



Mandatory LEA 02		Discretionary Mandatory		Gateway
<p>By default, assets for which we have no exposure to UN Global Compact (UNGC) are excluded from our portfolio. However, we may consider engagement with companies that are not UNGC members, or those that have been suspended from UNGC membership, if we believe that engagement is likely to result in a material positive impact on the company's ESG performance.</p>		<p>Individual internal staff engagements</p>		<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decision-making in & company's internal ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional information <input checked="" type="checkbox"/> To engage internal staff <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff
<p>Collaborative engagements</p>		<p>Service provider engagements</p>		<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decision-making in & company's internal ESG issues <input type="checkbox"/> To enhance corporate transparency or identify the need for additional information <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decision-making in & company's internal ESG issues <input type="checkbox"/> To enhance corporate transparency or identify the need for additional information <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decision-making in & company's internal ESG issues <input type="checkbox"/> To enhance corporate transparency or identify the need for additional information <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements

RI TRANSPARENCY REPORT

2020

Quoniam Asset Management 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	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

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

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

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	✓	Public	✓						
FI 05	Examples of ESG factors in screening process	✓	Private	✓						
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	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

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

Quoniam Asset Management 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 01.2

Additional information. [Optional]

Quoniam offers quantitative asset management expertise in all major geographic regions in the asset classes equity, fixed income and multi asset.

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

121

OO 02.4 Additional information. [Optional]

Like last year Quoniam reports the figure by summarizing the time-share of every single employee no matter if the employee is full time or part time. Counting only employees that are "full time" - as suggested in the explanatory notes - the figure would be 106.

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		31	057	572	355
Currency	EUR				
Assets in USD		34	234	802	296

Not applicable as we are in the fund-raising process

OO 04.4

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

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

OO 06

Mandatory

Public

Descriptive

General

OO 06.1

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

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	59	0
Fixed income	31	0
Private equity	0	0

Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	10	0
Other (2), specify	0	0

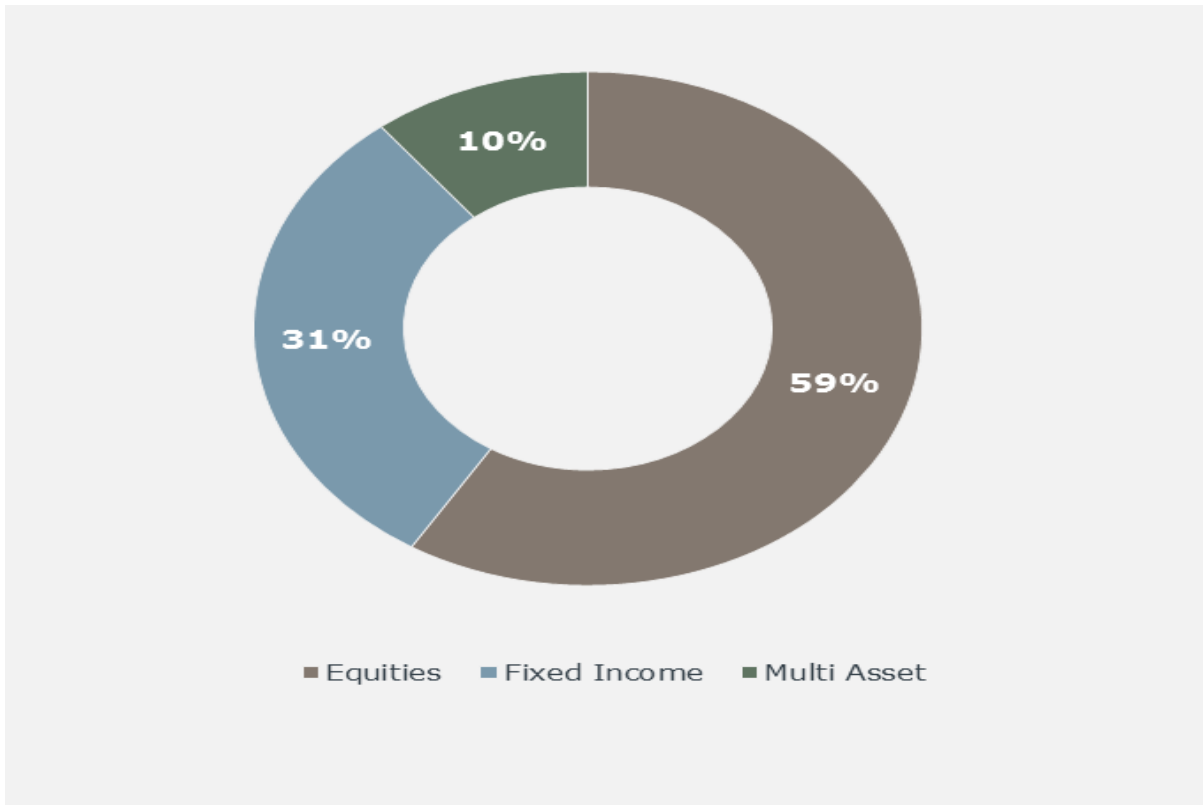
Other (1) specified

Other (1) refers to Multi Asset investment strategies.

as broad ranges

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

89

Emerging Markets

11



OO 09.2 Additional information. [Optional]

The break down of Quoniam's AUM by market is as follows:

- developed markets comprise 89% of the assets while
- emerging markets represent 11%

Asset class implementation gateway indicators

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

Listed equity – engagement

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

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

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

Fixed income Corporate (financial) – engagement

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

Fixed income Corporate (non-financial) – engagement

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

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]

Other (1) refers to Multi Asset investment strategies.

OO 12	Mandatory	Public	Gateway	General
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OO 12.1 Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

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

Closing module

- Closing module

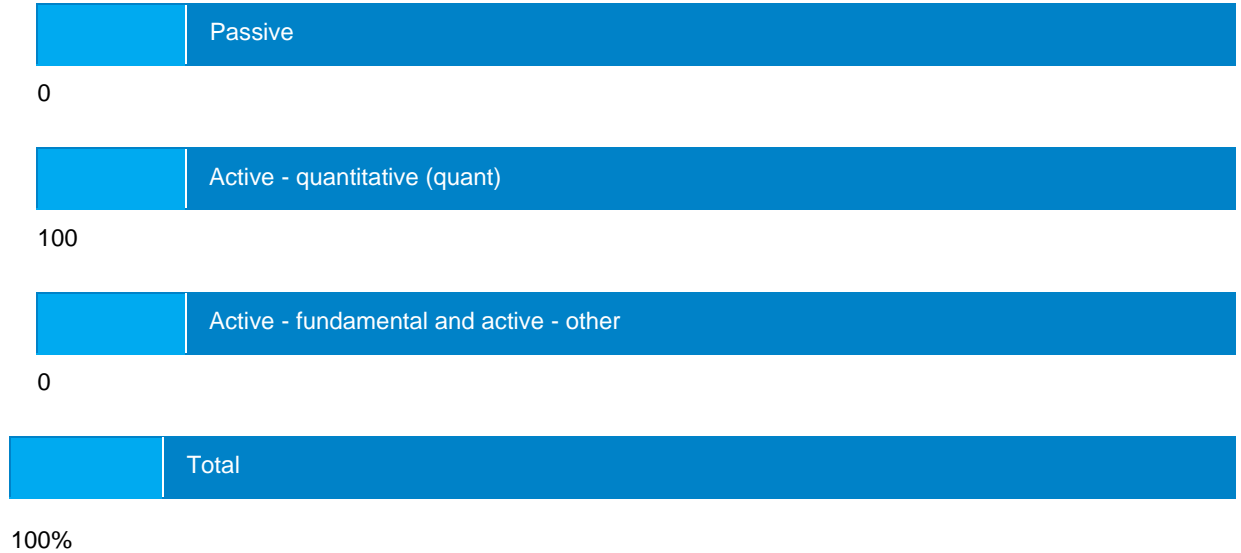
Peering questions

OO LE 01	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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**OO LE
01.1**

Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Percentage of internally managed listed equities



**OO LE
01.2**

Additional information. [Optional]

