public	✓	✓					
FI 17	Financial/ESG performance	✓	Public							✓
FI 18	Examples - ESG incorporation or engagement	-	n/a	✓	✓					
FI End	Module confirmation page	✓	-							

Nomura Corporate Research and Asset Management Inc.

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01	Mandatory	Public	Gateway/Peering	General
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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 type="radio"/> <10% <input checked="" 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
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OO 02.1 Select the location of your organisation's headquarters.

United States

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

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

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

38

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.

31/12/2018

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		23	626	621	815
Currency	USD				
Assets in USD		23	626	621	815

Not applicable as we are in the fund-raising process

OO 04.4 Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

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

OO 06 **Mandatory** **Public** **Descriptive** **General**

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

- as percentage breakdown
- 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
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	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 07

Mandatory to Report Voluntary to Disclose

Public

Gateway

General

OO 07.1

Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

Internally managed	SSA	0
	Corporate (financial)	8.5
	Corporate (non-financial)	91.5
	Securitised	0
	Total	100%

OO 09

Mandatory

Public

Peering

General

OO 09.1

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

Developed Markets	99
Emerging Markets	1
Frontier Markets	0
Other Markets	0
Total 100%	100%

Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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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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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.

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 - Fixed Income

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

RI implementation via external managers

Closing module

Peering questions

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

Type	Passive	Active - quantitative	Active - fundamental & others	Total internally managed fixed income security
Corporate (financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

OO FI 03	Mandatory	Public	Descriptive	General
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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 03.2 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 type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	100%

Nomura Corporate Research and Asset Management Inc.

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input 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 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 checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

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

SG 01.4

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

NCRAM believes that consideration of sustainability is congruent with our Strong Horse investment philosophy. ESG analysis helps us to invest in stronger companies, identify improving credits, and avoid defaults.

We consider ESG issues to be important factors when analyzing a company's sustainability and investment prospects, and the study of these issues is incorporated into our investment process. We will consider a company's record in how they treat the environment, how they treat their employees, how they treat the communities in which they operate, and their impact on their customers. We consider climate change and carbon emissions as part of our environmental risk analysis, and we incorporate a company's environmental record into our assessment of the issuer. In addition, we will consider their track record in behaving fairly towards bondholders and other investors. To augment our internal research, NCRAM has engaged Sustainalytics to provide external research on ESG factors. NCRAM also has frequent meetings and dialogue with debt issuers, and our analysts and portfolio managers will discuss ESG factors with issuers at those forums.

SG 01.5

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

NCRAM ESG Policy

Nomura Corporate Research and Asset Management Inc. (NCRAM) has a strong commitment to responsible and sustainable practices in investing client assets entrusted to us. With regard to client investing, we believe that consideration of sustainability is congruent with our Strong Horse investment philosophy. We incorporate Environmental, Social and Governance (ESG) factors when analyzing an issuer's sustainability and investment prospects. As we evaluate an investment opportunity, we consider whether the company acts in a sustainable way with regard to the environment and with regard to their employees and other constituents. We also weigh their corporate governance with regard to how they treat shareholders and how they treat bondholders. We engage with issuers when we have ESG concerns. We believe that this helps us to invest in stronger companies and improving credits.

NCRAM became a signatory to the United Nations Principles for Responsible Investment (UN PRI) in 2013. NCRAM launched an ESG Global High Yield Strategy in 2018.

Key elements of NCRAM's ESG process include:

NCRAM has established an ESG Committee consisting of both investment and non-investment personnel, with the NCRAM CIO acting as the Committee Chairman. Committee members interface with industry groups such as UN PRI as well as other Nomura Asset Management companies to discuss industry developments and best practices for implementation of ESG analysis in investing. The ESG Committee also reflects findings back to the broader investment team.

ESG training, led by the CIO and the ESG Committee, is provided to all investment personnel on an annual basis.

NCRAM research includes a summary of an issuer's strengths and risks with regard to ESG factors in new-issue or other introductory credit reports. Analysis of ESG factors is based on both direct communication with the issuer as well as secondary sources.

NCRAM has engaged Sustainalytics to provide external research on ESG factors.

Analysts and Portfolio Managers (PMs) consider ESG factors in their credit analysis and assess whether the ESG strengths and risks are priced into market yields and spreads.

NCRAM offers its separate account clients the ability to customize portfolios based on exclusion lists and other ESG factors, and offers an ESG Global High Yield strategy.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02	Mandatory	Public	Core Assessed	PRI 6
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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
- 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
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Understanding and incorporating client / beneficiary sustainability preferences
- We do not publicly disclose any investment policy components

SG 02.3 Additional information [Optional].

