



LEA 02	Monetary	Gateway
<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's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional information</li> <li><input checked="" type="checkbox"/> To engage internal ESG decision</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via internal staff</li> </ul>	<p><b>Type of engagement</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Individual/ internal staff engagements</li> <li><input type="checkbox"/> Collaborative engagements</li> <li><input type="checkbox"/> Service provider engagements</li> </ul>	<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's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional information</li> <li><input checked="" type="checkbox"/> To engage internal ESG decision</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage via internal staff</li> </ul>

# RI TRANSPARENCY REPORT

## 2020

Finance in Motion GmbH

## About this report

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

This report is an export of the individual Signatory organisation's response to the PRI during the 2020 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

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

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

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

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

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

# Principles Index

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

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

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

Direct - Inclusive Finance				Principle							General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	7	
IFD 01	Mission and investment objective	✓	Public								✓
IFD 02	Governance, management structures and processes	✓	Private								✓
IFD 03	Social targets	✓	Private								✓
IFD 04	Percentage in equity, debt and guarantees	✓	Private								✓
IFD 05	Percentage in microfinance and/or SME finance	✓	Private								✓
IFD 06	Geographical spread of microfinance investments	✓	Private								✓
IFD 07	Tracking microfinance investees portfolio	✓	Public	✓							
IFD 08	Support financial services beyond credit, compulsory savings and/or compulsory insurance	✓	Public	✓							
IFD 09	Support the introduction of services tailored to the 'poor', 'very poor' and 'low income'	✓	Private	✓							
IFD 10	Technical assistance to investees	✓	Private	✓							
IFD 11	Public endorsement of the Client Protection Principles	✓	Public		✓						
IFD 12	Provide training and assistance for investees implementing the Client Protection Principles	✓	Private		✓						
IFD 13	Include the Client Protection Principles in investment policies	✓	Public		✓						
IFD 14	Investment in local currency	✓	Public			✓					
IFD 15	Average maturity of debt investments	✓	Public			✓					
IFD 16	Average holding period of equity investments	🔒	n/a			✓					
IFD 17	Terms and conditions	✓	Public			✓					
IFD 18	Tools for social performance reporting	✓	Public				✓				
IFD 19	Retail institutions have independent financial/social rating and/or social audit	✓	Public				✓				
IFD 20	Due diligence on and monitoring and reporting of corporate governance among investees	✓	Public				✓				
IFD 21	Training or assistance for investees on corporate governance	✓	Private				✓				
IFD 22	Percentage of investees where board seats are held	🔒	n/a				✓				
IFD 23	Procedure to integrate environmental issues in investment decision processes	✓	Public				✓				
IFD 24	Anti-corruption and whistle-blowing policies	✓	Private				✓				
IFD 25	How mission and investment objectives are communicated to stakeholders	✓	Private					✓			
IFD 26	Investors and/or the public provided with information aligned with industry standards	✓	Public					✓			
IFD 27	Transparency of pricing, terms and conditions among investees	✓	Public					✓			
IFD 28	How social performance of investees affects decision making and portfolio	✓	Public						✓		

	management													
IFD 29	Staff incentives linked to social performance measures	-	n/a										✓	
IFD 30	Collecting data regarding social outcomes of investees work	✓	Private										✓	
IFD 31	Incentivise investees to track social performance	✓	Private										✓	
IFD 32	Collaborative initiatives your organisation has supported or participated in	✓	Public											✓
IFD 33	Encouraging investees to participate in collaborative initiatives	✓	Private											✓
IFD 34	Encouraging your investees to participate in initiatives which contribute to the development of industry benchmarks	✓	Private											✓
IFD End	Module confirmation page	✓	-											

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



# Finance in Motion GmbH

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

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## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

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

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

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

Germany

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

234.3

**OO 03** **Mandatory** **Public** **Descriptive** **General**

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

- Yes
- No

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

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

31/12/2019

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

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

	trillions	billions	millions	thousands	hundreds
Total AUM		2	670	696	514
Currency	EUR				
Assets in USD		2	943	912	232

Not applicable as we are in the fund-raising process

**OO 04.4** Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

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

<b>OO 06.1</b>	Select how you would like to disclose your asset class mix.
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- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	0
Fixed income	10-50%	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	<10%	0

Farmland	0	0
Inclusive finance	>50%	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

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

**OO 06.3** Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

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

**OO 09** **Mandatory** **Public** **Peering** **General**

**OO 09.1** Indicate the breakdown of your organisation's AUM by market.

Developed Markets	0
Emerging Markets	20
Frontier Markets	37
Other Markets	43
Total 100%	100%

