



LEA 02	Monetary	Gateway
<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for Interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate practice or identify the need to enhance corporate practice</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via internal staff</li> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To enhance corporate practice or identify the need to enhance corporate practice</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via collaborative engagements</li> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To enhance corporate practice or identify the need to enhance corporate practice</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via service providers</li> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company related ESG issues</li> <li><input type="checkbox"/> To enhance corporate practice or identify the need to enhance corporate practice</li> <li><input type="checkbox"/> Other: specify</li> </ul>	

# RI TRANSPARENCY REPORT

## 2018

Loomis, Sayles & Company, L.P.

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2018 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		✓	-							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Private							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown by passive, active strategies	✓	Private							✓
OO FI 02	Option to report on <10% assets	🔒	n/a							✓
OO FI 03	Breakdown by market and credit quality	✓	Private							✓
OO SAM 01	Breakdown by passive, quantitative, fundamental and other active strategies	🔒	n/a							✓
OO PE 01	Breakdown of investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership	🔒	n/a							✓
OO PR 01	Breakdown of investments	🔒	n/a							✓
OO PR 02	Breakdown of assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of investments	🔒	n/a							✓
OO INF 02	Breakdown of assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	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	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 14	Long term investment risks and opportunity	✓	Public	✓						
SG 15	Allocation of assets to environmental and social themed areas	✓	Public	✓						
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 - 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	✓	Public	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
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	✓	Public	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
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	✓	Public	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
LEI 13	Measurement of financial and ESG outcomes of ESG incorporation	-	n/a	✓						
LEI 14	Examples of ESG issues that affected your investment view / performance	✓	Public	✓						
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	🔒	n/a		✓					
LEA 06	Objectives for engagement activities	🔒	n/a		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagement methods	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	-	n/a		✓					
LEA 15	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 16	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 17	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 18	Confirmation of votes	-	n/a		✓					
LEA 19	Securities lending programme	✓	Public		✓					
LEA 20	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 21	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 22	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 23	Shareholder resolutions	✓	Public		✓					
LEA 24	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	✓	Public	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Negative screening - overview and rationale	✓	Public	✓						
FI 06	Examples of ESG factors in screening process	-	n/a	✓						
FI 07	Screening - ensuring criteria are met	✓	Public	✓						
FI 08	Thematic investing - overview	🔒	n/a	✓						
FI 09	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 10	Thematic investing - assessing impact	🔒	n/a	✓						
FI 11	Integration overview	✓	Public	✓						
FI 12	Integration - ESG information in investment processes	✓	Public	✓						
FI 13	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 14	ESG incorporation in passive funds	🔒	n/a	✓						
FI 15	Engagement overview and coverage	✓	Public		✓					
FI 16	Engagement method	✓	Public	✓	✓					
FI 17	Engagement policy disclosure	✓	Private	✓	✓					
FI 18	Financial/ESG performance	✓	Public							✓
FI 19	Examples - ESG incorporation or engagement	✓	Public	✓	✓					
FI End	Module confirmation page	✓	-							

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

Loomis, Sayles & Company, L.P.

Reported Information

Public version

Organisational Overview

## PRI disclaimer

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



## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

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

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

% of assets under management (AUM) in ranges

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

Other, specify

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

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

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United States

OO 02.2

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

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

OO 02.3

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

FTE

678

**OO 03** Mandatory Public Descriptive General

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

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

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

31/12/2017

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

	trillions	billions	millions	thousands	hundreds
Total AUM		268	085	855	000
Currency	USD				
Assets in USD		268	085	855	000

**OO 06** Mandatory Public Descriptive General

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

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

- as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	21.3	0
Fixed income	75.5	0
Private equity	0	0
Property	0	0
Infrastructure	0	0

Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	3.2	0
Other (2), specify	0	0

'Other (1)' specified

Direct investments in bank loans.

as broad ranges

OO 06.2

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

## Asset class implementation gateway indicators

OO 10

Mandatory

Public

Gateway

General

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

Fixed income Corporate (financial) – engagement

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

Fixed income Corporate (non-financial) – engagement

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

Fixed income Corporate (securitised) – engagement

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

OO 11

Mandatory

Public

Gateway

General

OO 11.1

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

Listed equity

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

Fixed income - SSA

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

Fixed income - corporate (financial)

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

Fixed income - corporate (non-financial)

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

Fixed income - securitised

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

Other (1)

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

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

Direct investments in bank loans.

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

**OO 12.1** Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

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

RI implementation via external managers

Closing module

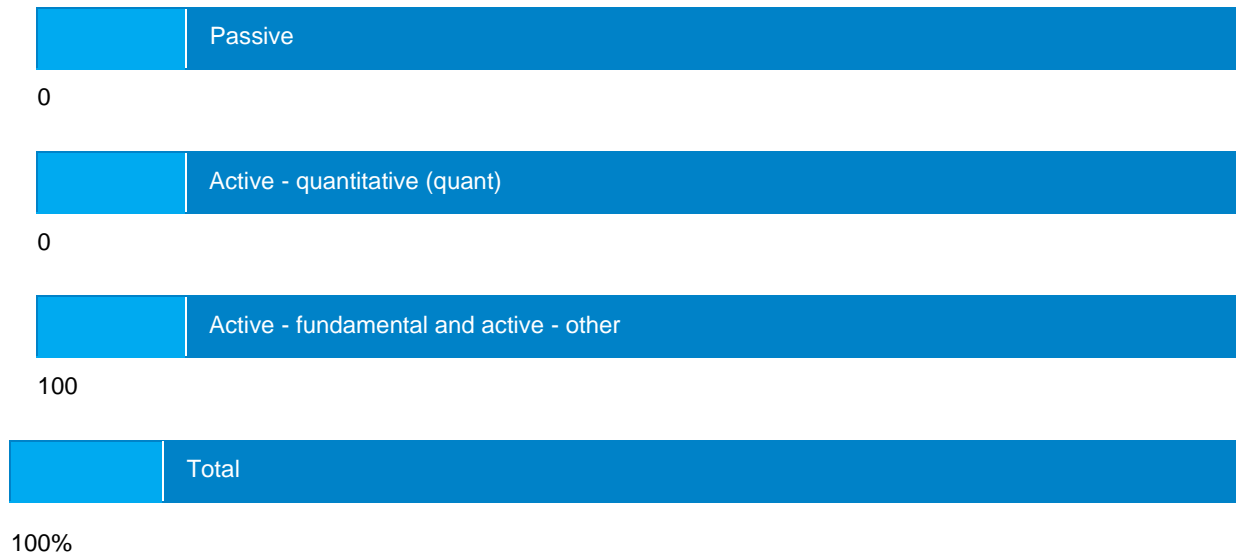
- Closing module

Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
----------	---	--------	---------	---------

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**



Loomis, Sayles & Company, L.P.

Reported Information

Public version

Strategy and Governance

## PRI disclaimer

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

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3

Indicate if the investment policy covers any of the following

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



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

At the heart of Loomis Sayles' investment management process is the goal of providing superior long-term, risk-adjusted returns for our clients. We fully recognize the important role that environmental, social and governance ("ESG") issues play in the global economy, financial markets and society at large. Both because Loomis Sayles generally takes a longer term view in seeking value, and because we take the importance of conducting ourselves as responsible global citizens seriously, consideration of ESG issues is inherently a part of our investment decision making.

<b>SG 01.5</b>	Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]
----------------	--

We believe that ESG issues play an important role in the global economy, both from a business and investment perspective. Loomis Sayles embraces its duty to act at all times in our clients' best interests, and we believe that ESG issues impact our goal of achieving superior, risk-adjusted returns. We understand that environmental, social, and corporate governance practices may present risks that need to be evaluated, and we analyze these risks as part of our fundamental research process. With respect to integration, we expect our investment professionals to consider all available macro, fundamental and quantitative research insights, including those related to ESG. With respect to screening, Loomis Sayles does not impose any ESG restrictions or exclusions on the investment process. Any screening is mandated by our clients' guidelines, or by regulation.