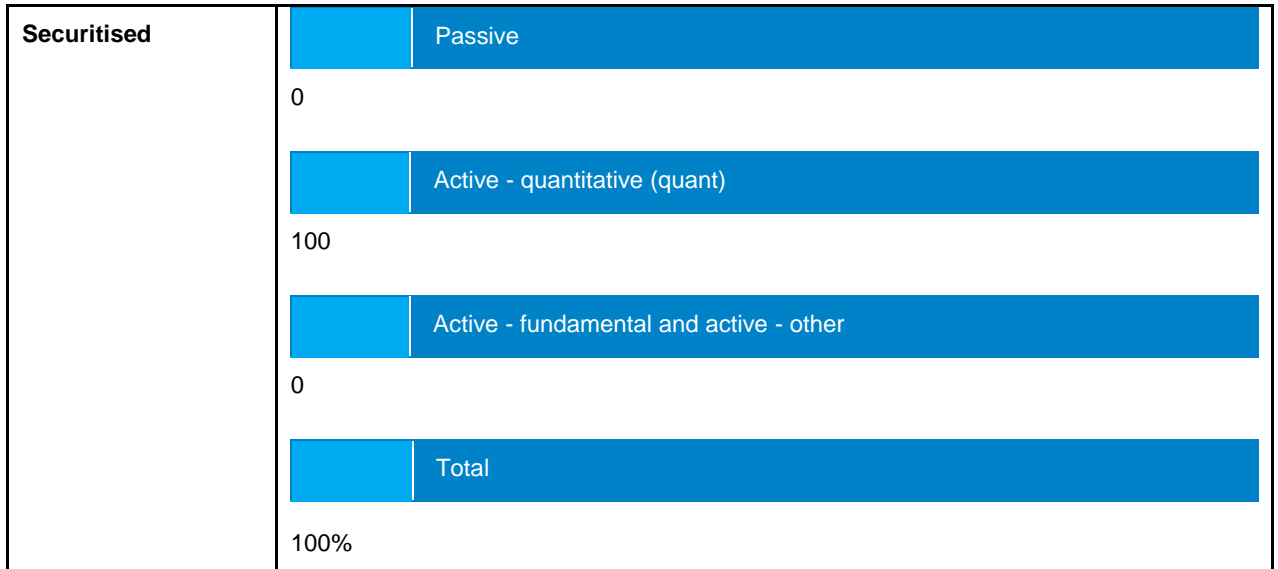
Quoniam's investment process is strictly active quantitative, pure bottom-up and fundamental in its underlying factors.

OO FI 01	Mandatory to Report	Voluntary to Disclose	Public	Gateway	General
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OO FI 01.1

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

<p>SSA</p>	<p>0</p> <p>100</p> <p>0</p> <p>100%</p>
<p>Corporate (financial)</p>	<p>0</p> <p>100</p> <p>0</p> <p>100%</p>
<p>Corporate (non-financial)</p>	<p>0</p> <p>100</p> <p>0</p> <p>100%</p>



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

OO FI 03.1 Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.



OO FI 03.2 Indicate the approximate (+/- 5%) breakdown of your corporate and securitized investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	100%
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%	100%

OO FI 03.3

Additional information. [Optional]

Traditionally Quoniam was a pure "Investment Grade" investor in "Fixed Income" investments. Due to rising interest of its clients in "High Yield" products Quoniam researched appropriate forecasting models in this area and expanded the risk model including this specific asset class. We are now in the process of growing the share of assets invested in "High Yield" and expect a rise in the foreseeable future.

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.

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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 type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input 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
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)

	Other description (1)
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UN Sustainable Development Goals: The integration criteria and underlying data are continuously validated by the SRI Committee and expanded if necessary.

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.
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As an active portfolio manager, we invest on behalf of our clients and our main objective is to maximise value added on a risk adjusted basis in a quantitative and rule based investment process. Our approach to responsible investing is based on international standards that we support and promote. We foster responsible investment as a key tool to support long-term sustainable business and economic development. In this context we consider ESG factors to have both financial and nonfinancial impact, and we employ such factors in addition to purely financial data in our investment process. We encourage companies to promote responsible business practices and good corporate governance in order to maximise their value in the long term.

SG 01.5	Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]
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Key elements of our investment policies to RI (as listed in SG 01.2) are:

Formalised guidelines on environmental, social, and governance factors: We are using clearly defined data points from recognized sources to measure sensitivity to these factors at the security level, and analyse/manage it at the portfolio level.

Screening/ exclusion policy: We are using a ruled based negative filter on controversial businesses practices.

Engagement policy: We are engaging with companies on SRI issues, addressing themes identified as material. See engagement agenda in LEA 01.6.

(Proxy) voting policy: We are systematically casting votes based on our proxy voting policy.

Quoniam is acting as a portfolio manager in a variety of different setups. The policy components listed above and in SG 01.2 are applied to the Quoniam Fund Selection (QFS) SICAV and wherever Quoniam is mandated by its customers to execute them.

No

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

	URL/Attachment
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URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

- Attachment (will be made public)
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Screening / exclusions policy

URL/Attachment

- URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

- Attachment (will be made public)

Attachment

[File 1:Responsible_Investment_Policy.pdf](#)

- Engagement policy

URL/Attachment

- URL

URL

http://www.union-investment.it/dam/jcr:fb27a64e-0d8f-48dd-844a-dd5c531aadcc/EngagementPolicy_2019_engl_190404.pdf

- Attachment (will be made public)

Attachment

[File 1:Engagement_Policy_2019.pdf](#)

- (Proxy) voting policy

URL/Attachment

- URL

URL

http://www.quoniam.com/pdf/Voting_Policy

- Attachment (will be made public)

Attachment

[File 1:Voting_Policy.pdf](#)

- 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

http://www.quoniam.com/pdf/Responsible_Investment_Policy

- Attachment

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

- Governance structure of organisational ESG responsibilities

URL/Attachment

- URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

- Attachment

- ESG incorporation approaches

- Active ownership approaches

URL/Attachment

- URL

URL

http://www.quoniam.com/pdf/Voting_Policy

Attachment

Reporting

URL/Attachment

URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

Attachment

Climate change

URL/Attachment

URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

Attachment

Other RI considerations, specify (1)

Other description (1)

UN Sustainable Development Goals: The integration criteria and underlying data are continuously validated by the SRI Committee and expanded if necessary.

URL/Attachment

URL

URL

http://www.quoniam.com/pdf/Responsible_Investment_Policy

Attachment

We do not publicly disclose any investment policy components

SG 02.3	Additional information [Optional].
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Aspects of climate change are addressed in our publicly available Responsible Investment Policy. Additionally, we are signatory of the Global Investor Statement on Climate Change (GISoCC), and are in the process of becoming a supporter to the ClimateAction100+ and TCFD initiatives. Quoniam discloses the carbon footprint of the Quonian Funds Selection SICAV in compliance with the Montreal Carbon Pledge.

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

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

Managing potential conflicts of interest in the investment process is part of our Code of Conduct. Quoniam has adopted the BVI Rules of Conduct (BVI Wohlverhaltensregeln), which are published by the German Association of Investment Management (BVI) and is also committed to the EFAMA Code of External Governance. Acceptance of these guidelines is mandatory for all employees and includes rules on personal securities trading, acceptance of gifts and entertainment, money laundering, compliance with laws, regulations and company policies, and prohibits payments and contributions.

Additionally, Quoniam has a proprietary policy on conflicts of interest disclosed to public. In this proprietary policy potential conflicts of interest are defined, principles are phrased and measures are taken in order to avoid conflicts of interest.

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
----------------	-------------------------------------------------------------------------------------------------------------------------

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

SG 05.2	Additional information. [Optional]
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In 2017 Quoniam established the SRI Committee. One of the tasks of the Committee is to set and supervise the objectives for its responsible investment activities on a regular basis. The Quoniam SRI Committee discusses such objectives on a quarterly basis.

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

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

Other description (1)

Social Responsible Investment Committee

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- 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 07.2 For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

Quoniam's Socially Responsible Investment (SRI) Committee, comprising the CIO, the SRI coordinator, two portfolio managers focussing on responsible investing and the CSR strategist, have the oversight and responsibility of all SRI aspects in the investment process, i.e. definition of the screening policies, selection of quantitative metrics and ratings used in investment analysis (integration), and defining engagement and proxy voting policies. Within the management board, the CIO carries responsibility for SRI, while the CEO has responsibility for CSR and overall responsibility.