## Asset class implementation gateway indicators

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

### Fixed income Corporate (financial) – engagement

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

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

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

OO 11	Mandatory	Public	Gateway	General
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**OO 11.1** Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

### 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.

### Forestry

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

### Inclusive finance

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

OO 12	Mandatory	Public	Gateway	General
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OO 12.1

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

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Fixed Income

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

Direct - Other asset classes with dedicated modules

- Inclusive Finance

Closing module

- Closing module

Peering questions

OO FI 01

Mandatory to Report Voluntary to Disclose

Public

Gateway

General

OO FI 01.1

Provide a breakdown of your internally managed fixed income securities by active and passive strategies

<b>Corporate (financial)</b>	Passive	0
	Active - quantitative (quant)	0
	Active - fundamental and active - other	100
	Total	100%
<b>Corporate (non-financial)</b>	Passive	0
	Active - quantitative (quant)	0
	Active - fundamental and active - other	100
	Total	100%

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

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

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



# Finance in Motion GmbH

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

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## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3

Indicate if the investment policy covers any of the following

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

Other description (1)

Exclusion lists aligned with those of international financial institutions

Other RI considerations, specify (2)

**SG 01.4**

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

Finance in Motion is a global impact asset manager focused exclusively on sustainable development in low and middle-income countries. The investment policies of the funds we advise spell out precisely how funding can be deployed (e.g. into which sectors and target countries, under which conditions) in order to have an impact in line with the respective missions of the funds. The funds' foundation documents include the commitment to integrate ESG considerations into the fund investment cycle.

No

**SG 02**

**Mandatory**

**Public**

**Core Assessed**

**PRI 6**

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

**SG 02.1**

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

- Policy setting out your overall approach
- Formalised guidelines on environmental factors

URL/Attachment

URL

URL

<https://www.ggf.lu>

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

URL/Attachment

URL

URL

<https://www.ggf.lu>

- Attachment (will be made public)
- Formalised guidelines on corporate governance factors
- Fiduciary (or equivalent) duties
- Asset class-specific RI guidelines
- Sector specific RI guidelines
- Screening / exclusions policy

URL/Attachment

URL

URL

<https://www.ggf.lu>

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.finance-in-motion.com/who-we-are>

Attachment

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

<https://www.finance-in-motion.com/who-we-are>

Attachment

Time horizon of your investment

Governance structure of organisational ESG responsibilities

ESG incorporation approaches

Reporting

URL/Attachment

URL

URL

<https://www.finance-in-motion.com/publications>

- Attachment
- Other RI considerations, specify (1)
- We do not publicly disclose any investment policy components

**SG 02.3** Additional information [Optional].

Finance in Motion is an impact asset manager advising impact investment funds (for more details please refer to <https://www.finance-in-motion.com/who-we-are>), which have individual E&S policies.

**SG 03**

**Mandatory**

**Public**

**Core Assessed**

**General**

**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.

All funds we advise have conflict of interest policies spelling out the definition of a conflict of interest, the identification of potential conflicts of interest and mitigating factors at the operational level and the decision-making level as well as the consequences arising out of a declaration of conflict of interest.

In addition, Finance in Motion as the Advisor has a dedicated policy on avoiding conflicts of interest.

No

## Objectives and strategies

**SG 05**

**Mandatory**

**Public**

**Gateway/Core Assessed**

**General**

**SG 05.1**

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

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

## Governance and human resources

SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
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	Roles
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- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

	Select from the below internal roles
--	--------------------------------------

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment

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

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

SG 09.1

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

### Select all that apply

- Principles for Responsible Investment

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

- Basic  
 Moderate  
 Advanced
- Asian Corporate Governance Association  
 Australian Council of Superannuation Investors  
 AVCA: Sustainability Committee  
 France Invest – La Commission ESG  
 BVCA – Responsible Investment Advisory Board  
 CDP Climate Change  
 CDP Forests  
 CDP Water  
 CFA Institute Centre for Financial Market Integrity  
 Climate Action 100+  
 Code for Responsible Investment in SA (CRISA)  
 Council of Institutional Investors (CII)  
 Eumedion  
 Extractive Industries Transparency Initiative (EITI)  
 ESG Research Australia  
 Invest Europe Responsible Investment Roundtable  
 Global Investors Governance Network (GIGN)  
 Global Impact Investing Network (GIIN)

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 are an active member of the GIIN Investors' Council, where leading impact investors gather. Comprising asset owners and asset managers with diverse interests across sectors and geographies, the Investors' Council provides a forum for experienced impact investors to strengthen the practice of impact investing.

- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify  
**Eurosif, FNG**

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

- Basic
- Moderate
- Advanced
- Responsible Finance Principles in Inclusive Finance

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

- Basic
- Moderate
- Advanced
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)

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

- Basic
- Moderate
- Advanced
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
**Bundesinitiative Impact Investing**



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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

EU CoP Finance@Biodiversity

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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Coalition for Private Investment in Conservation (CPIC)

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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

Entrepreneurs for Future

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

- Basic
- Moderate
- Advanced

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

**SG 10.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

**SG 10.2** Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.

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

Description

Our funds have Technical Assistance Facilities, through which dedicated Technical Assistance (TA) projects are organised to strengthen the institutional capacities of our funds' investees, thereby increasing

the developmental impact and outreach to the final target groups. Amongst other areas, TA is used to support product development and to help improve the capacity of our funds' investees in responsible finance, ESG management and performance.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work

#### Description

We respond to surveys, such as the GIIN Annual Impact Investor Survey, Symbiotics' MIV survey, Forum Nachhaltige Geldanlagen Marktbericht, etc.

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

#### Description

various conferences

#### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Wrote and published in-house research papers on responsible investment

#### Description

We publish in-house research papers, such as “Delivering Green Finance” and “Advancing Development through Blended Finance”.

Furthermore, we carry out studies related to our funds’ target sectors and regions, such as on the production practices of coffee farmers, the impact of microfinance, the state of agricultural finance or overindebtedness of microcredit clients.

#### Frequency of contribution

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

Encouraged the adoption of the PRI

Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)

#### Description

We respond to consultations and feedback requests, such as the OECD DAC Blended Finance Principles Guidance.

#### Frequency of contribution

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

Wrote and published articles on responsible investment in the media

#### Description

We publish articles in the media, such as on the future of green investments (<https://www.finance-in-motion.com/article/finance-in-motion-article-in-frankfurter-allgemeine-zeitung-discusses-the-future-of-green-investment/>) or sustainable forestry investments in emerging markets (<https://www.finance-in-motion.com/article/sustainable-forestry-investments-in-emerging-markets/>).

Furthermore, we respond to various media requests and are thus frequently cited in the media.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- A member of PRI advisory committees/ working groups, specify
- On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
- Other, specify
- No

Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

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

SG 12.1

Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants

SG 12.4

Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

- Custodial services
- Investment policy development

Describe how responsible investment is incorporated

E & S consultants to support enhancement of funds' E & S policies

- Strategic asset allocation
- Investment research
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above
- No, we do not use investment consultants.

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

**SG 13.1**

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

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

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

**SG 16**

**Mandatory**

**Public**

**Descriptive**

**General**

**SG 16.1**

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

<b>Asset Class</b>	<b>Describe what processes are in place and the outputs or outcomes achieved</b>
Forestry	<p>Finance in Motion's investment activities in forestry are undertaken by Arbaro Advisors, a Frankfurt-based investment advisory company jointly established by Finance in Motion and the UNIQUE Group, that manages the Arbaro Fund.</p> <p>The Arbaro Fund invests in sustainable plantation forestry projects in Latin America, the Caribbean, and Sub-Saharan Africa. By establishing a renewable resource through sustainably managed, FSC-certified forest plantations, Arbaro will contribute to sequestering 20 million metric tons of CO2 and creating around 5,000 new jobs over its lifetime.</p> <p>The Arbaro Fund has a public Environmental, Social and Governance (ESG) Policy, outlining the ESG principles and commitments that underpin the Fund's activities. The Fund manages ESG matters through its Environmental and Social Management System, guided by the IFC Performance Standards and the EIB Environmental and Social Principles. ESG matters are stringently considered throughout the investment lifecycle: as an integral part of due diligence processes and investment agreements, and strictly monitored until exit. Furthermore, the Arbaro Fund is committed to achieving FSC certification at an early stage for all its Portfolio Companies.</p>
Inclusive finance	<p>Finance in Motion's investment activities in inclusive finance are guided by considerations of responsible investment, which are based on the most relevant principles that Finance in Motion has signed: The Principles for Responsible Investment (PRI), the former Principles for Investors in Inclusive Finance (PIIF) and the Smart Campaign to promote the Client Protection Principles. They are integrated into the investment activities of the funds that we advise and serve mainly to screen potential investees with the aim of: i) promoting responsible lending practices such as responding to customer needs, and fostering overall responsible business models and balanced returns and, ii) protecting final borrowers through appropriate financial products, appropriate lending technology and pricing transparency.</p> <p>Responsible finance practices are reviewed as part of every investment decision and during the investment period on a regular basis. On an annual basis, investees are required to report on environmental and social performance. The process is overseen by a dedicated Impact &amp; Sustainability team.</p> <p>Through our funds' investments in inclusive finance, we have facilitated more than 1.22 million loans to micro, small and medium-sized enterprises and low-income households in 23 countries to date.</p>

**Communication**

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
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**SG 19.1** Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Fixed income

Do you disclose?