No

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

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

<b>SG 02.1</b>	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
----------------	--

Policy setting out your overall approach

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

URL

	URL
--	-----

<https://www.loomissayles.com/website/about-us/environmental-social-and-governance-issues>

Attachment (will be made public)

Screening / exclusions policy

Engagement policy

(Proxy) voting policy

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

URL

URL

<https://www.loomissayles.com/website/about-us/proxy-voting>

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

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

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

URL/Attachment

- URL

URL

<https://www.loomissayles.com/website/about-us/environmental-social-and-governance-issues>

- Attachment
- Time horizon of your investment
- ESG incorporation approaches

URL/Attachment

- URL

URL

<https://www.loomissayles.com/website/about-us/environmental-social-and-governance-issues>

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

**SG 02.3** Indicate if your organisation's investment principles, and overall investment strategy is publicly available

- Yes

URL

<https://www.loomissayles.com/website/about-us/our-mission>

- No

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

**SG 03.1**

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

 Yes**SG 03.2**

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

Loomis Sayles may encounter potential conflicts of interest. The potential for encountering such conflicts may arise as a result of the types of clients it advises, clients' investment strategies, or the presence of competing interests. By favoring itself, a related party or another client, Loomis may fail to act in the best interest of a client. When assessing a potential conflict of interest, Loomis must consider whether it: (1) is likely to make financial gain, or avoid financial loss, at the expense of client; (2) has an interest that is separate and distinct from that of the client in the outcome of the service provided to the client or of a transaction carried out on behalf of the client; (3) has a financial or other incentive to favor the interest of one client over that of another client; or (4) receives from a person other than the client an inducement in relation to the service provided to the client, in the form of higher fees. Loomis Sayles regularly reviews its business to identify potential conflicts of interest and adopt appropriate policies and procedures to manage new conflicts. The firm also has oversight committees to monitor conflicts of interest.

 No**SG 03.3**

Additional information. [Optional]

Although it is impossible to anticipate all possible conflicts, Loomis Sayles has identified those potential conflicts that the firm believes it is most likely to encounter while pursuing its normal business operations. Loomis Sayles' Conflicts of Interest Policy provides an explanation of the firm's policies and procedures for mitigating and managing risks associated with: (1) production and use of inaccurate and/or misleading sales and marketing materials; (2) affiliated trading that favors broker-dealers employed by Loomis Sayles' parent company against the best interests of Loomis Sayles' clients; (3) use of soft dollars generated by clients' commissions to offset Loomis Sayles' costs otherwise incurred; (4) use of financial benefit from errors in a way not in the best interests of clients; (5) relationships with broker-dealers that provide incentives not in the best interests of clients; (6) receipt of gifts and entertainment that could influence recommendations not in the best interests of clients; (7) allocation of investment opportunities that does not treat clients equitably; (8) payment of performance fees received by investment teams that cause preferential treatment to hedge funds managed side by side with other products; (9) cross trading of securities among client accounts in a manner not in the best interest of all accounts involved; (10) allocation of client transactions to broker dealers as a reward for certain sales that may result in best execution; (11) personal trading not in the best interest of clients; (12) engagement in outside business activities that conflict with the best interest of Loomis Sayles and/or its clients; (13) investing in private placements that may create a conflict of interest; (14) inappropriate pricing of securities for products and accounts that are charged fees based on the value of clients' portfolios.

**SG 04**

Voluntary

Public

Descriptive

General

**SG 04.1**

Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.

 Yes No

<b>SG 04.2</b>	Describe your process on managing incidents
----------------	---

Loomis Sayles' research analysts are responsible for identifying and reporting on incidents that occur within portfolio companies as part of their coverage of those companies. We consistently measure and monitor analysts' views, ratings and recommendations relative to outcome.

## Objectives and strategies

<b>SG 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
--------------	------------------	---------------	------------------------------	----------------

<b>SG 05.1</b>	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

<b>SG 05.2</b>	Additional information. [Optional]
----------------	------------------------------------

Objectives are within the purview of the ESG Committee. The ESG committee meets periodically to review the responsible engagement activities of Loomis Sayles, to further the integration of ESG issues into the investment process (including providing state of the art tools to Loomis Sayles' investment professionals), to oversee activities related to membership in advocacy groups, including the UNPRI and the UK Financial Reporting Council (UK Stewardship Code), and to further the progress of Loomis Sayles in engaging with issuers on matters of environmental, governance and social practices. Further, a subcommittee of the ESG Committee meets at least monthly to plan and deliver internal training, to identify external training opportunities, to prepare public statements on ESG activities at Loomis Sayles and other communications (including for specific clients), to prepare the UN PRI assessment, and to address other ESG-related matters.

<b>SG 06</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
--------------	------------------	---------------	--------------------	----------------

<b>SG 06.1</b>	List the main responsible investment objectives that your organisation set for the reporting year.
----------------	--

	Responsible investment processes
--	----------------------------------

- Provide training on ESG incorporation

	Key performance indicator
--	---------------------------

Delivery of training on ESG incorporation to investment professionals. Increased dialogue on ESG integration as a result of the training.

Progress achieved

Training was delivered to almost all investment professionals, with remaining groups scheduled for early 2018. Follow-up education that was prompted by the original sessions is currently being prepared. A result of the training has been increased dialogue and implementation of such things as measurement tools (e.g., carbon footprint analysis). Subsequent discussions have also led to an assessment of additional service providers and more focused ESG incorporation by the investment professionals.

- Provide training on ESG engagement

Key performance indicator

Delivery of training on ESG engagement to investment professionals. Increased dialogue on ESG engagement as a result of the training.

Progress achieved

Included in the training discussed above was an explanation of and a need for engagement on ESG matters. As discussed above, such training occurred for the majority of investment professionals, with the remainder scheduled for early 2018. The resulting dialogues led to a greater understanding of the interactions necessary to influence issuers' behavior in furtherance of improved ESG practices.

- Improved communication of ESG activities within the organisation

Key performance indicator

Deliver ESG training across investment groups and to encourage greater population of the ESG engagement database.

Progress achieved

Training was delivered to almost all investment professionals, with remaining groups scheduled for early 2018. Training included (1) an emphasis on the value to our ESG efforts of populating the ESG engagement database, including providing examples of engagement activities, such as discussions with management about E, S or G issues; and (2) delivery of written educational materials, policy statements and examples of ESG resources available to the investment professionals.

- Improved engagement to encourage change with regards to management of ESG issues
- Improved ESG incorporation into investment decision making processes

Key performance indicator

Delivery of training on ESG incorporation to investment professionals.

Progress achieved

Our research analysts evaluate a wide range of investment criteria to assess the quality of an issuer, including potential ESG-related risks and opportunities that could impact decisions regarding investment selection. Specially, the analysts strive to develop a thorough understanding of an issuer's management strength and strategy, governance, and use of human and natural resources, as well as regulatory and political risks. These factors are critical to evaluating the long-term sustainability of an issuer, its profitability, and, ultimately its expected contribution to client portfolios.

In 2016, our efforts were focused on increasing awareness among our investment professionals that the risks associated with ESG issues were included within the fundamental research and risk analysis conducted

by them, without specifically identifying those risks as related to E, S and G matters. This year, a major objective of the training described above was to emphasize to the investment professionals the importance of identifying and focusing specifically on ESG risks in order to take them into consideration in the management of their investment portfolios. Feedback indicates that, as a result of the training, ESG matters figure more prominently in determining the desirability and suitability of investments.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

	Financial performance of investments
--	--------------------------------------

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)

	other description (1)
--	-----------------------

To monitor correlation between higher ESG quality and higher portfolio performance.

	Key performance indicator
--	---------------------------

To enhance ESG review in the investment risk review processes

	Progress achieved
--	-------------------

Loomis Sayles' "investment risk review" was previously called "peer review". In 2016, we initiated the inclusion of ESG analysis into attribution vs. performance portion of the peer review. In 2017, we elaborated on the attribution analysis and required further articulation of ESG awareness and consideration of the risks and opportunities of lower rated ESG securities' inclusion in a portfolio.

- Other, specify (2)
- Other, specify (3)

	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)

Other activities

- 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)

**Governance and human resources**

**SG 07**

**Mandatory**

**Public**

**Core Assessed**

**General**

**SG 07.1**

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify

**General Counsel**

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- ESG portfolio manager
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
  - 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)

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

Loomis Sayles' Principles for ESG enumerate its commitment to provide superior investment results to its clients, as well as its determination to be a responsible global citizen. It has provided substantial tools to its investment professionals and has reinforced the importance of using these tools in connection with making recommendations and investment decisions. The Chief Executive Officer, the General Counsel and the other members of the ESG Committee are well positioned to oversee the progress in integration of ESG issues in Loomis Sayles' investment process. One of its goals is to continually identify additional superior tools for the investment professionals and to make them easily accessible. The intent of the ESG Committee is to continually identify ways to increase investment professionals' awareness of and sensitivity to ESG issues in seeking superior risk-adjusted long term performance, and to identify opportunities to engage with management in pursuit of this goal.

Further, a subcommittee of the ESG Committee meets at least monthly to plan and deliver internal training, to identify external training opportunities, to prepare public statements on ESG activities at Loomis Sayles and other communications, including with specific clients, to prepare the UN PRI assessment, and to address other ESG-related matters.