NCRAM is glad to provide a copy of our ESG policy to clients and prospects, on request.

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

Yes

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

NCRAM's employees are bound by a strict Code of Ethics. This Code of Ethics is intended to address three fundamental principles that must guide the personal investment activities of the directors, officers and employees of the firm in light of their fiduciary duties: place the interests of our clients first; avoid taking inappropriate advantage of position; and personal investing must avoid even the appearance of a conflict.

The Code of Ethics provides principles of conduct on matters that relate to ethical business standards including, but not limited to, conflicts of interest, gifts and entertainment, document retention, confidentiality and anti-money laundering practices. Complying with this code, and local laws and regulations is a condition of employment. Any violation may be cause for disciplinary action, including termination.

The firm's Code of Ethics states that all outside business activities must receive the prior written approval from Compliance. Access Persons and investment personnel are prohibited from serving on the board of directors or other governing boards of a publicly traded entity, except with prior written authorization from the Compliance Department. In the event of such authorization, Compliance considers the imposition of appropriate procedures to prevent the misuse of material non-public information or investment restrictions.

No

SG 04	Voluntary	Public	Descriptive	General
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SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.
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Yes

No

SG 04.2	Describe your process on managing incidents
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NCRAM believes that ESG concerns rarely arise suddenly. More typically, an issuer may be identified as having high ESG risk, and then subsequent events occur that highlight or underscore existing risk factors. However, if an ESG concern does arise unexpectedly, NCRAM PMs and credit analysts work together to understand the impact on the credit and any affected portfolios. We may seek to engage with the company to improve its practices, or we may choose to exit the position. NCRAM's philosophy involves active management of our portfolios, and our open architecture environment allows us to respond quickly in cases of ESG risk events.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1

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

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

SG 06

Voluntary

Public

Descriptive

General

SG 06.1

List the main responsible investment objectives that your organisation set for the reporting year.

Responsible investment processes

- Provide training on ESG incorporation
- Provide training on ESG engagement
- Improved communication of ESG activities within the organisation
- Improved engagement to encourage change with regards to management of ESG issues
- Improved ESG incorporation into investment decision making processes
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Financial performance of investments

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio
- Setting carbon reduction targets for portfolio
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

	Other activities
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- Joining and/or participation in RI initiatives
- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

SG 06.2	Additional information.
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NCRAM has recently enhanced our research process by adding data from Sustainalytics, a top vendor in the space. In addition, while we have long engaged with the companies in our portfolios around ESG factors, we are working to make this engagement more systematic and more robust. Having recently launched our ESG Global High Yield Strategy, we have been pleased at the level of interest from clients and prospects and look forward to growing our capabilities and AUM in this strategy. For all of our clients, we are exploring improvements to our periodic ESG reporting and committing to additional transparency around the integration of ESG consideration in our investment process. We intend to continue researching and engaging with industry best practices with regard to ESG considerations.

Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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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.
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	Roles
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- 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
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- Investor relations
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment

SG 07.3

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

Number

0

SG 07.4

Additional information. [Optional]

NCRAM has established an ESG Committee consisting of both investment and non-investment personnel, with the NCRAM CIO acting as the Committee Chairman. Committee members interface with industry groups such as UN PRI as well as other Nomura Asset Management companies to discuss industry developments and best practices for implementation of ESG analysis in investing. The ESG Committee also reflects findings back to the broader investment team.

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

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

Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

NCRAM's primary industry initiative and investor collaboration is as a signatory to the UN Principles for Responsible Investment (UN PRI), to which NCRAM became a signatory in 2013. Our ESG Committee also seeks out industry groups and forums to discuss industry developments and best practices for implementation of ESG analysis in investing.

We also collaborate with companies in the Nomura Group on our approach to using Environmental, Social and Governance (ESG) factors in our investment process. Our affiliate, Nomura Asset Management Co., Ltd. (NAM Tokyo), has also established an ESG Committee, chaired by senior investment personnel, to discuss the company's key policies relating to ESG issues on a firm-wide basis. NCRAM's ESG Committee is separate and distinct from NAM Tokyo's ESG Committee.

- 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
- Invest Europe 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)
- 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
- 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

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

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
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SG 10.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes
- No

Outsourcing to fiduciary managers and investment consultants

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

SG 12.1 Indicate whether your organisation uses investment consultants.