All portfolio managers are responsible for applying the criteria selected by the SRI Committee in the day to day application of the investment process and to communicate them to clients and prospects.

The SRI team of the mother company Union Investment (UI) is responsible for implementing engagement and proxy voting policies as instructed, e.g. in the Quoniam Funds Selection SICAV.

The SRI coordinator and the dedicated staffs are supervising the process and reporting to the SRI Committee on a regular basis about results. They are also working on initiatives for improvement and organising the exchange with the engagement team at UI.

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

Number

3

SG 07.4 Additional information. [Optional]

Quoniam's investment process enables every portfolio manager to implement and observe responsible investments by making criteria and metrics instantly available in the data driven investment process.

Quoniam established a SRI coordinator in 2019 to coordinate SRI topics within the company - having a direct reporting line to the CIO. Additionally, two portfolio managers have a dedicated responsibility for ESG analytics and serve as experts in fostering knowledge within the organisation. Furthermore, Quoniam can draw on the resources of the full ESG team at mother company Union Investment, with 16 ESG Analysts. This team is also responsible for implementing engagement and proxy voting policies, e.g. in the Quoniam Funds Selection SICAV.

Promoting responsible investment

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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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]

As a signatory of the PRI Quoniam for example participated in the TCFD Implementation Survey.

- Asian Corporate Governance Association
 Australian Council of Superannuation Investors
 AVCA: Sustainability Committee
 France Invest – La Commission ESG
 BVCA – Responsible Investment Advisory Board
 CDP Climate Change
 CDP Forests
 CDP Water
 CFA Institute Centre for Financial Market Integrity
 Climate Action 100+

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

- Basic
 Moderate
 Advanced

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

Lead investor for two companies at ClimateAction100+ list through our engagement service provider and parent company Union Investment.

- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)

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]

Quoniam is registered at IIGCC supporting the Global Investors Statement on Global Change.

- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact

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]

Reference to the UN Global Compact is made under the leadership principle: DZ BANK AG - being parent company of Quoniam's parent company Union Asset Management Holding AG - is signatory of the UN Global Compact and requested all of its affiliates to report on the 10 principles including human rights, labour, environment and anti-corruption issues.

- Other collaborative organisation/initiative, specify

German Association for Investment Managers (BVI)

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]

Quoniam supports the BVI-Code of Conduct as well as the BVI-Responsible Investment Policy. Both rules have been merged into one document and have been expanded with regards to various topics such as responsible investments. Quoniam has implemented the new code/rules.

- Other collaborative organisation/initiative, specify

EFAMA Code of External Governance

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]

Quoniam supports the EFAMA Code of External Governance. Principles 1 and 5 are covered by own resources while principles 2,3,4 and 6 are covered through a service level agreement signed with Union Investment in 2015.

- Other collaborative organisation/initiative, specify

Frankfurter Erklärung

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]

Quoniam joined the initiative in 2017 and participates in the initiative's taskforce on ESG data.

Other collaborative organisation/initiative, specify

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

Yes

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

Quoniam provides a description of the different modules of socially responsible investing and to which different formats they can be applied to its customers. Quoniam provides comprehensive reporting on ESG KPIs to all customers and offers trainings on interpretation.

Frequency of contribution

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

- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

Description

RI was the focus topic of Quoniam's Quantum Leaps conferences 2019 held in various European cities such as Frankfurt, London and Amsterdam.

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

ESG research conducted for Quantum Leaps 2020 - an event we host for our clients and prospects.

Frequency of contribution

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

Encouraged the adoption of the PRI

Description

In general, customers are encouraged to join the PRI and to invest responsibly. Quoniam's reporting for funds that are not managed responsibly discloses scores for E, S, G as well as carbon footprint.

Frequency of contribution

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

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

Wrote and published articles on responsible investment in the media

	Description
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Various articles such as "Realistic assumption for ESG integration" (IPE, November 2019) have been published.

	Frequency of contribution
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- 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

SG 10.3	Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]
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Quoniam participated in Union Investment's Germany-wide survey on social responsible investing conducted in February 2019.

Outsourcing to fiduciary managers and investment consultants

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

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

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

ESG issues in asset allocation

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

- Yes, in order to assess future ESG factors

Describe

Our portfolio managers assess carbon intensity of their portfolios and exposure to stranded assets. This information is used in identifying risks from both sector allocation as well as security selection within sectors.

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

SG 13.2 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

We do the following

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

SG 13.3 Additional information. [OPTIONAL]

Usually, Quoniam is not mandated to execute strategic asset allocation by its clients. Rather, Quoniam helps clients to understand and identify risks and opportunities arising from asset allocation decisions by providing analysis of the sensitivity of strategic asset allocation decisions to clients. Quoniam also provides analysis on the cross sectional empirical relationship between ESG factors and asset returns for both listed equity and corporates bonds.

Asset class implementation not reported in other modules

SG 16	Mandatory	Public	Descriptive	General
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SG 16.1 Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Securitised	As the process is the same independent from the asset class, please refer to the explanations provided in the modules Fixed Income - Corporates / Financials and Fixed Income - Corporates / Non-Financials.
Other (1) [as defined in Organisational Overview module]	

Communication

SG 19

Mandatory

Public

Core Assessed

PRI 2, 6

SG 19.1

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

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

Disclosure to clients/beneficiaries

Disclosure to clients/beneficiaries

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

Frequency

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested

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

Disclosure to clients/beneficiaries	
Disclosure to clients/beneficiaries	<input type="checkbox"/> Details on the overall engagement strategy <input checked="" type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information
Frequency	<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested

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

Disclosure to clients/beneficiaries	
	<p>Disclosure to clients/beneficiaries</p> <p><input checked="" type="radio"/> Disclose all voting decisions</p> <p><input type="radio"/> Disclose some voting decisions</p> <p><input type="radio"/> Only disclose abstentions and votes against management</p>
	<p>Frequency</p> <p><input checked="" type="checkbox"/> Quarterly or more frequently</p> <p><input type="checkbox"/> Biannually</p> <p><input type="checkbox"/> Annually</p> <p><input type="checkbox"/> Less frequently than annually</p> <p><input type="checkbox"/> Ad hoc/when requested</p>

Fixed income

Do you disclose?

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

Disclosure to clients/beneficiaries	
	<p>Disclosure to clients/beneficiaries</p> <p><input type="radio"/> Broad approach to RI incorporation</p> <p><input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used</p>
	<p>Frequency</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>

Quoniam Asset Management GmbH

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	Gateway	PRI 1
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LEI 01.1


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

ESG incorporation strategy (select all that apply)


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

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 17
-----------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------


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

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 24
-----------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------

- Thematic and integration strategies
- Screening and thematic strategies

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

- All three strategies combined
- We do not apply incorporation strategies

Percentage of active listed equity to which the strategy is applied — you may estimate +/- 5%	 54
-----------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------

Total actively managed listed equities

100%

Quoniam's full incorporation strategy, as implemented e.g. in all mutual funds of the Quoniam Funds Selection (QFS) SICAV, follows internationally accepted guidelines and norms and builds upon thematic considerations.

It includes 3 steps:

Screening policies - focussing on controversial behaviour and business practices,
Integration of ESG related information in the investment process (i.e. in selecting assets)
Engagement with companies on sustainability issues

We feel committed to the sustainability of society and of the environment, and to act in the best interests of our clients. While we strive to achieve the full process described below, we may take slightly different approaches depending on clients' objectives and the mandate we have in segregate accounts.

Norms and guidelines in the approach:

Above and beyond legal and regulatory requirements we currently consider the following codes as authoritative.

- United Nations Principles for Responsible Investment (UN PRI). In signing the UN PRI in 2012, we committed to intensifying the incorporation of sustainability issues into investment analysis and decision-making processes. This includes assuming responsibility for the environment, society and corporate governance.
- BVI Rules of Conduct. The Rules of Conduct published by the BVI German Investment Funds Association set a standard for good and responsible conduct with investors' capital and investors' rights. Furthermore, BVI members made their aim to assume social responsibility in ESG issues.
- UN Global Compact
- EFAMA Code for External Governance
- Montreal Carbon Pledge
- Global Investor Statement on Climate Change
- Oslo Convention on Cluster Munitions, prohibiting cluster bombs, as well as the Anti-Personnel Mine Ban Convention.