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

The information disclosed to clients/beneficiaries is the same

- Yes
- No

<b>Disclosure to public and URL</b>	
Disclosure to public and URL	<input checked="" type="radio"/> Broad approach to RI incorporation <input type="radio"/> Detailed explanation of RI incorporation strategy used
Frequency	<input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested
URL	<a href="https://www.finance-in-motion.com/fileadmin/user_upload/06_publications/Finance_in_Motion_Impact_Investment_Report_2018.pdf">https://www.finance-in-motion.com/fileadmin/user_upload/06_publications/Finance_in_Motion_Impact_Investment_Report_2018.pdf</a>

# Finance in Motion GmbH

## Reported Information

### Public version

### Direct - Fixed Income

## PRI disclaimer

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## 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.			



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

	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	100
	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.

Finance in Motion is an impact asset manager exclusively focused on sustainable development in low and middle-income countries. Our funds have the primary goal of achieving significant positive economic, social and environmental impact. Applying a combination of ESG incorporation strategies for our fixed income investments is thus part of our core business.

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

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify

specify description

a team exclusively dedicated to E &S and E &S training provided to staff involved in the investment cycle

- None of the above

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

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

**(A) Implementation: Screening**

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

Select all that apply

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

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

Our fixed income investments are based on several screening activities. Firstly, we require our investees to adhere to exclusion lists. Amongst others, funding may not be used to finance activities involving forced labour, radioactive materials, unbound asbestos fibres, hazardous chemicals, or wood or other forestry products from unsustainably managed forests ("negative screening"). Secondly, since we seek to achieve positive impact, our investments are based on investment guidelines and in certain cases "green lists", which stipulate what investments are eligible. For instance, certain investments need to achieve a 20% reduction in energy consumption and/or a 20% reduction in CO2 emissions, or contribute to sustainable land use ("positive screening"). Thirdly, we apply environmental and social (E&S) requirements in alignment with good industry practice when analysing investments during due diligence processes ("norms-based screening"). This involves an assessment of the Environmental and Social Management Systems of financial institutions we invest in, and a full E&S due diligence based on IFC performance standards for our direct investments. Similarly, analysing governance aspects is part of our standard due diligence process.

<b>FI 06</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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FI 06.1

Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

Type of screening	Checks
<p><b>Negative/exclusionary screening</b></p>	<p><input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria</p> <p><input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.</p> <p><input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria</p> <p><input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions</p> <p><input checked="" type="checkbox"/> Other, specify</p> <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> <p>External audits are performed on a biennial basis.</p> <p><input type="checkbox"/> None of the above</p>
<p><b>Positive/best-in-class screening</b></p>	<p><input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria</p> <p><input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.</p> <p><input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria</p> <p><input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions</p> <p><input type="checkbox"/> Other, specify</p> <p><input type="checkbox"/> None of the above</p>
<p><b>Norms-based screening</b></p>	<p><input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria</p> <p><input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year.</p> <p><input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria</p> <p><input type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions</p> <p><input checked="" type="checkbox"/> Other, specify</p> <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> <p>External audits are performed on a biennial basis</p> <p><input type="checkbox"/> None of the above</p>

**(B) Implementation: Thematic**

FI 08	Mandatory	Public	Core Assessed	PRI 1
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<b>FI 08.1</b>	Indicate whether you encourage transparency and disclosure relating to the issuance of themed bonds as per the Green Bonds Principles, Social Bond Principles, or Sustainability Bond Guidelines..
----------------	--

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

<b>FI 08.2</b>	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
----------------	--

At present, we do not invest in themed bonds. Thus, FI 08.1 is not applicable.