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

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1 Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)

other description (1)

governance trends

- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

We consider climate change and carbon emissions as part of our environmental risk analysis, and we incorporate a company's environmental record into our analysis.

- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

Asset class implementation not reported in other modules

SG 16

Mandatory

Public

Descriptive

General

SG 16.1

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

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Corporate (financial)	<p>ESG considerations are a standard part of our investment process. Portfolio managers and analysts continually evaluate the management of the issuers in our portfolios and the issuers we are considering for investment. As we evaluate the management, we consider whether they act in a sustainable way with regard to the environment and with regard to their employees and other constituents. We also weigh their corporate governance with regard to how they treat shareholders and bondholders. We believe that consideration of sustainability helps us invest in stronger companies and improving credits, and avoid defaults.</p> <p>NCRAM research analysts include a summary of an issuer's strengths and risks with regard to ESG factors in new-issue or other introductory credit reports. To augment our internal research, NCRAM has engaged Sustainalytics for external research on ESG factors. Analysts and PMs consider those factors in their credit analysis and assess whether the strengths and risks are priced into market yields and spreads. Existing positions are continually monitored by the research analyst and also are formally reviewed during periodic portfolio reviews among the portfolio manager, CIO and credit analyst. Should we assess that the company's activities may not reflect our ESG principles, the holding will be re-assessed.</p>

Communication

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

Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.

If you are transferring data from an offline document, please check your response carefully.

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

	Disclosure to clients/beneficiaries
	<p>Disclosure to clients/beneficiaries</p> <ul style="list-style-type: none"> <input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used
	<p>Frequency</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested

Nomura Corporate Research and Asset Management Inc.

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

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

NCRAM believes that consideration of sustainability is congruent with our Strong Horse investment philosophy. ESG analysis helps us to invest in stronger companies, identify improving credits, and avoid defaults.

We consider ESG issues to be important factors when analyzing a company's sustainability and investment prospects, and the study of these issues is incorporated into our investment process. We will consider a company's record in how they treat the environment, how they treat their employees, how they treat the communities in which they operate, and their impact on their customers. We consider climate change and carbon emissions as part of our environmental risk analysis, and we incorporate a company's environmental record into our assessment of the issuer. In addition, we will consider their track record in behaving fairly towards bondholders and other investors. To augment our internal research, NCRAM has engaged Sustainalytics to provide external research on ESG factors. NCRAM also has frequent meetings and dialogue with debt issuers, and our analysts and portfolio managers will discuss ESG factors with issuers at those forums.

We are committed to continuing to work with our clients and within the broader investment management industry to invest responsibly in our existing portfolios and going forward.

FI 02	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 1
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FI 02.1	Indicate which ESG factors you systematically research as part of your analysis on issuers.
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Select all that apply

			Corporate (non-financial)
Environmental data		<input checked="" type="checkbox"/>	
Social data		<input checked="" type="checkbox"/>	
Governance data		<input checked="" type="checkbox"/>	

FI 02.2	Indicate what format your ESG information comes in and where you typically source it
----------------	--

Raw ESG company data

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- ESG factor specific analysis

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- Issuer-level ESG analysis

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- Sector-level ESG analysis

Indicate who provides this information

- ESG research provider
 - Sell-side
 - In-house – specialised ESG analyst or team
 - In-house – FI analyst, PM or risk team
 - Other, specify
- Country-level ESG analysis

FI 02.3	Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.
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NCRAM's dedicated high yield analysts perform the vast majority of the research utilized in the management of high yield portfolios. Analysis of ESG factors is based on both direct communication with the issuer as well as secondary sources. NCRAM has also engaged Sustainalytics to provide external research on ESG factors. NCRAM analysts will synthesize this information and include a summary of an issuer's strengths and risks with regard to ESG factors in new-issue or other introductory credit reports. Credit reviews also include an analysis of ESG factors. Analysts and portfolio managers consider those factors in their credit analysis and assess whether the strengths and risks are priced into market yields and spreads. Existing positions are continually monitored by the research analyst and also are formally reviewed during periodic portfolio reviews among the portfolio manager, CIO and credit analyst.