Thematic considerations occur within several steps of the incorporation process, e.g. the 'low carbon transition' or '2-degree target' goal is addressed by avoiding the top 1% greenhouse gas issuers (Screening), decreasing the portfolio's ecological footprint (Integration) and engaging with portfolio companies to reduce their carbon footprint (Engagement). Depending on clients' needs, themed funds, addressing goals such as Christian values, shariah compliant investments or environmentally themed funds, are implemented.

Screening - We use negative screens filtering issuers with controversial business practices and/or business segments out of the permissible investment universe. Quoniam has developed a proprietary screening system and defined criteria that have resulted in a list of companies and issuers to exclude. This means that issuers are systematically excluded from the investment process from the beginning if they engage in business activities that are deemed controversial as regards weapons, human rights, labour rights, the environment, governance or tobacco production. Detailed screening criteria used are presented in the following.

- Norges Bank exclusion list (Norwegian government pension fund exclusion list)
- Production of cluster munitions and anti-personnel landmines
- Production of key biological and chemical weapons components
- Production of biological and chemical weapons, including weapons that use pathogens, toxins, or chemical substances that have toxic properties to kill, injure, or incapacitate
- Production of incendiary weapons using white phosphorus
- More than 1% of revenues derived from production of nuclear weapons
- Violation of labour standards (ILO)
- Violation of human rights
- Environmental destruction and pollution scandals

- Top 1% greenhouse gas issuers
- Corruption
- More than 1% of revenues derived from manufacture of tobacco
- Additional mandate specific negative or positive screening criteria/lists (clients may choose to select other / additional screening criteria if they have additional needs (e.g. norms based criteria). They may also choose to use negative lists provided by external service providers they have selected independently; we are open to discuss such additional screenings, as already employed in the context of existing mandates)

In addition to these exclusionary screening criteria, we also conduct in-house research on special situations and ESG Events. Those might in some cases result in exclusion of, re-inclusion of or trading restrictions on specific companies (see LEI 13.1).

Integration - Quoniam's holistic integration approach serves to reflect that ESG is an integral part of the investment process, with ESG data and criteria being incorporated into the traditional financial analysis during portfolio construction. ESG integration results in a portfolio with a better sustainability profile, optimised in terms of ESG scores, ecological footprint and the UN's Sustainable Development Goals.

- ESG scores/ratings: ESG scores are widely used in the context of ESG ratings. They allow us to cover a broad spectrum of sustainability metrics when picking securities for our funds.
- Ecological footprints: A prominent example of an ecological footprint is the carbon footprint (carbon intensity) of companies. In pursuit of the internationally accepted 'two-degree target' and the decarbonisation of our economic system in the medium to long term, emissions are of particular - and growing - relevance. To calculate the carbon intensity of an investment portfolio, we look at the carbon emission of a company in comparison with their revenue. The weighted metrics for each portfolio company then yields the portfolio's carbon footprint. With this calculation methodology, it is possible to look at the carbon footprint of a portfolio without it being distorted by the portfolio's absolute value, or the value of the capital invested. Other examples of ecological footprints include waste and water footprints. Calculation and aggregation of these intensity metrics are similar to the approach used for carbon intensity.
- UN Sustainable Development Goals (SDGs): The UN has defined 17 Sustainable Development Goals, also known as the Global Goals. Amongst these are an end to poverty and hunger, and the ensurance of affordable and clean energy by 2030. More and more companies report on how they contribute to these SDGs.

Engagement - Engagement such as dialogue with companies on sustainability issues and responsible proxy voting on behalf of our clients are usually post-investment decision activities, and are covered in detail within the LEA section. In addition, we adhere to and support industry initiatives.

LEI 01.3

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

Screening systematically excludes issuers from the investment process from the beginning, i.e. prior to constructing portfolios, if they engage in business activities that are deemed controversial.

The integration approach incorporates ESG data and criteria into the traditional financial analysis during portfolio construction.

Engagement refers to controlling the assets we hold on behalf of our clients, and representing the interests of our clients to companies. As it typically requires the ownership of assets, engagement activities usually become effective "post-investment".

(A) Implementation: Screening

LEI 04

Mandatory

Public

Descriptive

PRI 1

LEI 04.1

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

Type of screening

- Negative/exclusionary screening

Screened by

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

Description

For a detailed description of all screening criteria used by Quoniam, please refer to LEI 01.2. Data used to decide on (non-) compliance with these criteria is provided by established ESG data providers, as stated in LEI 02.4,

As laid out, some clients / mandates may have chosen to use their own screening methodologies or permissible investment universe definitions, in which case Quoniam applies such criteria as instructed. A Quoniam defined exclusion list of companies with activities in the production of controversial weapons, i.e. cluster munitions and anti-personnel landmines, key biological and chemical weapons components, biological and chemical weapons, incendiary weapons using white phosphorus and nuclear weapons, is applied to all mandates irrespective of client preferences.

- Positive/best-in-class screening

Screened by

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

Description

Clients may choose to use specific positive (i.e. "white list") screening lists based on a variety of criteria. Such screens are typically provided by external service providers customers have selected independently.

- Norms-based screening

Screened by

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

	Description
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Comprehensive norms-based screening is part of Quoniam's screening criteria (as described above and in LEI 01.2) and is applied when mandated by customers, e.g. in all mutual funds of the Quoniam Funds Selection (QFS) SICAV, which follow internationally accepted norms such as the UN PRI, UN Global Compact or Oslo Convention on Cluster Munitions. Data used to decide on (non-) compliance with these criteria is provided by established ESG data providers, as stated in LEI 02.4, as well as Norges Bank.

LEI 04.2	Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.
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Screening criteria are reviewed, amended, put into effect and annulled by our SRI committee, considering both internal research and consultation of external research providers (see also answer LE02.4.). Screening lists are reviewed on a regular basis. We encourage clients to include information on these reviews in their customized reporting.

LEI 05	Mandatory	Public	Core Assessed	PRI 1
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LEI 05.1	Indicate which processes your organisation uses to ensure ESG screening is based on robust analysis.
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- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies.
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar.
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- Trading platforms blocking / restricting flagged securities on the black list.
- A committee, body or similar with representatives independent of the individuals who conduct company research reviews some or all screening decisions.
- A periodic review of internal research is carried out.
- Review and evaluation of external research providers.
- Other; specify
- None of the above

LEI 05.2

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

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

LEI 05.3

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

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

LEI 05.4

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

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

LEI 05.5

Additional information. [Optional]

Quoniam's systematic analysis incorporates ESG data from established SRI data providers like MSCI ESG Research, ISS/oekom, S&P Trucost as well as further capabilities from a dedicated ESG team of our mother company, Union Investment.

In a first stage, these data, which covers about 32,000 securities, 14,000 issuers, 8000 companies and 104 countries is automatically imported into our data base.

In a second stage, data quality is validated and in-house research as well as other external research (e.g. Norges Bank list) incorporated into the data.

In a third stage, we formally incorporate responsible investment policies of our clients in the investment process, applying either positive or exclusionary lists or screening criteria based on ESG factors (in case of the Quoniam Funds Selection (QFS) SICAV this step refers to the screening criteria as part of the full incorporation strategy described in LEI 01.3). If the exclusions lists are applied to reduce the individual universe of a fund the automated investment process can only choose securities from the reduced fund's universe. Furthermore, these lists are part of the daily investment monitoring process. This includes analysis of company structures reflecting corporate actions such as mergers and acquisitions.

In the last stage, all screening lists and criteria applied in the portfolio management process also feed into an internal audit system (MIG 21). Therefore, changes to the lists will lead to passive ESG guideline breaches and trigger appropriate actions within the portfolio management.

(B) Implementation: Thematic

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

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

LEI 07.2 Describe your organisation's processes relating to sustainability themed funds. [Optional]




Depending on clients' needs, themed funds are implemented via either

1. Screening - White or Blacklists excluding significant parts of the investment universe - e.g. Christian values or shariah compliant investments
2. Screening and Integration - e.g. for environmentally themed funds.

For example, for an environmentally themed fund screening would disallow investments in companies with controversies regarding environmental issues, having a high carbon intensity in their production process or business model and a high level of stranded assets. During the integration step in portfolio construction (see LEI 10) the portfolio would be tilted towards better performance in environmental KPIs.