<b>FI 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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<b>FI 09.1</b>	Indicate how you assess the environmental or social impact of your thematic investments.
----------------	--

- We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- We ensure independent audits are conducted on the environmental or social impact of our investments
- We have a proprietary system to measure environmental and social impact
- We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- Other, specify  

We measure the impact of our themed investments on specific ESG factors such as CO2 emission reduction and sequestration, energy savings and water savings.
- None of the above

### (C) Implementation: Integration

<b>FI 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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<b>FI 10.1</b>	Describe your approach to integrating ESG into traditional financial analysis.
----------------	--

As an impact asset manager exclusively focused on sustainable development in low and middle-income countries, integrating ESG into financial analysis is part of our core business. Our approach to fixed income investing is based on integrating the consideration of ESG aspects in all stages of the investment cycle in order to achieve a positive impact.

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

	Corporate (financial)
--	-----------------------

When investing into financial institutions (FI), our ESG integration approach involves an E&S due diligence to assess the FI's Environmental and Social Management System and - after the loan agreement is signed - at minimum yearly reporting on E&S compliance and performance. For financial institutions investing into renewable energy projects, it involves additional E&S requirements to be met. The consideration of corporate governance is integrated in our standard risk assessment and monitoring procedures in the investment cycle.

	Corporate (non-financial)
--	---------------------------

When investing directly into non-financial institutions (thusfar mostly renewable energy projects), our ESG integration approach involves a full E&S due diligence, based on IFC Performance Standards, and a detailed E&S action plan derived from the E&S due diligence findings. The implementation of the E&S action plan by the client is monitored with support from E&S consultants as required. The consideration of corporate governance is integrated in our standard risk assessment and monitoring procedures in the investment cycle.

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

Select all that apply

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

FI 12	Mandatory	Public	Additional Assessed	PRI 1
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FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

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

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

Corporate (financial)

When investing into financial institutions (FI), our ESG integration approach involves an E&S due diligence questionnaire to assess the FI's Environmental and Social Management System and yearly reporting on E&S compliance and performance. For financial institutions investing into renewable energy, it involves additional E&S requirements to be met. The consideration of corporate governance is integrated in our standard risk assessment and monitoring procedures in the investment cycle.

Corporate (non-financial)

When investing into non-financial institutions (mostly renewable energy projects), our ESG integration approach involves a full E&S due diligence, based on IFC Performance Standards, and a detailed E&S action plan derived from the E&S due diligence findings. The implementation of the E&S action plan by the client is monitored with support from E&S consultants as required. The consideration of corporate governance is integrated in our standard risk assessment and monitoring procedures in the investment cycle.



# Finance in Motion GmbH

## Reported Information

### Public version

#### Direct - Inclusive Finance

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## Context

IFD 01	Voluntary	Public	Descriptive	PIIF General
--------	-----------	--------	-------------	--------------

IFD 01.1	Indicate if you have a distinct mission and investment objective for your investment in inclusive finance.
----------	--

Yes

IFD 01.2	Describe your inclusive finance mission and investment objective.
----------	---

Our mission is to promote sustainable development in low and middle income countries through commercially-oriented development finance. We seek to ensure sustainable access to financial services for micro, small and medium enterprises and low-income households by providing funding and technical assistance to local financial institutions with the overall objective of fostering job creation, income generation and economic development.

No

## PIIF Principle 1: Range of services

IFD 07	Mandatory	Public	Core Assessed	PIIF 1
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### **Possible action:**

*Develop and extend the range of financial services available to low-income populations. Extensions could include savings, loans, insurance, payment services, remittance facilities and pension plans.*

IFD 07.1	Indicate if you track the percentage of your microfinance investees' portfolio that is in microenterprise loans.
----------	--

Yes, we track

	If you aggregate this information at an organisational level, indicate the percentage of your portfolio in microenterprise loans. [Optional]
--	--

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%

No, we do not track

Not applicable (there are no microenterprise loans in the portfolio)

**IFD 07.2**

Indicate if you track the percentage of your microfinance investees' portfolio that is in loans for immediate household needs (i.e. consumer loans).

- Yes, we track
- No, we do not track
- Not applicable (there are no loans for immediate household needs in the portfolio)

**IFD 07.3**

Indicate if you track the percentage of your investees' portfolio in housing loans.

- Yes, we track

If you aggregate this information at an organisational level, indicate the percentage of your portfolio in loans for other categories. [Optional]

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%
- No, we do not track
- Not applicable (there are no loans for housing in the portfolio)

**IFD 08****Mandatory****Public****Core Assessed****PIIF 1****IFD 08.1**

In your microfinance portfolio, indicate if you support the provision of financial services beyond credit, compulsory savings and/or compulsory insurance.

- Yes

**IFD 08.2**

Indicate which of the following services you support:

- Voluntary savings products

Provide examples of how and what you support.

