




LEA 02	Mandatory	Page 123
Reason for interaction		
<ul style="list-style-type: none"> To support investment decisions by a company's ESG issues To encourage companies to improve their ESG practices To support investment decisions by a company's ESG issues To encourage companies to improve their ESG practices 		
Type of engagement		
Individual/ internal staff engagements	Collaborative engagements	Service provider engagements

RI TRANSPARENCY REPORT

2014

Sparinvest S.A.

OO 01.1 Select the services you offer.

Fund management

	% of assets under management (AUM) in ranges
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input checked="" type="radio"/>	>50%

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

	% of assets under management (AUM) in ranges
<input checked="" type="radio"/>	<10%
<input type="radio"/>	10-50%
<input type="radio"/>	>50%

Other, specify

Execution and advisory only services

Luxembourg

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).

120

OO 02.4 Additional information. [Optional]

We operate in Austria, Denmark, France, Germany, Luxembourg, Netherlands, Sweden

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

- Yes
- No

OO 03.3 Additional information. [Optional]

The consideration of ESG risk factors is integrated into all our investment processes and considered as essential by all our business units in the entire organisation. Therefore the signatory cover the entire company (all subsidiaries) and not only a part of our organisation.

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

31/12/2013

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

Total AUM
9,684,900,000 EUR

OO 04.3 Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 05.1 Provide a breakdown of your AUM at the end of your reporting year, using the following asset classes.

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	0
Fixed income – corporate	10-50%	0
Fixed income – government	<10%	0
Fixed income – other	10-50%	0
Private debt	0	0
Private equity	0	0
Property	<10%	0

Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	<10%	0

If you respond 'Other (2)', specify

Balanced Products

OO 06 Mandatory Descriptive General

OO 06.1 To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

Publish our asset class mix as percentage breakdown

'Other (2)' specified
Balanced Products

Publish our asset class mix as broad ranges

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 08 Mandatory to Report, Voluntary to Disclose Peering General

OO 08.1 Indicate the breakdown of your organisation's AUM by market.

Private

OO 08.2 Additional information. [Optional]

Private

OO 09 Voluntary Descriptive General

OO 09.1 Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Private

OO 10 Mandatory Gateway General

OO 10.1 Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We incorporate ESG issues into investment decisions on our internally managed assets
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

OO 10.3 Additional information. [Optional]

ESG in the Investment Process

The focus on environmental, social and governance-related (ESG) company risk factors is an important component of our value-based approach, and non-financial risks have always played a key role, albeit informal, in our meticulous way of assessing investment upside. As a UN PRI signatory, we have formalized the analysis and integration of ESG factors in the investment process. The formal integration of ESG research is an important element of the assessment of non-financial risks which, combined with company dialogue, can serve as a driver for the reduction of portfolio tail risk. Specifically, the formal integration of ESG risk factors in the analysis facilitates:

- The information needed for the investment teams to be able to assess the ESG risks and hence the negative tail risk in a specific company.
- Information about the potential for company dialogue, i.e. what will it take for the company to improve on ESG matters and where are the company's 'blind spots' when compared to industry leaders.

To ensure high-quality ESG research, Sparinvest has entered into agreements with internationally-acknowledged research providers, offering up-to-date and relevant information on target companies. In addition, Sparinvest uses a combination of company reports, sector reports and customized research reports as the basis for well-informed investment decisions.

http://www.sparinvest.lu/~/-/media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx

OO 11 Mandatory Gateway General

OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Fixed income – corporate
- Fixed income – government
- Fixed Income – other
- Property
- Other (2)
- None of the above