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:
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- 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.
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- 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

(C) Implementation: Integration				
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FI 10	Mandatory	Public	Descriptive	PRI 1
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FI 10.1	Describe your approach to integrating ESG into traditional financial analysis.
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NCRAM has a strong commitment to responsible and sustainable practices in investing client assets entrusted to us. With regard to client investing, we believe that consideration of sustainability is congruent with our Strong Horse investment philosophy. We incorporate Environmental, Social and Governance (ESG) factors when analyzing an issuer's sustainability and investment prospects. As we evaluate an investment opportunity, we consider whether the company acts in a sustainable way with regard to the environment and with regard to their employees and other constituents. We also weigh their corporate governance with regard to how they treat shareholders and how they treat bondholders. We engage with issuers when we have ESG concerns. We believe that this helps us to invest in stronger companies and improving credits.

NCRAM became a signatory to the United Nations Principles for Responsible Investment (UN PRI) in 2013. NCRAM launched an ESG Global High Yield Strategy in 2018.

Corporate (non-financial)

ESG considerations are a standard part of our investment process. Portfolio managers and analysts continually evaluate the management of the issuers in our portfolios and the issuers we are considering for investment. As we evaluate the management, we consider whether they act in a sustainable way with regard to the environment and with regard to their employees and other constituents. We also weigh their corporate governance with regard to how they treat shareholders and bondholders. We believe that consideration of sustainability helps us invest in stronger companies and improving credits, and avoid defaults.

NCRAM research analysts include a summary of an issuer's strengths and risks with regard to ESG factors in new-issue or other introductory credit reports. To augment our internal research, NCRAM has engaged Sustainalytics to provide external research on ESG factors. Analysts and PMs consider those factors in their credit analysis and assess whether the strengths and risks are priced into market yields and spreads. Existing positions are continually monitored by the research analyst and also are formally reviewed during periodic portfolio reviews among the portfolio manager, CIO and credit analyst. Should we assess that the company's activities may not reflect our ESG principles, the holding will be re-assessed. Our CIO supervises our investment process, including the consideration of ESG factors.

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

Select all that apply

			Corporate (non-financial)
ESG analysis is integrated into fundamental analysis			<input checked="" type="checkbox"/>
ESG analysis is used to adjust the internal credit assessments of issuers.			<input checked="" type="checkbox"/>
ESG analysis is used to adjust forecasted financials and future cash flow estimates.			<input checked="" type="checkbox"/>
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.			<input checked="" type="checkbox"/>
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.			<input checked="" type="checkbox"/>
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.			<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"/>
ESG analysis is integrated into portfolio weighting decisions.			<input checked="" type="checkbox"/>
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.			<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 type="checkbox"/>
Other, specify			<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
Corporate (non-financial)	<div style="background-color: #0072bc; color: white; padding: 2px;">Environmental</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0072bc; color: white; padding: 2px;">Social</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0072bc; color: white; padding: 2px;">Governance</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

Corporate (non-financial)

NCRAM's dedicated high yield analysts perform the vast majority of the research utilized in the management of high yield portfolios. Analysis of ESG factors is based on both direct communication with the issuer as well as secondary sources. NCRAM has also engaged Sustainalytics to provide external research on ESG factors. NCRAM analysts will synthesize this information and include a summary of an issuer's strengths and risks with regard to ESG factors in new-issue or other introductory credit reports. Credit reviews also include an analysis of ESG factors. Analysts and portfolio managers consider those factors in their credit analysis and assess whether the strengths and risks are priced into market yields and spreads. Existing positions are continually monitored by the research analyst and also are formally reviewed during periodic portfolio reviews among the portfolio manager, CIO and credit analyst.

Fixed income - Engagement

FI 14	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
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FI 14.1 Indicate the proportion of your fixed income assets on which you engage. Please exclude any engagements carried out solely in your capacity as a shareholder.

Category	Proportion of assets	
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5%	
	<table border="1"> <tr> <td>FI 14.2</td> <td>Indicate your motivations for conducting engagement (Corporate, non-financial fixed income assets)</td> </tr> </table> <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To influence issuer practice (or identify the need to influence) on ESG issue	FI 14.2
FI 14.2	Indicate your motivations for conducting engagement (Corporate, non-financial fixed income assets)	

FI 15	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

FI 15.1 Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)

Select all that apply

Type of engagement	Corporate (non-financial)
Individual/Internal staff engagements	<input checked="" type="checkbox"/>
Collaborative engagements	<input type="checkbox"/>
Service provider engagements	<input type="checkbox"/>

FI 15.2

Indicate how your organisation prioritises engagements with issuers.