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

Number
0

<b>SG 08</b>	Voluntary	Public	Additional Assessed	General
--------------	-----------	--------	---------------------	---------



**SG 08.1**

Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

**Board members/Board of trustees**

- Responsible investment included in personal development and/or training plan
- None of the above

**Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other C-level staff or head of department****General Counsel**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Portfolio managers**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Investment analysts**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**SG 08.3**

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Our ESG attribution analysis is available and used to ascertain the impact of an investment management team's ESG related positioning on product performance.

Semiannually, our Chief Risk Officer conducts an investment risk review with each investment product team. The review includes exposure by ESG rating for the representative account, performance by ESG rating and a review of the lower ESG rated securities held in the portfolio with each portfolio management team in order to assess awareness of ESG issues in the portfolios. Based on the review, the Chief Risk Officer shares processes and practices across all investment teams.

## Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

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

**SG 09.1**

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

### Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

We became signatory to the UNPRI in May 2015 and are completing our second assessment at this time.

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

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

- Basic
- Moderate
- Advanced

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

We submitted a revised Stewardship Code and were designated as a Tier 1 signatory in 2017.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- 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
- No

Outsourcing to fiduciary managers and investment consultants

SG 12	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

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

**SG 12.1** Indicate whether your organisation uses investment consultants.

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

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
-------	-----------	--------	-------------	-------

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

<b>SG 13.1</b>	Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.
----------------	--

- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

<b>SG 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
--------------	--	---------------	----------------------------	--------------

<b>SG 14.1</b>	Describe the process used to identify short, medium and long-term risks and opportunities that could have a material impact on your organisation and its activities.
----------------	--

Our investment professionals take into account a wide range of investment criteria, including potential ESG-related risks and opportunities (be they short, medium or long-term) that could impact the desirability and suitability of investments. They strive to develop a thorough understanding of the risks and opportunities associated with an issuer's management strength and strategy, governance, and use of human and natural resources, as well as regulatory and political risks. These factors are critical to evaluating the long-term sustainability of an issuer, its profitability and, ultimately, its expected contribution to client portfolios. Because Loomis Sayles generally takes a longer term view in seeking value, and because we take the importance of conducting ourselves as responsible global citizens seriously, consideration of ESG issues is inherently a part of our investment decision making.

<b>SG 14.1 CC</b>	Describe the processes used to determine which climate-related short, medium and long-term risks and opportunities could have a material impact on your organisation and its activities.
-----------------------	--

Loomis Sayles continually evaluates climate-related short, medium and long-term risks and opportunities, and considers potential risk mitigation measures and responses to opportunities. Loomis Sayles will take such measures and implement such responses where it views them as having a material impact on our business. One example is occupying LEED-certified office space. Loomis Sayles has confidence in its landlord's processes for staying abreast of new developments and improvements in this area and in its track record for implementing measures to improve the environmental sustainability of the building. A second example is the efforts of Loomis Sayles Human Resources department to identify and adopt practices that encourage behavior believed to reduce climate change (such as encouraging the use of public transportation, flexible work schedules and telecommuting).

<b>SG 14.2</b>	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.
----------------	--

- Changing demographics
- Climate change and related issues

<b>SG 14.2a cc</b>	Please describe how you define "short", "medium" and "long term", and describe your material climate-related issues over these time horizons.
------------------------	---

	Definition	Description of material climate-related issues
Short term		
Medium term		
Long term		

**SG 14.3**

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
- 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
- None of the above

**SG 14.4**

Indicate which of the following tools you use to manage emissions risks and opportunities

- Scenario analysis
- Disclosure on emissions risk to clients/trustees/management/beneficiaries
- Climate-related targets
- Encourage internal and/or external portfolio managers to monitor emissions risk
- 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
- Resource scarcity
- Technology developments
- Other, specify(1)
- Other, specify(2)
- None of the above

<b>SG 14.7 CC</b>	Describe your risk management processes for identifying, assessing, and managing climate-related risks.
-----------------------	---

- Our process for climate-related risks is integrated into overall risk management
- Our process for climate-related risks is not integrated into our overall risk management

<b>SG 14.9 CC</b>	Do you conduct engagement activity with investee companies to encourage better disclosure and practices around climate-related risks?
-----------------------	---

- Yes
- No, we do not engage

<b>SG 15</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
--------------	--	---------------	--------------------	--------------

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

<b>SG 15.1</b>	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
----------------	---

- Yes

<b>SG 15.2</b>	Indicate the percentage of your total AUM invested in environmental and social themed areas.
----------------	--

	%
--	---

1

<b>SG 15.3</b>	Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.
----------------	--

Area
------

- Clean technology (including renewable energy)
- Green buildings
- Sustainable forestry
- Sustainable agriculture
- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water
- Other area, specify

Domestic SRI Core Plus Fixed Income private fund (alcohol, tobacco, munitions, etc.) and UCITS - Sustainable Global Corporate Bond (Lux) Funds.

Asset class invested
----------------------

- Listed equity
- Fixed income - SSA
- Fixed income - Corporate (financial)

% of AUM
----------

- 1
- Fixed income - Corporate (non-financial)
  - Fixed income - Securitised

Brief description and measures of investment
--

These products contain certain themes that reflect the wishes of investors that do not want to invest in issuers engaged in activities such as weapons, alcohol and tobacco.

No

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

SG 16	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------



<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Other (1) [as defined in Organisational Overview module]	Other asset classes follow our fixed income and equity approaches to ESG.

## Communication

<b>SG 19</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 6</b>
--------------	------------------	---------------	----------------------	--------------

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

Fixed income

Do you disclose?

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

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

<b>Disclosure to public and URL</b>		
<p><b>Disclosure to public and URL</b></p> <p><input type="radio"/> Explain all voting decisions</p> <p><input type="radio"/> Explain some voting decisions</p> <p><input type="radio"/> Only explain abstentions and votes against management</p> <p><input checked="" type="radio"/> No explanations provided</p>		<p><b>Disclosure to clients/beneficiaries</b></p> <p><input type="radio"/> Explain all voting decisions</p> <p><input type="radio"/> Explain some voting decisions</p> <p><input type="radio"/> Only explain abstentions and votes against management</p> <p><input checked="" type="radio"/> No explanations provided</p>
<p><b>Frequency</b></p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input checked="" type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>		<p><b>Frequency</b></p> <p><input type="checkbox"/> Quarterly</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input checked="" type="checkbox"/> Ad hoc/when requested</p>
<p><b>URL</b></p> <p><a href="https://www.loomissayles.com/internet/internet.nsf/content?readform&amp;ctype=reportmatrix&amp;Channel=MF&amp;Page=ProxyVoting&amp;Doc=PDF">https://www.loomissayles.com/internet/internet.nsf/content?readform&amp;ctype=reportmatrix&amp;Channel=MF&amp;Page=ProxyVoting&amp;Doc=PDF</a></p>		

**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

Loomis Sayles publicly provides proxy voting records for its US registered mutual funds as part of its annual N-PX reporting requirements to the US Securities Exchange Commission. Not later than August 31st of each year, Loomis Sayles submits the form, which contains the fund's complete proxy voting record for the most recent 12-month period ended June 30th. Loomis Sayles also publishes this annual report as well as its proxy voting policy on its website, at <https://www.loomissayles.com>. We provide proxy voting information to institutional clients upon request. In addition, Loomis Sayles is currently developing a report of proxy voting activities in the aggregate for annual publication and quarterly updating on its website. The proxy voting process is incorporated into the annual Service Organization Control Report (SOC 1) (performed by independent auditors) and any issues or concerns are reported to Loomis Sayles senior management for resolution.

Loomis, Sayles & Company, L.P.

Reported Information

Public version

Direct - Listed Equity Incorporation

## PRI disclaimer

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

## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 01	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

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

<b>LEI 01.1</b>	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)
-----------------	--

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

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

Percentage of active listed equity to which the strategy is applied	<p>95</p>
---	-----------

- Screening and integration strategies

Percentage of active listed equity to which the strategy is applied	<p>5</p>
---	----------

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities
--

100%

**LEI 01.2**

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

At Loomis Sayles, we believe that ESG issues play an important role in the global economy, both from a business and investment perspective. Loomis Sayles embraces its duty to act at all times in our clients' best interest, and we believe that ESG issues impact our goal of achieving superior, risk-adjusted returns. We understand that environmental, social, and corporate governance practices may present risks that need to be evaluated, and we analyze these risks as part of our fundamental research process.

We analyze risks by modeling long-term business opportunities and challenges, by identifying risks inherent in industries and sectors, and by using a variety of methods to evaluate ESG issues, including engagement with Issuers and the use of third-party analytical tools.

With respect to integration, we expect our investment professionals to consider all available macro, fundamental and quantitative research insights, including those related to ESG.