'Other (2)' [as defined in OO 05]
Blend Product

OO 11.3	Additional information. [Optional]
<p>Regarding ESG in the investment Process see question OO10.</p> <p>Active Ownership A driving principle behind Sparinvest's approach to responsible investment is active ownership. Therefore, Sparinvest has set up an active ownership program consisting of:</p> <ul style="list-style-type: none"> • A company dialogue program; dialogue with portfolio holdings on ESG issues. • A supra-company dialogue program; certain issues are better addressed at a supra-company level, like regulatory bodies, institutions (e.g. stock exchanges) or even country governments. Sparinvest Supra-Company Dialogue focuses on collaborative engagement with other institutional investors. <p>Improved environmental, social and governance company practices may ultimately affect investment performance and, consequently, the primary purpose of the Active Ownership Program is to move investment portfolios towards higher ESG standards. Therefore, we generally advocate dialogue rather than exclusion.</p> <p>Company Dialogue By engaging in respectful two-way dialogue with management, our aim is to draw attention to the benefits that can be obtained by improving company ESG practices. Proxy voting and class action litigation are considered instruments to facilitate this. Our aim, however, is not to enter into dialogue with each and every company in our portfolios. Instead, we will make an assessment of dialogue matters on a case-by-case basis. The key principle of the dialogue program is to influence standards in selected companies, entering into dialogue on issues where achieving a result is likely. We label this 'dialogue with an impact'. Company dialogue is a key element in our investment process and, based on the premise that we know our holdings better than most, the dialogue program is handled internally by the Sparinvest portfolio management teams.</p> <p>http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx</p>	

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, you are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Direct - Fixed Income and Infrastructure are always voluntary.
<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Overarching Approach (including assets which do not have a separate module)	
	Direct - Listed Equity incorporation
	<input checked="" type="checkbox"/> Listed Equity incorporation
	Direct - Listed Equity active ownership
	<input checked="" type="checkbox"/> Engagements <input checked="" type="checkbox"/> (Proxy) voting
	Direct - Fixed Income
	<input checked="" type="checkbox"/> Fixed Income - Corporate <input checked="" type="checkbox"/> Fixed Income - Government
	<input checked="" type="checkbox"/> Closing module

OA 01	Mandatory	Gateway/Core Assessed	General
OA 01.1	Indicate if you have a responsible investment policy.		
<input checked="" type="radio"/> Yes <input type="radio"/> No			
OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.		
<input checked="" type="radio"/> Yes <input type="radio"/> No			
OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]		
<p>The focus on environmental, social and governance-related (ESG) company risk factors is an important component of our valuebased approach, and non-financial risks have always played a key role, albeit informal, in our meticulous way of assessing investment upside. In deciding to become a UN PRI signatory, however, we have now formalized the analysis and integration of ESG factors in the investment process. Consideration of ESG risk factors is the responsibility of the portfolio management teams and has been fully integrated into the investment process of the Group's actively-managed portfolios. Specifically, the ESG risk consideration has been implemented in the analysis phase of the investment process, designed to strengthen decision-making and securing further downside protection. We see the integration of ESG research as an important element of the assessment of nonfinancial risks which, combined with company dialogue, can serve as a driver for the reduction of portfolio tail risk. Specifically, the integration of ESG risk factors in the analysis facilitates:</p> <ul style="list-style-type: none"> • The information needed for the investment teams to be able to assess the ESG risks in a specific company. • Information about the potential for company dialogue, i.e. what will it take for the company to improve on ESG matters and 'blind spots' when compared to industry leaders. To ensure high-quality ESG research, Sparinvest has entered into an agreement with an internationally acknowledged research provider, offering up-to-date and relevant information on target companies. In addition, Sparinvest uses a combination of company reports, sector reports and customized bespoke research reports as the basis for well-informed investment decisions. <p>Furthermore, we have a responsible investment book which describes Sparinvest's RI policy and approach in detail - including the various asset class modifications.</p> <p>http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx.</p>			