We promote sustainable deposit taking and the strategic development of partner institutions with dedicated Technical Assistance projects through the Funds that we advise.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

- Yes
- No
- Voluntary insurance products

Provide examples of how and what you support.

We explore the opportunities of micro-insurance products and provide training workshops for partner institutions with dedicated Technical Assistance projects through the Funds that we advise.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

- Yes
- No

Other financial services, specify

Leasing services

Provide examples of how and what you support.

By working with leasing companies, we encourage the provision of leasing services to small businesses.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

- Yes
- No

Non-financial services, specify

Financial education & business development services

Provide examples of how and what you support.

We promote financial education through various activities, for instance by developing educational brochures (e.g. on housing loans or agrifinance), conducting educational workshops with pupils to support youth financial literacy and supporting National Banks in the development of Financial Education Strategies.

Furthermore, we provide business development services, for instance by providing trainings directly to farmers and organizing competitions for fintech entrepreneurs. We actively support a network of (social) business development hubs and incubators/accelerators and co-fund training for start-ups and more mature businesses.

Indicate if you gather data regarding the percentage of financial service providers in your portfolio that are offering such a service.

- Yes
  - No
- No

## PIIF Principle 2: Client protection

IFD 11

Mandatory

Public

Core Assessed

PIIF 2

**Possible action:**

*Publicly endorse the Client Protection Principles (CPP).*

<b>IFD 11.1</b>	Indicate if you have publicly endorsed the Client Protection Principles.
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No

<b>IFD 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PIIF 2</b>
---------------	------------------	---------------	----------------------	---------------

<b>IFD 13.1</b>	Indicate if you include the Client Protection Principles and/or other client protection measures in your investment policies.
<input checked="" type="radio"/>	Yes

<b>IFD 13.2</b>	Indicate if this is systematically applied.
-----------------	---

	During due diligence
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No

	In covenants in loan agreements and/or in financing or shareholder agreements
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No

<b>IFD 13.3</b>	Indicate if you encourage investees to apply for Client Protection Certification. [Optional]
<input checked="" type="radio"/>	Yes
<input type="radio"/>	No
<input type="radio"/>	No

**PIIF Principle 3: Fair treatment**

<b>IFD 14</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PIIF 3</b>
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**Possible action:**

*Provide financing in an appropriate currency and tenor.*

<b>IFD 14.1</b>	In relation to your direct portfolio in debt, indicate if you provide investment in local currency.
<input checked="" type="radio"/>	Yes

Indicate what percentage of your direct portfolio in debt is invested in the investee's local currency.

- <20%
- 20-40%
- 41-60%
- 61-80%
- >80%
- No

IFD 15	Mandatory	Public	Descriptive	PIIF 3
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**Possible action:**

*Provide financing in an appropriate currency and tenor.  
Actively support the building of a diversified funding base.*

**IFD 15.1** In relation to your direct portfolio in debt, indicate what percentage have a maturity (from the point of investment) of the specified duration:

- 12 months or fewer
- 13 to 24 months
- 25 to 60 months
- Over 60 months

Indicate percentage

- <20
- 20-40%
- 41-60%
- 61-80%
- >80%

**IFD 15.2** Indicate if you have a set limit regarding the maximum fixed income investment exposure of the investees in which you invest. [Optional]

- Yes
- No

IFD 17	Mandatory	Public	Core Assessed	PIIF 3
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**Possible action:**

*Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.*

**IFD 17.1**

Indicate if you adopt the following practices:

- For fixed income investments: Use the Lenders' Guidelines for Setting Covenants in Support of Responsible Microfinance as an example or reference document.
- Ensure that the investee understands the terms, covenants and their implications prior to signing loan / shareholder documentation.

Describe your process.

Negotiations are held with investees prior to signing the loan, mostly in local language. Furthermore, we use a slightly simplified loan agreement for microfinance institutions.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- Foster trust and proactive dialogue with investees through straightforward discussions on issues such as a covenant breach.

Describe your process.

Through our staff in local offices we remain close to our investees and ensure an ongoing dialogue.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- In the case of material covenant breach, create/participate in a voluntary workout group where applicable, with the goal to help the investee remain a going concern whenever possible.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- For fixed income investments: Train your staff on effective monitoring and covenant waiver negotiations to manage deteriorating conditions, and transition a non-performing loan from loan origination staff to specialised workout staff.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- Encourage investee skills-building on financial projections, scenario planning and stress-testing for management, and on financial expertise and governance for Directors.

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- Other (explain)

Have in place a complaint mechanism for investees (accessible via the funds' homepages).