Unless otherwise directed, with respect to screening, Loomis Sayles does not impose any ESG restrictions or exclusions on the investment process. Screening performed is mandated by our clients' guidelines, or by regulation.

**LEI 01.3**

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

With respect to integration, we expect our investment professionals to consider all available macro, fundamental and quantitative research insights, including those related to ESG. With respect to screening, Loomis Sayles does not impose any ESG restrictions or exclusions on the investment process. Any screening is mandated by our clients' guidelines, or by regulation.

<b>LEI 02</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
---------------	------------------	---------------	----------------------------	--------------

**LEI 02.1**

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

**Type of ESG information**

- Raw ESG company data

**Indicate who provides this information**

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

**Indicate who provides this information**

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

**Indicate who provides this information**

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

**Indicate who provides this information**

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

**Indicate who provides this information**

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

**Indicate who provides this information**

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

<b>LEI 02.2</b>	Provide a brief description of the ESG information used, highlighting any different sources of information across your ESG incorporation strategies.
-----------------	--

ESG issues are considered as part of the firm's investment decision-making process. We use MSCI IVA, MSCI's ESG research and issuer scores. In addition, the Firm utilizes information from financial news publications, specialist data services, and economic and political consulting groups, and has considerable access to Wall Street research publications and sell-side analysts. At all times, Loomis Sayles has as one of its goals to continually identify additional superior tools for the research analysts and the investment teams. We continually evaluate the existing resources and the need to supplement them, both through the acquisition of data, the development of technological tools to assist in incorporating ESG into the investment process and to capture data in this regard and whether dedicated resources may be necessary in the future.

<b>LEI 02.3</b>	Indicate if you incentivise brokers to provide ESG research.
-----------------	--

- Yes

<b>LEI 02.4</b>	Describe how you incentivise brokers.
-----------------	---------------------------------------

In 2017 our compensation for sell-side broker ESG research increased with respect to both published research and conferences.

No

<b>LEI 03</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
---------------	------------------	---------------	----------------------------	--------------

<b>LEI 03.1</b>	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
-----------------	---

Engagement

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

(Proxy) voting

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

<b>LEI 03.2</b>	Additional information. [Optional]
-----------------	------------------------------------

We created a technology application that collects data for each company meeting attended by one or more investment professionals. The investment professionals document any discussion during the meeting of "E", "S" and "G" issues. That information is stored and available for use. Also, some internal research reports include the MSCI ESG rating as part of standardized reports.

We include the ESG MSCI ratings in some of our internally generated research reports.

Our ESG attribution analysis is available and used to ascertain the impact of an investment management team's ESG related positioning on product performance.

Semiannually, our Chief Risk Officer conducts an investment risk review with each investment product team. The review includes exposure by ESG rating for the representative account, performance by ESG rating and a review of the lower ESG rated securities held in the portfolio with each portfolio management team in order to assess awareness of ESG issues in the portfolios. Based on the review, the Chief Risk Officer shares processes and practices across all investment teams.

## (A) Implementation: Screening

<b>LEI 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
---------------	------------------	---------------	--------------------	--------------

<b>LEI 04.1</b>	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
--	-------------

Screening is conducted in accordance with client-specific guidelines and/or the mandate of a given product. We use vendors, such as MSCI, within our trading and compliance system to monitor activity related to a client's particular screening requirements.

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

<b>LEI 04.2</b>	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
-----------------	---

Screening is conducted in accordance with client-specific guidelines and/or the mandate of a given product. Frequency of review and changes are within the client's purview.

<b>LEI 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
---------------	------------------	---------------	----------------------	--------------

<b>LEI 05.1</b>	Indicate which processes your organisation uses to ensure 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.
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify
- None of the above

<b>LEI 05.2</b>	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 05.4** Indicate how frequently you review internal research that builds your ESG screens.

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

**LEI 05.5** Additional information. [Optional]

We selected "Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies" because we understand that our ESG vendor attempts to vet its analysis and ratings, and provides the issuers an opportunity to respond to its analysis on a regular basis. However, anecdotal information indicates that this may not always occur.

<b>LEI 06</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
---------------	------------------	---------------	----------------------------	--------------

**LEI 06.1** Indicate which processes your organisation uses to ensure fund criteria are not breached

- Systematic checks are performed to ensure that stocks meet the funds' screening criteria.
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- Audits of fund holdings are undertaken regularly by internal audit function
- Periodic auditing/checking of the organisations RI funds by external party
- Other, specify  
Audits of our trading system, which include holdings in accordance with fund guidelines, are undertaken regularly by external auditors.
- None of the above

**LEI 06.2** If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

Consistent with its fiduciary duties, Loomis Sayles' policy is to take the utmost care in making and implementing investment decisions for client accounts. To the extent that trade errors or investment guideline breaches occur, Loomis Sayles seeks to ensure that its clients' best interests are served when correcting such errors and that the client will be reimbursed for any loss caused by our error. Loomis Sayles' Trade Error and Investment Guideline Breach Policies and Procedures ("Procedures") guide the resolution of, and help to prevent the recurrence of, such errors.

If it appears that a trade error or investment guideline breach has occurred, Loomis Sayles will review all relevant facts and circumstances to determine an appropriate course of action. When it is determined that Loomis Sayles has caused or contributed to a trade error or investment guideline breach, the client will be reimbursed by Loomis Sayles for any net loss attributable to our error or will retain any net gain realized in connection with the error correction, except as described below. Clients are informed in writing of all errors unless the error is an operational error (e.g., overdraft charge for failed trades) involving a small reimbursement amount or the error is corrected pre-settlement.

If an error is discovered after the settlement of the transaction (thus having occurred in the client's account), the "correcting" transactions will be executed in the client's account and the client will either be reimbursed for the loss or will retain any gain realized in connection with the error correction as described above. However, if an error is discovered prior to the settlement of the transaction, the trade will be moved to the error account of the executing broker or Loomis Sayles' error account and will not be reflected on the client's account statement. In this latter circumstance, Loomis Sayles and the broker-dealer, custodian or other parties involved in the transaction (other than the client) will determine who among them is obligated to bear any loss or entitled to retain any gain realized in connection with the error correction. Additionally, securities purchased in error for one client's account may be reallocated to another client's account if Loomis Sayles determines that it would be

appropriate to do so under the facts and circumstances. Such reallocations require the approval of the Chief Investment Officer and Chief Compliance Officer.

All trade errors or investment guideline breaches will be resolved with the approval of the Chief Compliance Officer and other legal/compliance, portfolio management, trading, or other personnel, as appropriate, in accordance with the Procedures. The party responsible for the trade error will complete the Trade Error Correction Form in an automated system implemented for this purpose, and submit the form to the Chief Compliance Officer for final approval as required by the Procedures. Such errors and their resolutions are reported to Loomis Sayles' Risk Management Committee, Trading Oversight Committee and Audit Committee on a quarterly basis.

As a policy matter we do not provide outside parties with information regarding violations of client mandates unless the violation has been in their account.

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

LEI 08	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

**LEI 08.1** Indicate which ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

ESG issues	Proportion impacted by analysis
Environmental	<div style="background-color: #0070c0; color: white; padding: 2px;">Environmental</div> <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90%
Social	<div style="background-color: #0070c0; color: white; padding: 2px;">Social</div> <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input type="radio"/> >90%
Corporate Governance	<div style="background-color: #0070c0; color: white; padding: 2px;">Corporate Governance</div> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%

LEI 09	Voluntary	Public	Additional Assessed	PRI 1
--------	-----------	--------	---------------------	-------

LEI 09.1	Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.
----------	--

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products

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%

- 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.

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

- A periodic review of the internal research is carried out

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

- 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

- Other, specify

ESG review is incorporated into structured, periodic meetings attended by members of investment product teams and the firm's Chief Investment Risk Officer.

- None of the above

**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 was incorporated into investment decisions
- Other, specify  
We have an internally-developed application for the collection of data relating to engagement.
- None of the above

**LEI 09.6** Additional information.[Optional]

We have a technology application that stores data for each company meeting attended by one or more investment professionals. The investment professionals document discussion of "E", "S" and "G" issues. That information is stored in the application and available for use. Also, some of our internal research reports now include the MSCI ESG rating as part of a standardized report.

Semiannually, our Chief Risk Officer conducts an investment risk review with each investment product team. The review includes exposure by ESG rating for the representative account, performance by ESG rating and a review of the lower ESG rated securities held in the portfolio with each portfolio management team in order to assess awareness of ESG issues in the portfolios. Based on the review, the Chief Risk Officer shares processes and practices across all investment teams.

<b>LEI 10</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
---------------	--	---------------	----------------------	--------------

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

**LEI 10.1** Indicate which aspects of investment analysis you integrate material ESG information into.

- Economic analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

- Industry analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

- Quality of management

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

Analysis of company strategy

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

Portfolio weighting

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

**LEI 10.2a**

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

**LEI 10.3**

Describe how you integrate ESG information into portfolio weighting.