OA 02	Mandatory	Core Assessed	PRI 6
OA 02.1	Indicate if your responsible investment policy is publicly available.		
<input checked="" type="radio"/> Yes			
OA 02.2	Provide a URL to your responsible investment policy.		
<input type="radio"/> No http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx			
OA 02.3	Indicate if your other policies or guidance documents related to responsible investment are publicly available.		
<input checked="" type="radio"/> Yes <input checked="" type="radio"/> Yes, all <input type="radio"/> Yes, some			
OA 02.4	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.		
	Policy or document name	URL	
	Sparinvest Ethical Investment Policy	http://www.sparinvest.lu/~media/international/downloads/responsible%20investment/20121001_ethical_investment_policy_in_short_eng.ashx	
	Sparinvest Voting Record	http://www.sparinvest.eu/various/voting%20record.aspx	
	Sparinvest Responsible Investment Book	http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx	
	Sparinvest Proxy Voting Policy	http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx	
<input type="radio"/> No			

OA 03	Mandatory	Core Assessed	PRI 1,2
OA 03.1	Indicate the components/types and coverage of your responsible investment policy and guidance documents.		
	Policy components/types	Coverage by AUM	

<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input checked="" type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM
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OA 03.2 Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

Sparinvest Ethical Strategies

In all Sparinvest equity and corporate bond funds ESG factors are incorporated into the investment decision-making process of portfolio managers. In addition to its large range of responsible investment solutions, however, Sparinvest also offers solutions for ethical investors.

Although often used interchangeably, the terms 'Responsible Investment' and 'Ethical Investment' do not have the same meaning. 'Responsible Investment' is about being aware of and addressing ESG risks at the point of investment and then putting ESG factors on the agenda for the companies invested in. It is not about the exclusion of companies from portfolios on 'moral' grounds.

'Ethical Investing' is about the screening – either positive or negative – of the eligible investment universe, based on pre-defined ethical criteria. (Positive screening involves selecting companies eligible for investment on grounds of 'good behaviour', while negative screening entails excluding companies from an investment universe – or deselecting them from an investment shortlist – on grounds of 'bad behaviour').

Sparinvest's ethical investment solutions build on our general conservative and responsible approach to investing, with its focus on ESG risk factors. But with additional ethical screening of portfolios on the basis of norm-based and sector-based exclusion policies or any other criteria specifically requested by clients. In short, the ethical screens are built on two exclusion filters:

- A norm-based filter, screening for violations of global norms: environmental protection, human rights, labour standards and anti corruption.
- A sector-based filter, screening for companies operating within controversial sectors such as: alcohol, tobacco, gambling, pornography and weapons.

In order to ensure a structured analysis process, providing the best possible foundation for well-informed exclusion decisions, Sparinvest has an agreement with Ethix SRI Advisors, an internationally acclaimed provider of services within responsible investment.

OA 04 **Mandatory** **Core Assessed** **General**

OA 04.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

OA 04.2 Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

Sparinvest acts in the interest of our investors and has internal operational procedures in place to secure that we always act in the best interest of our investors. Sparinvest acknowledges that investors may have different interests depending on whether they are owners of a company or e.g. bond holders in the company. Therefore, the approach adopted to responsible investments - where the responsibility is embedded with the investment teams - allows for the teams to pursue different objectives depending on what is in the best interest of their respective investors. I.e. there is Chinese Walls between the ESG Risk/Engagement impact on the investment processes of Equity and Corporate Bonds respectively. To date this has been a hypothetical issue.

No

OA 05 **Mandatory** **Gateway/Core Assessed** **General**

OA 05.1 Indicate if your organisation sets objectives for its responsible investment activities.