(C) Implementation: Integration of ESG factors

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

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

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

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

LEI 09.3

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

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

LEI 09.4

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

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

LEI 09.5

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

- ESG information is held within centralised databases or tools, and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research were incorporated into investment decisions
- Other; specify

Available on front office research platforms and in our portfolio construction tool. Investment staff are required to discuss ESG information during investment committee meetings
- None of the above

LEI 09.6

Additional information. [Optional]

Quoniam's holistic integration approach serves to reflect that ESG is an integral part of the investment process, with ESG data and criteria being incorporated into the traditional financial analysis during portfolio construction.

ESG scores: ESG scores are widely used in the context of ESG ratings. They allow us to cover a broad spectrum of sustainability metrics when picking securities for our funds.

Ecological footprints: A prominent example of an ecological footprint is the carbon footprint (carbon intensity) of companies. In pursuit of the internationally accepted 'two-degree target' and the decarbonisation of our economic system in the medium to long term, emissions are of particular -relevance. To calculate the carbon intensity of an investment portfolio, we look at the carbon emission of a company in comparison with their revenue. The weighted metrics for each portfolio company then yields the portfolio's carbon footprint.

UN Sustainable Development Goals (SDGs): The UN has defined 17 Sustainable Development Goals, also known as the Global Goals. Amongst these are an end to poverty and hunger, and the ensurance of affordable and clean energy by 2030. More and more companies report on how they contribute to these SDGs.

Quoniam Asset Management GmbH

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.

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 an active ownership policy (includes engagement and/or voting).

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

[File 1:Voting_Policy.pdf](#)

[File 2:Responsible_Investment_Policy.pdf](#)

[File 3:Engagement_Policy_2019.pdf](#)

URL provided:

LEA 01.3

Indicate what your active engagement policy covers:

General approach to Active Ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Methods of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other; (specify)

Time Horizon

(Proxy) voting approach

Voting

- ESG issues
- Prioritisation and scope of voting activities
- Methods of voting
- Transparency of voting activities
- Regional voting practice approaches
- Filing or co-filing resolutions
- Company dialogue pre/post-vote
- Decision-making processes
- Securities lending processes
- Other; (specify)

Corporate actions and conduct during acquisitions

- Other
 - None of the above
- No

LEA 01.4

Do you outsource any of your active ownership activities to service providers?

Yes

LEA 01.5

Where active ownership activities are conducted by service providers, indicate whether your active ownership policy covers any of the following:

- Outline of service provider's role in implementing your organisation's active ownership policy
- Description of considerations included in service provider selection and agreements
- Identification of key ESG frameworks which service providers must follow
- Outline of information sharing requirements of service providers
- Description of service provider monitoring processes
- Other; (specify)
- None of the above

No

LEA 01.6

Additional information [optional]

Our general approach to active ownership is covered in Quoniam's Responsible Investment Policy whereas regarding the Engagement Policy we refer to the policy of our parent company (see LEA 01.2).

We believe that a long-term investment approach, where we work together with corporates to help them become sustainably successful, holds value. Quoniam is an active manager, also when it comes to controlling the assets we hold on behalf of our clients, and representing the interests of our clients to companies. This active engagement approach, designed to avoid risks and encourage sustainable conduct, is put into practice two-fold - in constructive dialogue with companies, and at annual general meetings, to which we submit proposals and vote in line with our clients' values ('proxy voting').

Our first engagement priority is being a responsible and active asset manager, and positively influencing companies on ESG risks and opportunities. We aim to encourage good corporate governance and make a positive contribution to the long-term increase of enterprise value and shareholder value. These engagement activities are downstream to any investment. For the sake of effectiveness, we collaborate with other companies of the Union Investment

Group for engagement cases. Therefore, our Voting Policy is based on the corresponding policy of the Union Investment Group.

Our engagement process comprises three phases: In the first, pre-engagement phase, we identify which pain points of a given company can be addressed through engagement. The two levers in the following, actual engagement phase are: proxy voting and direct, constructive dialogue. In the post-engagement phase, we assess the results of our activities and potential consequences on a regular basis. The time horizon in this is rather long-term it may take years for changes to become visible. If a company does not react or take action (or does so inadequately), despite repeated engagement activities, the company will be excluded from the investment universe as a last resort. Interim and final results of our engagement activities are documented and controlled.

With the three building blocks of screening, integration and engagement we are able to construct a portfolio for our clients in line with their investment principles and understanding of sustainability - which we then manage actively, applying quantitative methods. In all this, we adhere to the individual agreements we have with each of our clients.

Issues that are regularly addressed by our service provider at annual general meetings and in company dialogues include:

- Implementation of TCFD requirements
- Implications of the ARUG II
- Request for CO2-emission reduction with respect to the two-degree alignment
- Inclusion of SDG into the corporate dialogue
- CSR-initiatives, ESG-initiatives (FAIRR, WDI etc.) and ESG-integration
- Plastic waste
- Climate risks in the transportation sector
- Animal welfare and nutrition

Furthermore, we are in the process of signing the "Climate Action 100+" investor initiative. Signatories of this initiative collaborate to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.

We report on our engagement activities for the mutual QFS SICAV funds managed by Quoniam (management company Union Investment) on a quarterly basis, as well as on client demand. These reports include information on our voting behaviour and a summary of our activities.

Engagement				
LEA 02	Mandatory	Public	Core Assessed	PRI 1,2,3
LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.			

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence it) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via service providers

LEA 02.2

Indicate whether your organisation plays a role in the engagement process that your service provider conducts.

Yes

LEA 02.3

Indicate the role(s) you play in engagements that your service provider conducts on your behalf.

- We discuss the topic of the engagement (or ESG issue(s)) of engagement
- We discuss the rationale for the engagement
- We discuss the objectives of the engagement
- We select the companies to be engaged with
- We discuss the frequency/intensity of interactions with companies
- We discuss the next steps for engagement activity
- We participate directly in certain engagements with our service provider
- Other; specify
- We play no role in engagements that our service provider conducts.

No

LEA 02.4

Additional information. [Optional]

Our SRI Committee monitors various processes designed to ensure the implementation of the Guidelines for Responsible Investment, and reports to the management board. At the same time, the Committee is a driver of sustainable investment at Quoniam. As a cross-sectional team, the SRI Committee has the responsibility and oversight of implementation and reporting of the principles and guidelines outlined, using our three building blocks of screening, integration and engagement for this purpose.

We collaborate with other companies of the Union Investment Group for engagement cases (see also LEA 01.6). Therefore, our Voting Policy is based on the corresponding policy of the Union Investment Group, which through its extensive ESG team capabilities serves as a central intra-group service provider.

LEA 03	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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

LEA 03.2	Indicate the criteria used to identify and prioritise engagements for each type of engagement.
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Type of engagement	Criteria used to identify/prioritise engagements
Collaborative engagements	<div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Collaborative engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues through other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input checked="" type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of the ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input checked="" type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagement providers
Service-provider engagements	<div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Service-provider engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Geography/market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input checked="" type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input checked="" type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other; (specify) <input type="checkbox"/> We do not outline engagement criteria for our service providers

No

LEA 03.3

Additional information. [Optional]

The pre-engagement stage and associated research serves to lay the groundwork and generate ideas for Union Investment's engagement activities. Together with more than 45 sectoral analysts, Union Investment's sustainability team (15 analysts) discusses the sustainability-related problems and weaknesses associated with the companies. External data providers such as MSCI ESG Research, Vigeo imug/EIRIS, RepRisk, and Trucost are also drafted in for assistance.

An important basis for Union Investment's engagement process is its sustainability research, which is managed with the aid of SIRIS: SIRIS is a special IT platform that was developed for Union Investment in order to efficiently implement our proprietary approach to sustainability research and broaden our range of socially responsible investing (SRI) services, including engagement. SIRIS has been used by our portfolio managers since August 2013 and is controlled by the sustainability team.

As described in LEA 02.4, Quoniam collaborates with other companies of the Union Investment Group for engagement cases. The Union Investment Group, through its ESG team capabilities, serves as a central intra-group service provider and uses the following criteria to identify and prioritise engagements for each type of engagement:

The ESG topics for our engagement projects are derived from incidents of misconduct by a company (i.e. a violation of one of the aforementioned principles), from analyses and their findings to dialogue with our sustainability team and our sector analysts. Information provided by our stakeholders and clients can also be taken into account in the selection of topics.