Each investment team assesses the ESG risks as part of its fundamental modeling and qualitative assessment.

Fair value/fundamental analysis

Proportion of actively managed listed equity exposed to investment analysis

- <10%
- 11-50%
- 51-90%
- 90%

<b>LEI 10.2b</b>	Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.
------------------	--

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

<b>LEI 10.4b</b>	Describe the methods you have used to adjust the income forecast / valuation tool
------------------	---

Each investment team assesses the ESG risks as part of its fundamental modeling and qualitative assessment.

- Other, specify

## Outputs and outcomes

<b>LEI 12</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
---------------	------------------	---------------	--------------------	--------------

<b>LEI 12.1</b>	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.
-----------------	---

- Screening

Describe any reduction in your starting investment universe or other effects.
---

The reduced investment universe depends on specific client guidelines as to what is required to be excluded from the starting investment universe.

- Integration of ESG issues

Select which of these effects followed your ESG integration:
--

- Reduce or prioritise the investment universe
- Overweight/underweight at sector level
- Overweight/underweight at stock level
- Buy/sell decisions
- Other, specify
- None of the above

<b>LEI 12.2</b>	Additional information.[Optional]
-----------------	-----------------------------------

The factors which fall under the rubric of ESG are taken into account in our fundamental analysis, and consequently have historically impacted (and continue to impact) our investment decision making process.

<b>LEI 14</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
---------------	------------------	---------------	--------------------	--------------

LEI 14.1

Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.

ESG issue 1

ESG issue and explanation	
<p>Topic: Governance - proxy voting re: class shares</p> <p>In addition to ongoing discussions about corporate governance with a cable company, we engaged with the issuer last year with regard to the super voting Class B stock held by the chairman and CEO, resulting in a significant holding in the company stock. In response to a shareholder proposal on the annual proxy to eliminate the super voting stock, the company explained that it believes that the dual class voting structure helps maintain long-term stability and supports policies that promote shareholder returns. We agreed that, the super voting stock notwithstanding, the governance structure was effective and could help the management team generate long-term shareholder value.</p>	
ESG incorporation strategy applied	
<p><input type="checkbox"/> Screening</p> <p><input checked="" type="checkbox"/> Integration</p> <p><input type="checkbox"/> Combination of ESG incorporation strategies</p>	
Impact on investment decision or performance	
<p>It supported our decision to continue to hold the stock.</p>	

ESG issue 2



### ESG issue and explanation

Topic: Governance - proxy vote

We recently engaged with a telecommunications company's executive team to discuss its recent hostile bid for a competitor. We discussed board composition, its country of domicile (and its proposed re-domiciliation of the corporation), and changes to strategic customer relationships. Although we are somewhat concerned with the hostile bid, and lack of board engagement on the target's behalf, we are awaiting more information from the acquiror on changes to the deal structure and change of domicile. We also discussed how management and the board would approach global regulatory bodies, legal challenges, and strategic customer relationships, which have been major challenges for the target in the past. While the acquiror's approach could lead to a significant reduction in these risks, the acquisition may not be in the best interests of long term value creation.

### ESG incorporation strategy applied

- Screening
- Integration
- Combination of ESG incorporation strategies

### Impact on investment decision or performance

The proxy vote is pending. We have determined to continue to hold the securities. We are monitoring the deal structure and the pricing of the acquisition.

- ESG issue 3
- ESG issue 4
- ESG issue 5

Loomis, Sayles & Company, L.P.

## Reported Information

Public version

Direct - Listed Equity Active Ownership

## 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.

## Engagement

### Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

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

LEA 01.1

Indicate whether your organisation has a formal engagement policy.

Yes

LEA 01.2

Attach or provide a URL to your engagement policy.

Attachment provided:

URL provided:

URL

<https://www.loomissayles.com/website/about-us/environmental-social-and-governance-issues>

LEA 01.3

Indicate what your engagement policy covers:

- Conflicts of interest
- Insider information
- Alignment with national stewardship code requirements
- Due diligence and monitoring process
- Prioritisation of engagements
- Transparency of engagement activities
- Environmental factors
- Social factors
- Governance factors
- Other, describe
- None of the above

**LEA 01.4** | Provide a brief overview of your organization's approach to engagement

Engagement is at the core of Loomis Sayles' research process and often includes meetings with management, ESG vendors and regulators. The assessment of management quality is intended to permit our investment professionals to develop an informed opinion of the issuer over time. They do this by observing management's actions and conduct as it deals with corporate governance, strategy, resource management, regulatory changes, and its attention to such potential risks as environmental and climate change. ESG-related risks and opportunities are an inextricable part of the assessment.

No

<b>LEA 02</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 1,2,3</b>
---------------	------------------	---------------	----------------	------------------

**LEA 02.1** | Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify We seek to identify ESG risks related to the long term prospects for success of an issuer that is held, or being considered for investment. <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) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via collaborative engagements <div style="background-color: #0070C0; color: white; padding: 5px; margin-top: 10px;">Please specify why your organisation does not engage via collaborative engagements.</div> We are currently engaging with issuers via internal staff. As we evolve in our engagement practices, we will consider engaging through collaboration with other organizations, taking into consideration whether such collaborative engagements will be in the best interest of our clients, consistent with our fiduciary duty.
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers <div style="background-color: #0070C0; color: white; padding: 5px; margin-top: 10px;">Please specify why your organisation does not engage via service providers.</div> We are currently engaging with issuers via internal staff. As we evolve in our engagement practices, we will consider whether and how to engage via service providers, taking into consideration whether such engagements will be in the best interest of our clients, consistent with our fiduciary duty.

**Process**

**Process for engagements run internally**

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 engagement activities carried out by internal staff.

- 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 if you define specific objectives for your engagement activities.

- Yes
- We do not define specific objectives for engagement activities carried out by internal staff.

**LEA 04.2**

Indicate if you monitor the actions that companies take during and following your engagements activities carried out by internal staff.

- Yes
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

**LEA 04.3**

Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.

- Define timelines for your objectives
- Tracking and/or monitoring progress against defined objectives
- Tracking and or monitoring progress of actions taken when original objectives are not met
- Revisit and, if necessary, revise objectives on continuous basis
- Other, please specify
- We do not monitor and evaluate progress of engagement activities carried out by internal staff

**LEA 04.4**

Additional information. [Optional]

Regarding LEA 04.2, we monitor the actions that companies take following our engagement activities on an ad-hoc basis. As our engagement practices evolve, we will consider implementing a more systemic approach to monitoring responses to our engagement activities.

### General processes for all three groups of engagers

**LEA 09**

**Voluntary**

**Public**

**Additional Assessed**

**PRI 1,2**

**LEA 09.1**

Indicate if insights gained from your engagements are shared with your internal or external investment managers.

Type of engagement	Insights shared
Individual/Internal staff engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Public	Gateway	PRI 2
--------	-----------	--------	---------	-------

**LEA 10.1** Indicate if you track the number of your engagement activities.

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

## Outputs and outcomes

LEA 12	Voluntary	Public	Additional Assessed	PRI 2
--------	-----------	--------	---------------------	-------

**LEA 12.1** Indicate which of the following your engagement involved.

- Letters and emails to companies
- Meetings and/or calls with the appropriate team
  - In some cases
  - In majority cases
  - In all cases
- Visits to operations
  - In some cases
  - In majority cases
  - In all cases
- Participation in roadshows
  - In some cases
  - In majority cases
  - In all cases
- Other, specify

LEA 13	Voluntary	Public	Descriptive	PRI 2
--------	-----------	--------	-------------	-------

<b>LEA 13.1</b>	Indicate whether you track the number of cases during the reporting year in which a company changed its practices, or made a formal commitment to do so, following your organisation's and/or your service provider's engagement activities.
-----------------	--

- Yes
- No

<b>LEA 13.3</b>	Additional information [Optional].
-----------------	------------------------------------

Tracking engagement results is something we are planning on implementing in the future.