Select all that apply

	Corporate (non-financial)
Size of holdings	<input checked="" type="checkbox"/>
Credit quality of the issuer	<input checked="" type="checkbox"/>
Duration of holdings	<input checked="" type="checkbox"/>
Quality of transparency on ESG	<input checked="" type="checkbox"/>
Specific markets and/or sectors	<input checked="" type="checkbox"/>
Specific ESG themes	<input type="checkbox"/>
Issuers in the lowest ranks of ESG benchmarks	<input type="checkbox"/>
Issuers in the highest ranks of ESG benchmarks	<input type="checkbox"/>
Specific issues considered priorities for the investor based on input from clients and beneficiaries	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

FI 15.3

Indicate when your organisation conducts engagements with issuers.

Select all that apply

			Corporate (non-financial)
We engage pre-investment.			<input checked="" type="checkbox"/>
We engage post-investment.			<input checked="" type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities.			<input checked="" type="checkbox"/>
We engage in reaction to ESG issues that have already affected the issuer.			<input checked="" type="checkbox"/>
We engage prior to ESG-related divestments.			<input checked="" type="checkbox"/>
Other, describe			<input type="checkbox"/>

FI 15.4

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

			Corporate (non-financial)
We engage on ESG risks and opportunities affecting a specific bond issuer or its issuer.			<input checked="" type="checkbox"/>
We engage on ESG risks and opportunities affecting the entire industry or region that the issuer belongs to.			<input checked="" type="checkbox"/>
We engage on specific ESG themes across issuers and industries (e.g., human rights).			<input checked="" type="checkbox"/>
Other, describe			<input type="checkbox"/>

FI 15.5

Indicate how your organisation ensures that information and insights collected through engagement can feed into the investment decision-making process.

Select all that apply

		Corporate (non-financial)	
Ensuring regular cross-team meetings and presentations.		<input checked="" type="checkbox"/>	
Sharing engagement data across platforms that is accessible to ESG and investment teams.		<input checked="" type="checkbox"/>	
Encouraging ESG and investment teams to join engagement meetings and roadshows.		<input checked="" type="checkbox"/>	
Delegating some engagement dialogue to portfolio managers/credit analysts.		<input checked="" type="checkbox"/>	
Involving portfolio managers when defining an engagement programme and developing engagement decisions.		<input checked="" type="checkbox"/>	
Establishing mechanisms to rebalance portfolio holdings based on levels of interaction and outcomes of engagements.		<input checked="" type="checkbox"/>	
Considering active ownership as a mechanism to assess potential future investments.		<input type="checkbox"/>	
Other, describe		<input type="checkbox"/>	
We do not ensure that information and insights collected through engagement can feed into the investment decision-making process.		<input type="checkbox"/>	

FI 15.6

Additional information.[OPTIONAL]

Engagement can occur when we meet companies at the time of new issues or at other times. We engage as active owners and incorporate ESG issues into our ownership policies and practices.

We believe it is necessary for companies to appropriately manage relationships with their various stakeholders, including shareholders, lenders, employees, customers and consumers. Companies should also place appropriate emphasis on long-term business sustainability with due consideration for the wider communities within which they operate.

Our basic policy for engagement activities is as follows:

We encourage the companies in which we invest to engage in proactive dialogue with investors. We would like companies to consider our engagement activities with them as being part of such dialogue.

We are able to understand and address solutions for ESG issues through engagement activity with the companies in which we invest.

We share our views concerning ESG issues with the companies in which we invest through our engagement activities.

We encourage companies that are considered to have problems with certain ESG issues to improve their approach through engagement activities.

We are primarily high yield bond and loan investors. When we do own equities, which are typically less than 1% of our assets, we vote as active owners and incorporate ESG factors as part of our investment process. We do not use external service providers for voting. We are willing to disclose voting practices as appropriate.

FI 16	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
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FI 16.1 Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

- Yes
- No

Outputs and outcomes

FI 17	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	General
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FI 17.1 Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or performance.

Select all that apply

			Corporate (non-financial)	
We measure whether incorporating ESG impacts portfolio risk.			<input type="checkbox"/>	
We measure whether incorporating ESG impacts portfolio returns.			<input type="checkbox"/>	
We measure the ESG performance/profile of portfolios (relative to the benchmark).			<input type="checkbox"/>	
None of the above			<input checked="" type="checkbox"/>	

FI 17.2 Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. [OPTIONAL]

NCRAM believes that, while responsible investing terminology and practices are continually evolving, the core objectives of identifying high risk issuers, avoiding harm to communities and our planet, and investing for the future have been a part of NCRAM's investing strategy. Our experience has shown that consideration of environmental sustainability, social responsibility, and good governance is congruent with our Strong Horse investment philosophy, which has driven our success in high yield investing for more than 25 years.