When deciding which topics and investee companies to prioritise, we consider a range of factors such as the relevant holdings in our funds, negative lists, company contacts and the general extent of our influence.

Quoniam is actively involved in defining the geographical and contextual scope of engagement activities and topics addressed. Quoniam's internal SRI staff, including the dedicated SRI coordinator are regularly attending meetings of the Union Investment Group ESG team and are reporting on progress to Quoniam's SRI Committee.

LEA 04

Mandatory

Public

Core Assessed

PRI 2

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

LEA 04.1

Indicate whether you define specific objectives for your organisation's engagement activities.

Collaborative engagements	<ul style="list-style-type: none"> <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration
Service-provider engagements	<ul style="list-style-type: none"> <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by our service providers

LEA 04.2

Additional information. [Optional]

As mentioned in LEA 01.6, we report on our engagement activities for the mutual QFS SICAV funds managed by Quoniam (management company Union Investment) on a quarterly basis, as well as on client demand. These reports include information on our voting behaviour and a summary of all our activities.

For each individual activity subject and objective are reported as well. General objectives are defined through an overall engagement agenda annually.

LEA 05	Mandatory	Public	Core Assessed	PRI 2
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LEA 05.1 Indicate whether you monitor and/or review engagement outcomes.

Collaborative engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out through collaboration.
Service-provider engagements	<input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes when the engagement is carried out by our service providers.

LEA 05.2 Indicate whether you do any of the following to monitor and/or review the progress of engagement activities.

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

LEA 05.3 Additional information. [Optional]

We monitor individual company dialogues and the progress against defined objectives by means of the report on our engagement activities for the mutual QFS SICAV funds managed by Quoniam on a quarterly basis.

LEA 06	Mandatory	Public	Additional Assessed	PRI 2,4
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LEA 06.1

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

Yes

LEA 06.2

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

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

Re-initiation of engagement activities that have already been undertaken in order to achieve a goal.

No

LEA 06.3

Additional information. [Optional]

Through the capabilities of our parent company and service provider, Union Investment Group, among others we use the following approaches for the engagement evaluation and escalation strategy:

The engagement process has a long-term horizon, with results sometimes only becoming apparent after months or years. Our activities, and the results of these activities, are evaluated at regular intervals. The sustainability team also discusses possible consequences for the companies. It is not out of the question for engagement activities that have already been undertaken to be re-initiated in order to achieve a goal. If we are not satisfied with the responses and actions of certain companies in spite of our repeated engagement, those companies are excluded from the investment universe. Exiting from investments as a last resort is also a form of engagement.

LEA 07

Voluntary

Public

Additional Assessed

PRI 1,2

LEA 07.1

Indicate whether insights gained from your organisation`s engagements are shared with investment decision-makers.

Type of engagement	Insights shared
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.2 Indicate the practices used to ensure that information and insights gained through engagements are shared with investment decision-makers.

- Involving investment decision-makers when developing an engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify
- None

LEA 07.3 Indicate whether insights gained from your organisation’s engagements are shared with your clients/beneficiaries.

Type of engagement	Insights shared
Collaborative engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
Service-provider engagements	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 07.4 Additional information. [Optional]

We provide feedback about the insights gained from engagement via the report on our engagement activities for the mutual QFS SICAV funds managed by Quoniam, which also engages in collaborative engagements, on a quarterly basis.

LEA 08 **Mandatory** **Public** **Gateway** **PRI 2**

LEA 08.1 Indicate whether you track the number of your engagement activities.

Type of engagement	Tracking engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of collaborative engagements in full <input type="radio"/> Yes, we partially track the number of our collaborative engagements <input type="radio"/> We do not track
Service-provider engagements	<input checked="" type="radio"/> Yes, we track the number of service-provider engagements in full <input type="radio"/> Yes, we partially track the number of our service-provider engagements <input type="radio"/> We do not track

LEA 08.2

Additional information. [Optional]

We track the number of our engagement activities for the mutual QFS SICAV funds managed by Quoniam via the quarterly engagement report, as well as on client demand. The engagement reports include information on our voting behaviour and a summary of our activities.

(Proxy) voting and shareholder resolutions**LEA 12****Mandatory****Public****Descriptive****PRI 2****LEA 12.1**

Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service providers who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- The service-provider voting policy we sign off on
- Our own voting policy
- Our clients` requests or policies
- Other (explain)
- We hire service providers who make voting decisions on our behalf, except in some pre-defined scenarios where we review and make voting decisions.
- We hire service providers who make voting decisions on our behalf.

LEA 12.2

Provide an overview of how you ensure that your agreed-upon voting policy is adhered to, giving details of your approach when exceptions to the policy are made.

The investor has the sole discretion as to which party (e.g. the KVG, portfolio manager, external service provider) is given the power to exercise voting rights.

Quoniam exercises voting rights independently, acting exclusively in the best interests of our investors or the respective mandate. Our organisational setup ensures that all precautions necessary are taken in order to avoid conflicts of interest that may arise during the voting process. Upon the request of the investor, Quoniam exercises regular influence on management and operating policies of public companies via participation in general meetings. Any supportive measures taken will aim to foster long-term value creation within the company.

Our service provider communicates to their external research provider, who in return provides voting analysis and recommendations for every single point of agenda/resolution and for every AGM attended. The voting recommendations are strictly based on the voting policy. However, the final voting decision is made by the sustainability and engagement team, who again adhere to the voting policy. Every exception from the policy must be documented and justified in the internal system. If an exception is made, the explanation for the exception is controlled by a second person. The exceptions need to be discussed with the respective sector research analyst to make the most appropriate decision and to be in compliance with investor's interest.

LEA 12.3

Additional information.[Optional]

It is common practice in the German market that voting rights are exercised by a "Master KAG" (fund administrator), and Quoniam has no authorisation to do so. Therefore all answers and the guidelines in the following paragraphs apply only to those mandates where Quoniam is commissioned with voting and creditor rights, along with the respective mandate-specific agreements. They also apply to the Quoniam Funds Selection SICAV, where voting rights are exercised by the Union Investment group, taking into account guidelines formulated by Quoniam.

LEA 15**Mandatory****Public****Descriptive****PRI 2****LEA 15.1**

Indicate the proportion of votes participated in within the reporting year in which where you or the service providers acting on your behalf raised concerns with companies ahead of voting.

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

LEA 15.2

Indicate the reasons for raising your concerns with these companies ahead of voting.

- Vote(s) concerned selected markets
- Vote(s) concerned selected sectors
- Vote(s) concerned certain ESG issues
- Vote(s) concerned companies exposed to controversy on specific ESG issues
- Vote(s) concerned significant shareholdings
- Client request
- Other

LEA 16**Mandatory****Public****Core Assessed****PRI 2****LEA 16.1**

Indicate the proportion of votes where you, and/or the service provider(s) acting on your behalf, communicated the rationale to companies for abstaining or voting against management recommendations. Indicate this as a percentage out of all eligible votes.

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

LEA 16.2

Indicate the reasons why your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Vote(s) concern selected markets
- Vote(s) concern selected sectors
- Vote(s) concern certain ESG issues
- Vote(s) concern companies exposed to controversy on specific ESG issues
- Vote(s) concern significant shareholdings
- Client request
- Other

LEA 16.3

In cases where your organisation does communicate the rationale for abstaining or voting against management recommendations, indicate whether this rationale is made public.

- Yes
- No

LEA 16.4

Additional information. [Optional]

Union Investment personally delivers a speech at approximately 15-20 AGMs every year and explains the reasons for voting against an agenda item in detail. Thus, the reasons for these AGMs are accessible to the public and the media.

LEA 17**Mandatory****Public****Core Assessed****PRI 2****LEA 17.1**

For listed equities in which you or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

Votes cast (to the nearest 1%)

%

54

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
- We do not track or collect this information

LEA 17.2

Explain your reason(s) for not voting on certain holdings

- Shares were blocked
- Notice, ballots or materials not received on time
- Missed deadline
- Geographical restrictions (non-home market)
- Cost
- Conflicts of interest
- Holdings deemed too small
- Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
- Client request
- Other (explain)

LEA 18

Voluntary

Public

Additional Assessed

PRI 2




LEA 18.1

Indicate whether you track the voting instructions that you or your service provider on your behalf have issued.