## (Proxy) voting and shareholder resolutions

### Overview

<b>LEA 15</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1,2,3</b>
---------------	------------------	---------------	----------------------	------------------

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

<b>LEA 15.1</b>	Indicate whether your organisation has a formal voting policy.
-----------------	--

- Yes

<b>LEA 15.2</b>	Indicate what your voting policy covers:
-----------------	--

- Conflicts of interest
- Share blocking
- Securities lending process
- Prioritisation of voting activities
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Filing/co-filing resolutions
- Extraordinary meetings
- Regional voting practices
- Transparency of proxy voting activities
- Company dialogue pre/post vote
- Other, describe
- None of the above

<b>LEA 15.3</b>	Attach or provide a URL to your voting policy. [Optional]
-----------------	---



URL

[http://www.loomissayles.com/internet/internetdata.nsf/ID/8ASHES/\\$FILE/ProxyManual.pdf](http://www.loomissayles.com/internet/internetdata.nsf/ID/8ASHES/$FILE/ProxyManual.pdf)

**LEA 15.4** Provide a brief overview of your organization's approach to (proxy) voting.

All non-routine issues will be directly considered by the Proxy Committee and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security, and will be voted in the best investment interests of the client. All routine for and against issues will be voted according to Loomis Sayles' policy approved by the Proxy Committee unless special factors require that they be considered by the Proxy Committee and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security. Loomis Sayles' Proxy Committee has established these routine policies in what it believes are the client's best interests.

No

## Process

**LEA 16**

**Mandatory**

**Public**

**Descriptive**

**PRI 2**

**LEA 16.1**

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.
- We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions.

**Based on**

- the service provider voting policy signed off by us
  - our own voting policy
  - our clients' requests or policy
  - other, explain
- We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
  - We hire service provider(s) that make voting decisions on our behalf.

**LEA 16.2**

Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

Pursuant to the requirements of Rule 206(4)-7 of the Investment Advisers Act of 1940, the Loomis Sayles Chief Compliance Officer conducts an annual assessment of the adequacy and effectiveness of the firm's Compliance Program and reports the findings to the firm's Audit Committee and its Board of Directors. The date of the completion of the most recent assessment was March 2018. In addition, the firm undergoes an annual Service Organization Controls Report (SOC 1) audit (formerly SSAE 16 and SAS 70) conducted by Ernst & Young LLP. The audit is a comprehensive review of the firm's compliance policies and procedures, and key operational and technology controls. The most recent audit was conducted for the period September 1, 2016, through August 31, 2017. Loomis Sayles' Proxy Policies are included amongst these audits to ensure compliance with the policies at all times. There were no material findings in the SOC 1.

**LEA 19**

Voluntary

Public

Additional Assessed

PRI 2

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

**LEA 19.1**

Indicate if your organisation has a securities lending programme.

- Yes  
 No

**LEA 19.2**

Describe why your organisation does not lend securities?

The firm's investment policy is not to engage in securities lending absent client direction. While the firm does not have a securities lending program, certain of our clients may. In those cases, we monitor for significant events (mergers, acquisitions, etc.) and work with the client's custodian to recall any shares on loan in order to vote proxies associated therewith.

**LEA 20**

Mandatory

Public

Core Assessed

PRI 2

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

**LEA 20.1**

Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases  
 Sometimes, in the following cases:
- Votes for selected markets
  - Votes relating to certain ESG issues
  - Votes for significant shareholdings
  - Votes for companies we are engaging with
  - On request by clients
  - Other

We (and our service providers acting on behalf of their clients generally) may raise concerns with companies ahead of voting regarding matters of significance to our portfolio managers and/or investment teams, and the service providers, respectively. Issuers may also visit Loomis prior to the vote to discuss their perspective on the proxy issues.

Neither we nor our service provider raise concerns with companies ahead of voting

**LEA 20.2** Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**LEA 20.3** Additional information. [Optional]

While we do not communicate our rationale to companies, our service providers make this information available to companies for purchase, and their general policies are available on their websites.

## Outputs and outcomes

<b>LEA 21</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 2</b>
---------------	------------------	---------------	----------------------	--------------

**LEA 21.1** For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

We do track or collect this information

Votes cast (to the nearest 1%)

%

100

Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

**LEA 21.2** Explain your reason(s) for not voting certain holdings

- Shares were blocked
- Notice, ballots or materials not received in 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)
- On request by clients
- Other

Not applicable, we voted 100%.

We do not track or collect this information

LEA 22	Mandatory	Public	Additional Assessed	PRI 2
--------	-----------	--------	---------------------	-------

**LEA 22.1** Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

Yes, we track this information

**LEA 22.2** Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	<div style="display: flex; align-items: center;"> <div style="width: 86%; height: 20px; background-color: #0072bc; margin-right: 5px;"></div> <span style="margin-left: 5px;">%</span> </div> <p>86</p>
Against (opposing) management recommendations	<div style="display: flex; align-items: center;"> <div style="width: 14%; height: 20px; background-color: #0072bc; margin-right: 5px;"></div> <span style="margin-left: 5px;">%</span> </div> <p>14</p>
Abstentions	<div style="display: flex; align-items: center;"> <div style="width: 0%; height: 20px; background-color: #0072bc; margin-right: 5px;"></div> <span style="margin-left: 5px;">%</span> </div> <p>0</p>

100%

**LEA 22.3** Describe the actions you take in relation to voting against management recommendations.

Management proposals are increasingly ESG compatible. Thus, a vote for or against management is not meaningful without an understanding of what the proposal is.

No, we do not track this information

LEA 23	Voluntary	Public	Descriptive	PRI 2
--------	-----------	--------	-------------	-------

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

LEA 23.1	Indicate if your organisation directly or via a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.
----------	---

- Yes
- No

LEA 23.6	Describe whether your organisation reviews ESG shareholder resolutions filed by other investors.
----------	--

All non-routine issues will be directly considered by the Proxy Committee and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security, and will be voted in the best investment interests of the client. All routine for and against issues will be voted according to Loomis Sayles' policy approved by the Proxy Committee unless special factors require that they be considered by the Proxy Committee and, when necessary, the equity analyst following the company and/or the portfolio manager of an account holding the security. Loomis Sayles' Proxy Committee has established these routine policies in what it believes are the client's best interests.

Loomis, Sayles & Company, L.P.

## 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.

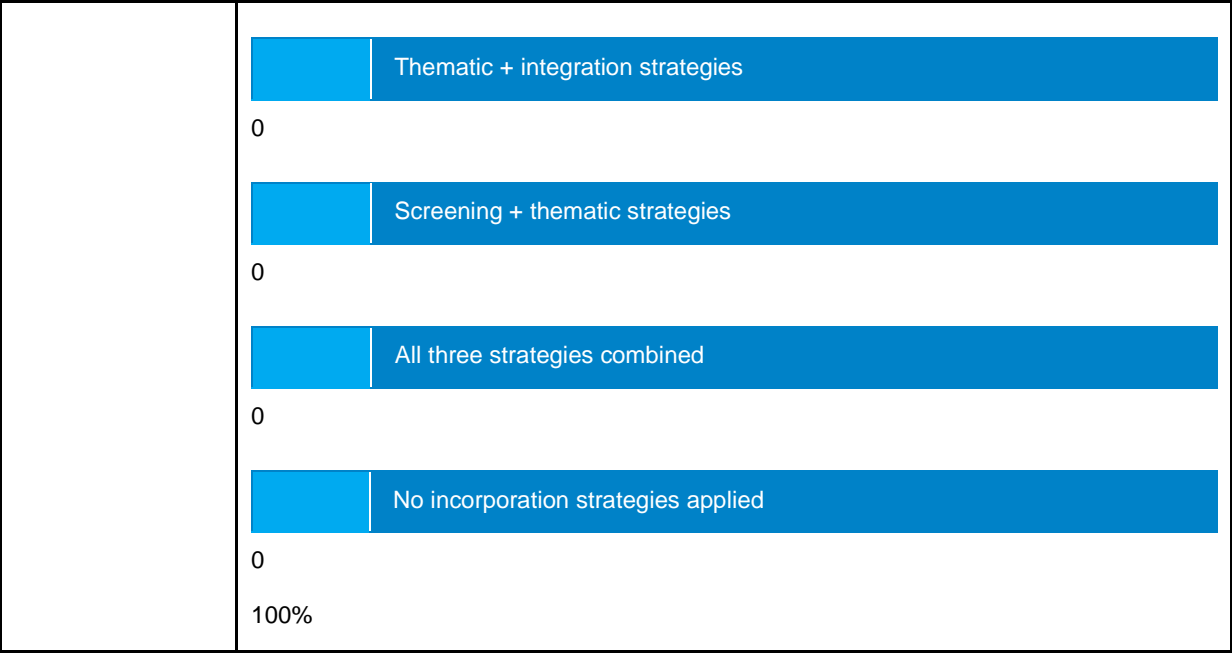
## ESG incorporation in actively managed fixed income

### 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>95</td> </tr> <tr> <td>Screening + integration strategies</td> <td>5</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> <tr> <td><b>Total (any strategy)</b></td> <td><b>100%</b></td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	95	Screening + integration strategies	5	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0	<b>Total (any strategy)</b>	<b>100%</b>
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	95																				
Screening + integration strategies	5																				
Thematic + integration strategies	0																				
Screening + thematic strategies	0																				
All three strategies combined	0																				
No incorporation strategies applied	0																				
<b>Total (any strategy)</b>	<b>100%</b>																				
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>95</td> </tr> <tr> <td>Screening + integration strategies</td> <td>5</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	95	Screening + integration strategies	5										
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	95																				
Screening + integration strategies	5																				





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

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

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

At Loomis Sayles, we believe that ESG issues play an important role in the global economy, both from a business and investment perspective. Loomis Sayles embraces its duty to act at all times in our clients' best interest, and we believe that ESG issues impact our goal of achieving superior, risk-adjusted returns. We understand that environmental, social, and corporate governance practices may present risks that need to be evaluated, and we analyze these risks as part of our fundamental research process.