Indicate if these practices are formalised in written policies and procedures.

- Yes
- No
- None of the above

## PIIF Principle 4: Responsible investment

IFD 18

Mandatory

Public

Gateway

PIIF 4

### **Possible action:**

*Negotiate terms and conditions that are transparent, fair and reasonable, including fair break-up clauses.*

IFD 18.1

Indicate if you use the following tools for social performance reporting:

### **Externally developed tools**

During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

### **In-house tools based on externally developed tools**



During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

Describe the approaches used and frequency of use.

Finance in Motion's investment activities in inclusive finance are guided by considerations of responsible investment. These considerations are based on the most relevant principles and initiatives that Finance in Motion has signed: The Principles for Responsible Investment (PRI), the former Principles for Investors in Inclusive Finance (PIIF) and the Smart Campaign to promote Client Protection Principles. They are integrated into the investment activities of the funds that we advise and serve mainly to screen potential investees with the aim of promoting responsible lending practices such as responding to customer needs, fostering overall responsible business models and balanced returns and protecting final borrowers through appropriate financial products, technology and pricing transparency.

It is integrated into the investment process to apply in every Due Diligence.

**Tools developed solely in-house**

During due diligence.

- Yes
- No
- We don't track social performance

For monitoring and reporting purposes.

- Yes
- No
- We don't track social performance

IFD 19	Mandatory	Public	Descriptive	PIIF 4
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**IFD 19.1**

Indicate if you require the retail institutions in which you invest to have an independent financial rating.

- Always
- In a majority of cases
- In a minority of cases
- No

**IFD 19.2**

Indicate if you require the retail institutions in which you invest to have an independent social rating.

- Always
- In a majority of cases
- In a minority of cases
- No

**IFD 19.3**

Indicate if you require the retail institutions in which you invest to have an independent social audit.

- Yes
- No

**IFD 20**

**Mandatory**

**Public**

**Core Assessed**

**PIIF 4**

**Possible action:**

*Assist in developing appropriate references for corporate governance issues.*

**IFD 20.1**

In relation to your due diligence on and monitoring and reporting of corporate governance among investees, indicate if you assess:

**Compensation of the Board of Directors and Executive Directors (i.e. its transparency, the use of benchmarking)**

Pre-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

**Composition of the Board (i.e. breadth and depth of experience, effective client representation, diversity)**

Pre-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Describe what you look at and, if post-investment, the frequency of assessment. [Optional]

Beneficial ownership transparency and shareholding structure

Key control/governance mechanisms and bodies within the Bank: Supervisory Board, other Board-level committees (e.g. Audit Committee, Risk Management Committee)

Composition and responsibilities of Supervisory Board: number of board members, primary areas of expertise, compatibility of knowledge, judgment and experience relevant for the financial institution's level of operations

Appropriate policies regarding large and related party transactions

Management controls

**Whether the Board receives social performance management-related information from the management team that is analysed and contributes to Board decision making.**

Pre-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Post-investment

- Yes
- No
- Not for all of our investments in inclusive finance

Describe what you look at and, if post-investment, the frequency of assessment. [Optional]

Minutes of Board meetings

Board charta

IFD 23	Mandatory	Public	Descriptive	PIIF 4
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**Possible action:**

Assist in developing appropriate references for environmental issues.

**IFD 23.1** Indicate if you have a procedure to integrate the consideration of environmental issues in your investment decision processes.

- Yes
  - For all inclusive finance investments
  - For a majority of inclusive finance investments
  - For a minority of inclusive finance investments
- No

**IFD 23.4** Indicate if you request your investees to comply with an environmental exclusion list.

- Yes, for all investees
- Yes, for a majority of investees
- Yes, for a minority of investees
- No

**IFD 23.5** Additional information. [Optional]

**PIIF Principle 5: Transparency**

<b>IFD 26</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PIIF 5</b>
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**Possible action:**

Fully disclose policies, criteria and related conditions of products and services to investees and other relevant stakeholders.

**IFD 26.1** Other than the PRI/PIIF, indicate if you provide your investors and/or the public with information aligned with industry standards.

- Yes

**IFD 26.2** Do you provide information aligned with:

- The MIV Disclosure Guidelines
    - Yes, to our investors only
    - Yes, to the public
  - The Impact Reporting & Investment Standards (IRIS)
  - Other, specify
- No

IFD 27	Mandatory	Public	Core Assessed	PIIF 5
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**Possible action:**

Ensure that investees adequately disclose the pricing, terms and conditions of financial products and services offered, and that the pricing, terms and conditions are understood by clients.