- Yes, we track this information

LEA 18.2

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

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 64
Against (opposing) management recommendations	 30
Abstentions	 6

100%

- No, we do not track this information

LEA 18.3

In cases where your organisation voted against management recommendations, indicate the percentage of companies which you have engaged.

20

LEA 19	Mandatory	Public	Core Assessed	PRI 2
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LEA 19.1 Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

- Yes
- No

Quoniam Asset Management GmbH

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

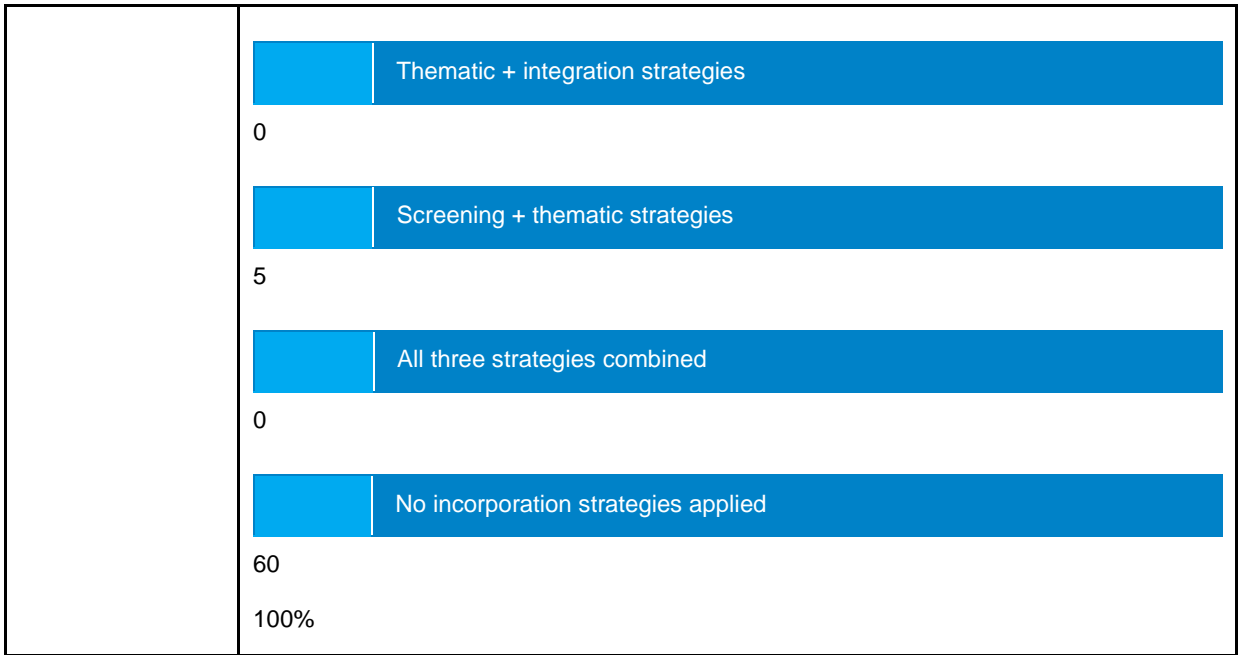
This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information 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>50</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <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>50</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	50	Thematic alone	0	Integration alone	0	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	50
Strategy	Percentage																		
Screening alone	50																		
Thematic alone	0																		
Integration alone	0																		
Screening + integration strategies	0																		
Thematic + integration strategies	0																		
Screening + thematic strategies	0																		
All three strategies combined	0																		
No incorporation strategies applied	50																		
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>15</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>20</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	15	Thematic alone	0	Integration alone	0	Screening + integration strategies	20								
Strategy	Percentage																		
Screening alone	15																		
Thematic alone	0																		
Integration alone	0																		
Screening + integration strategies	20																		



Corporate (non-financial)	Screening alone	25
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	15
	Thematic + integration strategies	0
	Screening + thematic strategies	5
	All three strategies combined	0
	No incorporation strategies applied	55
	100%	

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

We feel committed to the sustainability of society and of the environment, and became a PRI signatory in 2012. Furthermore, acting in the best interests of our clients is the basis for all our decisions. In fulfilment of our clients' wishes, we may take different approaches to implement sustainability in our investment decisions - screening, ESG integration, or engagement. Which approach we choose will always depend on the individual mandate structure of the investor. When creating a new asset management or insourcing mandate, we strive to have the following guidelines included in the portfolio management to the greatest extent possible.

Qoniam's full incorporation strategy, as implemented e.g. in all mutual funds of the Quoniam Funds Selection (QFS) SICAV, managed by Quoniam and registered in Luxembourg, follows internationally accepted guidelines and includes screening, integration and engagement as well as thematic considerations (in segregated accounts, Quoniam may not be mandated to execute all dimensions). The detailed description of each of these building blocks as well as how combinations are used is provided in FI 01.3.

Screening systematically excludes issuers from the investment process from the beginning, i.e. **prior to constructing portfolios**, if they engage in business activities that are deemed controversial.

The **integration** approach incorporates ESG data and criteria into the traditional financial analysis **during portfolio construction**.

Engagement refers to controlling the assets **we hold** on behalf of our clients, and representing the interests of our clients to companies. As it requires the ownership of assets, engagement activities take place "post-investment-process", i.e. **after constructing portfolios**.

Selected thematic considerations occur within several steps of the incorporation process, e.g. the 'low carbon transition' or '2 degree target' goal is addressed by avoiding the top 1% greenhouse gas issuers (Screening), decreasing the portfolio's ecological footprint (Integration) and engaging with portfolio companies to reduce their carbon footprint (Engagement). Depending on clients' needs, themed funds, addressing goals such as Christian values, shariah compliant investments or environmentally themed funds, are implemented.

As they occur in different stages of the investment process, the above ESG incorporation strategies can be combined as needed. Which combinations we choose will always depend on the individual mandate structure of the investor.

A description of each of these building blocks is provided in the following:

Thematic - Above and beyond legal and regulatory requirements we consider in particular the following codes as authoritative.

- United Nations Principles for Responsible Investment (UN PRI). In signing the UN PRI in 2012, we committed to intensifying the incorporation of sustainability issues into investment analysis and decision-making processes. This includes assuming responsibility for the environment, society and corporate governance.
- BVI Rules of Conduct. The Rules of Conduct published by the BVI German Investment Funds Association set a standard for good and responsible conduct with investors' capital and investors' rights. Furthermore, BVI members made their aim to assume social responsibility in ESG issues.
- UN Global Compact
- EFAMA Code for External Governance
- Montreal Carbon Pledge
- Global Investor Statement on Climate Change
- Oslo Convention on Cluster Munitions, prohibiting cluster bombs, as well as the Anti-Personel Mine Ban Convention.

Screening - Screening means filtering controversial business practices from the investment universe. Quoniam has developed a proprietary screening system and defined criteria that have resulted in a list of companies and issuers to exclude. In practice, this means that issuers are systematically excluded from the investment process from the beginning if they engage in business activities that are deemed controversial as regards weapons, human rights, labour rights, the environment, governance or tobacco production. Detailed screening criteria used are presented in the following.

- Norges Bank exclusion list (Norwegian government pension fund exclusion list)
- Production of cluster munitions and anti-personnel landmines
- Production of key biological and chemical weapons components
- Production of biological and chemical weapons, including weapons that use pathogens, toxins, or chemical substances that have toxic properties to kill, injure, or incapacitate
- Production of incendiary weapons using white phosphorus
- More than 1% of revenues derived from production of nuclear weapons
- Violation of labour standards (ILO)
- Violation of human rights
- Environmental destruction and pollution scandals
- Top 1% greenhouse gas issuers

- Corruption
- More than 1% of revenues derived from manufacture of tobacco
- Additional mandate specific negative or positive screening criteria/lists (clients may choose to select other / additional screening criteria if they have additional needs (e.g. norms based criteria). They may also choose to use negative lists provided by external service providers they have selected independently; we are open to discuss such additional screenings, as already employed in the context of existing mandates)

In addition to these exclusionary screening criteria, we also conduct in-house research on special situations and ESG Events. Those might in some cases result in exclusion of, re-inclusion of or trading restrictions on specific companies (see LEI 13.1).