We analyze risks by modeling long-term business opportunities and challenges, by identifying risks inherent in industries and sectors, and by using a variety of methods to evaluate ESG issues, including engagement with Issuers and the use of third-party analytical tools.

With respect to integration, we expect our investment professionals to consider all available macro, fundamental and quantitative research insights, including those related to ESG.

Unless otherwise directed, with respect to screening, Loomis Sayles does not impose any ESG restrictions or exclusions on the investment process. Screening performed is mandated by our clients' guidelines, or by regulation.

**FI 01.3** Additional information [Optional].

With respect to integration, we expect our investment professionals to consider all available macro, fundamental and quantitative research insights, including those related to ESG. With respect to screening, Loomis Sayles does not impose any ESG restrictions or exclusions on the investment process. Any screening is mandated by our clients' guidelines, or by regulation.

<b>FI 02</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
--------------	--	---------------	----------------------	--------------

**FI 02.1** Indicate which ESG factors you systematically research as part of your analysis on issuers.

Select all that apply

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

**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

<b>FI 02.3</b>	Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.
----------------	---

ESG issues are considered as part of the firm's investment decision-making process. We use MSCI IVA, MSCI's ESG research and issuer scores, and we have access to Bloomberg's issuer ESG data and scores. In addition, Loomis Sayles utilizes information from financial news publications, specialist data services, and economic and political consulting groups, and has considerable access to Wall Street research publications and sell-side analysts. At all times, Loomis Sayles has as one of its goals to continually identify additional superior tools for the research analysts and the investment teams. We continually evaluate the existing resources and the need to supplement them, through (1) the acquisition of data, and (2) the development of technological tools. The analysis focuses on whether our resources sufficiently capture data to assist in incorporating ESG into the investment process, and whether other resources may be necessary in the future.

<b>FI 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------------	--------------

<b>FI 03.1</b>	Indicate how you ensure that your ESG research process is robust:
----------------	---

- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify

	specify description
--	---------------------

We consistently measure and monitor the analysts' views, ratings and recommendations relative to outcome. Box 2 relates to corporate credit only.

- None of the above

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

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, ‘tear sheets’, ‘dashboards’ or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify  
 Our periodic industry and issuer reviews include a written presentation of ESG factors and they are discussed if material.
- None of the above

**FI 03.3** Additional information. [Optional]

The MSCI ESG centralized data base is available to investment professionals. Moreover, we include the ESG MSCI ratings in some of our internally generated research reports.

In addition to the boxes selected above, our ESG attribution analysis is available and used to ascertain the impact of an investment management team’s ESG related positioning on product performance.

Semiannually, our Chief Investment Risk Officer conducts an investment risk review with each investment product team. The review includes exposure by ESG rating for the representative account, performance by ESG rating and a review of the lower ESG rated securities held in the portfolio with each portfolio management team in order to assess awareness of ESG issues in the portfolios. Based on the review, the Chief Investment Risk Officer shares processes and practices across all investment teams.

**(A) Implementation: Screening**

<b>FI 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------	--------------

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

Select all that apply

	<b>SSA</b>	<b>Corporate (financial)</b>	<b>Corporate (non-financial)</b>	
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
----------------	--

Screening is conducted in accordance with client-specific guidelines and/or the mandate of a given product. We may partner with an expert company that monitors activity related to a client's particular screening requirements. Frequency of review and changes are within the client's purview.

<b>FI 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
--------------	------------------	---------------	--------------------	--------------

<b>FI 05.1</b>	Indicate why you conduct negative screening.
----------------	--

**SSA**

	SSA
--	-----

- For legal reasons
- For non-legal reasons

**Corporate (financial)**

	Corporate (fin)
--	-----------------

- For legal reasons
- For non-legal reasons

**Corporate (non-financial)**

	Corporate (non-fin)
--	---------------------

- For legal reasons
- For non-legal reasons

<b>FI 05.2</b>	Describe your approach to ESG-based negative screening of issuers from your investable universe.
----------------	--

Screening is conducted in accordance with client-specific guidelines and/or the mandate of a given product. We may partner with an expert company that monitors activity related to a client's particular screening requirements. Frequency of review and changes are within the client's purview.

<b>FI 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------	--------------

<b>FI 07.1</b>	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
----------------	---

Type of screening	Checks
Negative/exclusionary screening?	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> <input type="checkbox"/> Audits of our trading system, which include holdings in accordance with fund guidelines, are undertaken regularly by external auditors. <input type="checkbox"/> None of the above

**FI 07.2** Additional information. [Optional]

We note that the term "fund" is used in this question. Our answer applies to any client account (funds and separate accounts) that require negative screening.

**(C) Implementation: Integration**

**FI 11** **Mandatory** **Public** **Descriptive** **PRI 1**

**FI 11.1** Describe your approach to integrating ESG into traditional financial analysis.

We believe that integrating certain ESG factors is a part of traditional financial analysis. Governance is a critical component in the assessment of management's or a sovereign's ability to cope with the financial impact of economic volatility as well as changes involving technology, the competitive landscape, and government tax/regulatory policies. For example, we have considered the impact of new environmental requirements for the automotive industry on its capital and R&D spending as well as their impact on the key credit ratios. Governance and social policy are also critical components of our sovereign analysis.

**FI 11.2** Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.

**SSA**

ESG factors are a fundamental part of sovereign credit analysis. Using data from government and independent sources, we look at social factors like access to education and health care, environmental concerns regarding resource constraints, and governance factors like rule of law and quality of institutions. We incorporate into our long term view the published rankings of countries on specific factors like income inequality, the ease of doing business, and the level of corruption in the public sector.



### Corporate (financial)

We view the governance history of financial companies as it relates to the turnover rate of senior management, the maintenance of prudent financial policies, the ability to balance the needs of all stakeholders, the severity of pending litigation, whether the chairman and CEO positions are separate as well as the experience/qualifications of company leaders. Regarding the adherence of social principles, we evaluate an issuer's relationship with its customers including whether its products are fairly priced, its selling practices and whether it fairly serves all communities. On environmental matters, we note whether financial institutions participate in the "green bond" market.

### Corporate (non-financial)

Every industry is different as it relates to various ESG factors. For example, environmental risks are very important for the automotive, energy and utility industries while social factors come to the forefront for apparel producers and the retail industry.

### Securitized

Governance is an important factor in the analysis of securitizations. We evaluate governance primarily as it relates to the alignment of interest between the sponsor and the investor. More specifically, we look at whether the sponsor is using securitization simply as a method of exit or risk transfer, or as a funding source in which they will continue to participate. We seek structures where there is strong alignment of interests. Social and environmental matters are not always relevant to the securitized space. However, with respect to social factors, we do watch for and avoid structures and programs that could be viewed as predatory toward consumers.

FI 12

Mandatory

Public

Core Assessed

PRI 1

FI 12.1

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

Select all that apply

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

**FI 12.2** Additional information [OPTIONAL]

With regard to whether ESG analysis for issuers is a standard agenda item at investment committee meetings, we wish to clarify that our model is one of distinct investment product teams, and therefore we do not have a standard "investment committee meeting". However, each research group as well as the investment product teams choose how and when to include ESG analysis as a standard agenda item in each of their meetings. For example, one fixed income product team reviews the lowest ESG rated issuers by sector in their portfolio on a regular basis. Several other investment teams anticipate integrating ESG analysis in a more formal manner in their investment process in 2018.

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

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

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

### FI 13.2

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

#### SSA

ESG factors are a fundamental part of sovereign credit analysis. Using data from government and independent sources, we look at social factors like access to education and health care, environmental concerns regarding resource constraints, and governance factors like rule of law and quality of institutions. We incorporate into our long term view the published rankings of countries on specific factors like income inequality, the ease of doing business, and the level of corruption in the public sector.

#### Corporate (financial)

For companies in the financial sector much of the ESG review process is driven by a company's governance history. For example, we typically review the performance and effectiveness of the senior leadership team as well as the Board of Directors by delving into their expertise, composition, turnover and outcomes of previous decisions. Social factors are also evaluated, especially as they relate to the customers and communities these companies serve.