IFD 27.1	Indicate if you encourage the retail institutions in which you invest to ensure that the following are transparent and fully explained to their clients (i.e. those seeking financial services from them) in a form they can understand.
----------	--

	Pricing
--	---------

Yes

IFD 27.2	Indicate how you ensure this for pricing and provide examples.
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As part of the Due Diligence process, pricing transparency and the transparency of the general terms and conditions are verified on-site and off-site by investment officers. For example, loan contracts are analysed, if effective interest rates are being applied, etc.

No

	Other terms and conditions
--	----------------------------

Yes

IFD 27.3	Indicate how you ensure this for other terms/conditions and provide examples.
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As part of the Due Diligence process, pricing transparency and the transparency of the general terms and conditions are verified on-site and off-site by investment officers. For example, loan contracts are analysed, if effective interest rates are being applied, etc.

No

## PIIF Principle 6: Balanced returns

IFD 28	Mandatory	Public	Core Assessed	PIIF 6
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**Possible action:**

Strive for a balanced long-term social and financial risk-adjusted return that recognises the interests of clients, retail providers and investors.

IFD 28.1	Indicate if the social performance of investees affects your:
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	Investment decision making
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Yes

IFD 28.2

Explain how social performance of investees affects investment decision making.

Social performance is checked during the Due Diligence process. This includes whether returns, interest rates and growth rates are appropriate to the institution's particularity (effectiveness of management, governance etc.) and to the particularities of the sector (overheating, availability of credit bureaus, use of credit bureau data etc). It also includes environmental and social aspects. The observations during the Due Diligence process affect the results of the investment decision.

No

Portfolio management

Yes

IFD 28.3

Explain how social performance of investees affects portfolio management.

Social performance of investees is reviewed regularly and integrated in internal reviews.

No

## PIIF Principle 7: Standards

IFD 32

Mandatory

Public

Core Assessed

PIIF 7

### **Possible action:**

*Participate in networks to share tools, information and resources.*

IFD 32.1

Select which of the following collaborative initiatives your organisation has supported or participated in, and the role you played.

The Principles for Investors in Inclusive Finance

Yes

Basic

Moderate

Advanced

No

The Smart Campaign

Yes

Basic

Moderate

Advanced

No

Social Performance Task Force

- Yes
- No

Financial Inclusion Equity Council (formerly CMEF)

- Yes
- No

European Microfinance Platform (eMFP)

- Yes
- No

Global Impact Investors Network (GIIN)

- Yes
  - Basic
  - Moderate
  - Advanced
- No

Other network, association memberships and/or specific collaboration related to the promotion of inclusive finance, specify

- Yes

If yes then please specify

Microfinance Centre

- Basic
  - Moderate
  - Advanced
- No

# Finance in Motion GmbH

## Reported Information

### Public version

### Confidence building measures

## PRI disclaimer

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



## Confidence building measures

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

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

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

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

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

- We adhere to an RI certification or labelling scheme

**CM1 03.2** Which scheme?

- National SRI label based on the EUROSIF Transparency guidelines
- B-corporation
- UK Stewardship code
- GRESB
- Commodity type label (e.g. BCI)
- Social label

Specify

LuxFlag Microfinance

% of total AUM the scheme applies

- < 25%
- 25-50 %
- 50-70 %
- >75 %
- Climate label

Specify

LuxFlag Climate Finance

% of total AUM the scheme applies

- < 25%
- 25-50 %
- 50-70 %
- >75 %
- RIAA
- Other
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

CM1 04	Mandatory	Public	Descriptive	General
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CM1 04.1 Do you plan to conduct third party assurance of this year's PRI Transparency report?

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

CM1 07	Mandatory	Public	Descriptive	General
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CM1 07.1 Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

**Who has conducted the verification**

- CEO or other Chief-Level staff

### Sign-off or review of responses

- Sign-off
- Review of responses

### What data has been verified

- Policies
- Overarching strategy and processes
- Asset class specific processes
- Quantitative data related to RI processes
- Other

### Relevant modules

- Organisational Overview
- Strategy and Governance
- Direct - Fixed Income
- Direct - Inclusive Finance
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team

### What data has been verified

- Policies
- Overarching strategy and processes
- Asset class specific processes
- Quantitative data related to RI processes
- Other

### Relevant modules

- Organisational Overview
- Strategy and Governance
- Direct - Fixed Income
- Direct - Inclusive Finance
- Investment Teams
- Legal Department
- Other (specify)