Integration - Quoniam's holistic integration approach serves to reflect that ESG is an integral part of the investment process, with ESG data and criteria being incorporated into the traditional financial analysis during portfolio construction. ESG integration results in a portfolio with a better sustainability profile, optimised in terms of ESG scores, ecological footprint and the UN's Sustainable Development Goals.

- ESG scores: ESG scores are widely used in the context of ESG ratings. They allow us to cover a broad spectrum of sustainability metrics when picking securities for our funds.
- Ecological footprints: A prominent example of an ecological footprint is the carbon footprint (carbon intensity) of companies. In pursuit of the internationally accepted 'two-degree target' and the decarbonisation of our economic system in the medium to long term, emissions are of particular - and growing - relevance. To calculate the carbon intensity of an investment portfolio, we look at the carbon emission of a company in comparison with their revenue. The weighted metrics for each portfolio company then yields the portfolio's carbon footprint. With this calculation methodology, it is possible to look at the carbon footprint of a portfolio without it being distorted by the portfolio's absolute value, or the value of the capital invested. Other examples of ecological footprints include waste and water footprints. Calculation and aggregation of these intensity metrics are similar to the approach used for carbon intensity.
- UN Sustainable Development Goals (SDGs): The UN has defined 17 Sustainable Development Goals, also known as the Global Goals. Amongst these are an end to poverty and hunger, and the ensurance of affordable and clean energy by 2030. More and more companies report on how they contribute to these SDGs.

Engagement - Engagement refers to controlling the assets we hold on behalf of our clients, and representing the interests of our clients to companies. Engagement is covered within FI 14-16.

FI 03	Mandatory	Public	Additional Assessed	PRI 1
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FI 03.1	Indicate how you ensure that your ESG research process is robust:
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- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify

specify description

ESG screening lists are regularly updated and integrated in investment guideline audit systems.

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
ESG data is available and shown in our portfolio construction tool.
- None of the above

(A) Implementation: Screening

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

Select all that apply

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

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

For a detailed description of all screening criteria used by Quoniam, please refer to FI 01.2. Data used to decide on (non-)compliance with these criteria is provided by established ESG data providers, as stated in FI 02.2.

As laid out, some clients / mandates may have chosen to use their own screening methodologies or permissible investment universe definitions, in which case Quoniam applies such criteria as instructed. A Quoniam defined exclusion list of companies with activities in the production of controversial weapons, i.e. cluster munitions and anti-personnel landmines, key biological and chemical weapons components, biological and chemical weapons, incendiary weapons using white phosphorus and nuclear weapons, is applied to all mandates irrespective of client preferences.

FI 06	Mandatory	Public	Core Assessed	PRI 1
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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.
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Type of screening	Checks
Negative/exclusionary screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> Systematic checks are performed to ensure that stocks meet the fund's screening criteria <input type="checkbox"/> None of the above
Positive/best-in-class screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> Systematic checks are performed to ensure that stocks meet the fund's screening criteria <input type="checkbox"/> None of the above
Norms-based screening	<input checked="" type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken yearly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px;">other description</div> Systematic checks are performed to ensure that stocks meet the fund's screening criteria <input type="checkbox"/> None of the above

FI 06.2	Additional information. [Optional]
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The Risk Control & Performance team monitors adherence to specific investment guidelines and client preferences, such as the exclusion of corporations from the investment universe that do not meet the requested criteria. All screening lists and criteria applied in the portfolio management process feed into an guideline audit system (MIG 21) and are checked on both a pre-trade basis and a post-trade basis. If a violation of investment guidelines is detected, a rectification process is immediately triggered.

Overriding responsibility for this process rests with the Chief Operations Officer (COO).

The Governance & Business Advisory team and Chief Compliance Officer (CCO) regularly review adherence to the above-mentioned regulations.

(B) Implementation: Thematic

FI 08	Mandatory	Public	Core Assessed	PRI 1
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FI 08.1	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..
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- 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

FI 08.2	Describe the actions you take when issuers do not disburse bond proceeds as described in the offering documents.
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We engage with issuers and disinvest if no corrective action is taken.

FI 09	Mandatory	Public	Additional Assessed	PRI 1
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FI 09.1	Indicate how you assess the environmental or social impact of your thematic investments.
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- We require issuers to report at least once per year on specific environmental or social impacts resulting from our themed investments
- We ensure independent audits are conducted on the environmental or social impact of our investments
- We have a proprietary system to measure environmental and social impact
- We measure the impact of our themed bond investments on specific ESG factors such as carbon emissions or human rights
- Other, specify
- None of the above

(C) Implementation: Integration

FI 10	Mandatory	Public	Descriptive	PRI 1
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FI 10.1	Describe your approach to integrating ESG into traditional financial analysis.
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Quoniam's holistic integration approach serves to reflect that ESG is an integral part of the investment process, with ESG data and criteria being incorporated into the traditional financial analysis during portfolio construction. ESG integration results in a portfolio with a better sustainability profile, optimised in terms of ESG scores, ecological footprint and the UN's Sustainable Development Goals.

ESG scores: ESG scores are widely used in the context of ESG ratings. They allow us to cover a broad spectrum of sustainability metrics when picking securities for our funds.

Ecological footprints: A prominent example of an ecological footprint is the carbon footprint (carbon intensity) of companies. In pursuit of the internationally accepted 'two-degree target' and the decarbonisation of our economic system in the medium to long term, emissions are of particular - and growing - relevance. To calculate the carbon intensity of an investment portfolio, we look at the carbon emission of a company in comparison with their revenue. The weighted metrics for each portfolio company then yields the portfolio's carbon footprint. With this calculation methodology, it is possible to look at the carbon footprint of a portfolio without it being distorted by the portfolio's absolute value, or the value of the capital invested. Other examples of ecological footprints include waste and water footprints. Calculation and aggregation of these intensity metrics are similar to the approach used for carbon intensity.

UN Sustainable Development Goals (SDGs): The UN has defined 17 Sustainable Development Goals, also known as the Global Goals. Amongst these are an end to poverty and hunger, and the insurance of affordable and clean energy by 2030. More and more companies report on how they contribute to these SDGs.

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

	Corporate (financial)
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The above mentioned process is applied to the entire corporate and financials segment. There is no difference in the process between corporates and financials.

	Corporate (non-financial)
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The above mentioned process is applied to the entire corporate and financials segment. There is no difference in the process between corporates and financials.

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

	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is used to adjust the internal credit assessments of issuers.	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify in Additional Information	<input type="checkbox"/>	<input type="checkbox"/>	

FI 11.2

Additional information [OPTIONAL]

In Quoniam's quantitative investment process, portfolio weightings are determined in a systematic portfolio construction process. It automatically calculates optimal weights combining forecasts for returns, risk, transaction costs as well as ESG KPIs such as ESG scores, ecological footprint and the UN's Sustainable Development Goals. The ESG metrics are treated as risk factors, so that the process is typically allocating towards superior ESG characteristics at the portfolio level.

Comprehensive data on the quality of a company's management are provided by MSCI ESG research. These data as well as internal derivatives of them are available to portfolio managers and used to monitor exposures.

FI 12
Mandatory
Public
Additional Assessed
PRI 1

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

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

Corporate (financial)

ESG integration results in a portfolio with a better sustainability profile, optimised in terms of ESG scores, carbon footprint and the UN's Sustainable Development Goals.

In Quoniam's quantitative investment process, portfolio weightings are determined in a systematic portfolio construction process. It automatically calculates optimal weights combining forecasts for returns, risk, transaction costs as well as ESG KPIs such as ESG scores, ecological footprint and the UN's Sustainable Development Goals. The ESG metrics are treated as risk factors, so that the process is typically allocating towards superior ESG characteristics at the portfolio level.

Comprehensive data on the quality of a company's management are provided by MSCI ESG research. These data as well as internal derivatives of them are available to portfolio managers and used to monitor exposures.

Corporate (non-financial)

Our methodology for financial and non-financial issuers is the same.

Quoniam Asset Management 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 01.2 Additional information [OPTIONAL]

Quoniam's Chief Investment Officer has verified all responses given in this report before submission.

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

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

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

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

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

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

CM1 07	Mandatory	Public	Descriptive	General
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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
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)

specify

Data reviewed by Quoniam's SRI coordinator.