## Corporate (non-financial)

The impact of specific ESG factors varies greatly among the vast array of corporate sectors. For example, environmental risks are very important in the evaluation of the automotive, utilities and energy industries. Meanwhile, social factors come to the forefront for apparel producers and the retail industry.

## Securitized

The relevance of ESG factors varies widely in the securitized market. Governance analysis within securitizations is done at the deal sponsor level. Governance vis-a-vis alignment of interests between the sponsor and investor is relevant to all structures. Loomis Sayles, through industry/investor associations, led the effort to design and generate industry consensus with regard to enhanced structures to provide alignment of interests between the sponsors of MBS deals and the investors in those deals. These efforts have been coordinated by a task force facilitated by the US Treasury Department.

Social matters, specifically predatory lending practices, are relevant in consumer related finance.

Environmental issues are generally not directly applicable to securitizations. Securitization involves lending to a diversified group of participants and does not typically offer the opportunity to be selective with regard to recipients. As a lender, we have no direct connection to, or influence over, the use of funds.

## Fixed income - Engagement

FI 15	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
FI 15.1	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
<b>SSA</b>	<p> <input type="radio"/> &gt;50%  <input checked="" type="radio"/> 26-50%  <input type="radio"/> 5-25%  <input type="radio"/> More than 0%, less than 5%         </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> <b>FI 15.2</b> Indicate your motivations for conducting engagement (SSA fixed income assets).         </div> <p> <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure)  <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity)  <input type="checkbox"/> Other, specify  <input type="checkbox"/> None of the above         </p>
<b>Corporate (financial)</b>	<p> <input type="radio"/> &gt;50%  <input checked="" type="radio"/> 26-50%  <input type="radio"/> 5-25%  <input type="radio"/> More than 0%, less than 5%         </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> <b>FI 15.2</b> Indicate your motivations for conducting engagement (Corporate, Financial fixed income assets)         </div> <p> <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure)  <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity)  <input type="checkbox"/> Other, specify  <input type="checkbox"/> None of the above         </p>
<b>Corporate (non-financial)</b>	<p> <input type="radio"/> &gt;50%  <input checked="" type="radio"/> 26-50%  <input type="radio"/> 5-25%  <input type="radio"/> More than 0%, less than 5%         </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> <b>FI 15.2</b> Indicate your motivations for conducting engagement (Corporate, non-financial fixed income assets)         </div> <p> <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure)  <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity)  <input type="checkbox"/> Other, specify  <input type="checkbox"/> None of the above         </p>
<b>Securitised</b>	<p> <input type="radio"/> &gt;50%  <input type="radio"/> 26-50%  <input checked="" type="radio"/> 5-25%  <input type="radio"/> More than 0%, less than 5%         </p> <div style="background-color: #0070C0; color: white; padding: 5px;"> <b>FI 15.2</b> Indicate your motivations for conducting engagement (Securitized fixed income assets).         </div>

	<input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above
--	---

FI 16	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
-------	---	--------	---------------------	---------

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

FI 16.1	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	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Individual/Internal staff engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Service provider engagements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 16.2	Indicate how your organisation prioritises engagements with issuers
---------	---

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Based on potential materiality of ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on systemic risks (e.g. low-carbon transition) to global portfolios	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on our exposure (holdings)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FI 16.3	Indicate when your organisation conducts engagements with issuers.
---------	--

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
Engagements are conducted pre-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Engagements are conducted post-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FI 16.4**

Indicate how your organisation conducts engagements with issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
We systematically engage prior to ESG-related divestments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage in reaction to ESG issues which have already affected the issuer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment and ESG analysts systematically conduct ESG-related engagements together	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FI 16.5**

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitized
We conduct engagements with individual issuers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We conduct engagements within sectors and industries.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We conduct engagements on specific ESG themes (e.g. human rights)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FI 16.6**

Indicate how your organisation shares the outcomes of the engagements internally.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitized
We have a systematic process to ensure the outcomes of engagements are made available	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We occasionally make the outcomes of engagements available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not make this information available	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We do not share the outcomes of the engagements internally	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FI 16.7**

Additional information.[OPTIONAL]

For more information pertaining to our collaborative efforts as described in Indicator 13.2 (Securitized) see <http://www.fairmortgagemarkets.org/#/>

## Outputs and outcomes

FI 18	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	General
-------	---	--------	---------------------	---------



**FI 18.1**

Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	Securitised
We measure whether incorporating ESG impacts funds' reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We measure whether incorporating ESG impacts financial returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
We measure whether incorporating ESG impacts risk	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We measure whether incorporating ESG impacts funds' ESG performance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**FI 19**

Voluntary

Public

Descriptive

PRI 1,2

**FI 19.1**

Provide examples of how your incorporation of ESG analysis and/or your engagement of issuers has affected your fixed income investment outcomes during the reporting year.

 Example 1

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>Topic -- environmental/carbon footprint</p> <p>During a meeting with the management of a large E&amp;P company, we questioned them on how they were operating a particular mine following its acquisition from another company. In particular, we inquired whether they had found or were looking for strategies to improve environmental standards. Management explained that they were looking at CO2 per barrel, a practice that was not done under the mine's prior ownership. The previous owner was trying to minimize absolute CO2 emissions while the new company moved to a process to minimize CO2 per barrel. While the prior owner thought it was being environmentally friendly by trying to minimize absolute CO2 emissions, it was simply delaying the emissions of CO2 from the process and increasing the CO2 per barrel by stopping and starting the plant. By running the plant more efficiently and continuously, the new owner was able to lower the CO2 emissions per barrel. We were encouraged by this finding and advised the company to explore further avenues of environmental efficiencies.</p>
RI strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Engagement
Impact on investment decision or performance
<p>Increased confidence in the holding.</p>

Example 2

Type of fixed income
<input type="checkbox"/> SSA <input type="checkbox"/> Corporate (financial) <input checked="" type="checkbox"/> Corporate (non-financial) <input type="checkbox"/> Securitised
ESG issue and explanation
<p>Topic - Governance: Composition of Board</p> <p>During one of our frequent meetings with a large automaker, we probed the composition and credentials of its current board of directors. In particular, we noted the absence of significant experience in the technology sector. This was a cause of concern given the huge investments that the automaker was making in the development of autonomous and electric vehicles, connectivity and new mobility solutions. Several months later, a new member was elected to the board, who had worked in a senior position for a technology company. We revisited the matter with the company to inquire whether our feedback was the catalyst for their selection of this board member. They responded that it was a combination of our inquiry as well as similar feedback from other asset managers. Since this exchange, we have continued to provide feedback regarding the composition of their board.</p>
RI strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Engagement
Impact on investment decision or performance
<p>Increased confidence in the holding.</p>

- Example 3
- Example 4
- Example 5

Loomis, Sayles & Company, L.P.

Reported Information

Public version

Assurance

## PRI disclaimer

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

## Assurance

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

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

CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:
----------	---

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year)
- Internal audit conducted by internal auditors of the implementation of RI processes and/or RI data that have been reported to the PRI this year
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
  - Whole PRI Transparency Report has been internally verified
  - Selected data has been internally verified
- Other, specify  
Internal audit of certain data points is performed by E &Y, a third party, which may constitute "third party assurance".
- None of the above

CM1 01.2 & 01.8	Mandatory	Public	Descriptive	
-----------------	-----------	--------	-------------	--

CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?
----------	--

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

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

CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
----------	---

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

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

CM1 01.4

We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

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

CM1 01.6

Mandatory

Public

Descriptive

General

CM1 01.6

Provide details of the third party assurance of RI related processes, and/or details of the internal audit conducted by internal auditors of RI related processes (that have been reported to the PRI this year)

What RI processes have been assured

- Data related to RI activities
- RI policies
- RI related governance
- Engagement processes
- Proxy voting process
- Integration process in listed assets
- Screening process in listed assets
- Thematic process in listed assets
- Other

Specify

Internal audit of proxy voting

Corresponding indicator number

Proxy voting is subject to internal audit, and to the compliance review process in connection with the annual SOC1/Service Organization Controls Report.

When was the process assurance completed(dd/mm/yy)

11/30/2017

Assurance standard used

- IIA's International Standards for the Professional Practice of Internal Auditing
- ISAE 3402
- ISO standard
- AAF 01/06
- SSE18
- AT 101 (excluding financial data)
- Other

Specify

SOC1/Service Organization Controls Report

CM1 01.7	Mandatory	Public	Descriptive	General
----------	-----------	--------	-------------	---------

CM1 01.7	Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed
----------	--

**Who has conducted the verification**

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board
- Investment Committee

Sign-off or review of responses

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