Yes

OA 05.2 Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

OA 05.3 Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed

No

OA 05.4 Additional information. [Optional]

The fundamental goal of Sparinvests approach to responsible investing is that the ESG related event risks in our investment portfolios must be reduced significantly. Sparinvest commits exactly to take into account longer-term risks (including ESG risks) and sustainability. Sparinvest has taken the consequence of being a signatory, by fully integrating the consideration of ESG risks with the investment professionals in the investment teams. ESG risks and sustainability is a fundamental part of the overall investment process, with the implication that it cannot be separated from other parts of the investment process. Internal research models and IT Systems have been designed to support this, securing that ESG Risk considerations enter the investment decision on fully equal terms as ordinary financial metrics. Sparinvests RI Director and Key Investment Managers continuously monitors that the inclusion of ESG risks in the investment process has the anticipated effect so that the fundamental goal is achieved. Consequently, Sparinvest continuously adjust the how ESG risks is integrated in the decision support systems and the decision making process, to reflect our learning.

OA 06 **Voluntary** **Descriptive** **General**

OA 06.1 List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

Private

OA 06.2	List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.		
Private			
OA 06.3	Additional information.		
Private			
OA 07	Voluntary	Descriptive	General
OA 07.1	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.		
Private			
OA 08	Mandatory	Gateway/Core Assessed	General
Roles present in your organisation			
<input checked="" type="checkbox"/> Board members or trustees <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input type="checkbox"/> Other Chief-level staff or head of department, specify <input checked="" type="checkbox"/> Portfolio managers <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input checked="" type="checkbox"/> Investment analysts <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input checked="" type="checkbox"/> Dedicated responsible investment staff <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input checked="" type="checkbox"/> External managers or service providers <ul style="list-style-type: none"> <input type="checkbox"/> Oversight/accountability for responsible investment <input type="checkbox"/> Implementation of responsible investment <input checked="" type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment <input type="checkbox"/> Other role, specify <input type="checkbox"/> Other role, specify			
OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]		
2			
OA 08.3	Additional information. [Optional]		
<p>We have a RI Director and a ESG Analyst who is dedicated to responsible investment.</p> <p>The portfolio management teams are responsible for the daily dealing with ESG risks and it is an embedded part of their daily work.</p>			
OA 09	Voluntary	Additional Assessed	General
OA 09.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.		
Private			
OA 09.3	Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.		
Private			
OA 10	Mandatory	Core Assessed	PRI 4,5
OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.		
<input checked="" type="checkbox"/> Yes			
OA 10.2	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.		
<input type="checkbox"/> Asian Corporate Governance Association <input type="checkbox"/> Association for Sustainable & Responsible Investment in Asia <input type="checkbox"/> Australian Council of Superannuation Investors <input type="checkbox"/> CDP Climate Change <input type="checkbox"/> CDP Forests			

- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Responsible Investment

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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Sparinvest has acted as lead investor in the collaborative engagement regarding anticorruption facilitated by UNPRI and Transparency International.

- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

Eurosif

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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Sparinvest has been a member of Eurosif since 2010, and holds a position in the Eurosif Lobbying Subgroup

- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

DANSIF

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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Sparinvest has been an active member of Dansif since 2010.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

No

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

OA 11.2 Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

- Encourage the adoption of UN Global Compact. - Contributed to the design of the LuxFLAG ESG Label

No

OA 11.3 Additional information. [Optional]

Sparinvest has been a driving factor in the development of LuxFLAG ESG Label which presumably will be launched in 2014. This initiative will help put even more focus on funds and mandates supporting high ESG standards.

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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OA 12.1 Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

Private

OA 12.4 Additional information.

Private

OA 13	Voluntary	Descriptive	PRI 1
OA 13.1	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.		
<i>Private</i>			
OA 13.3	Additional information.		
<i>Private</i>			
OA 14	Voluntary	Descriptive	PRI 1
OA 14.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.		
<i>Private</i>			
OA 14.4	Additional information.		
<i>Private</i>			
OA 15	Voluntary	Descriptive	General
OA 15.1	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.		
<i>Private</i>			
OA 15.2	Additional information.		
<i>Private</i>			
OA 18	Voluntary	Descriptive	General
OA 18.1	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.		
<ul style="list-style-type: none"> • ESG is embedded with portfolio managers • UNPRI is fully integrated in all asset classes including Corporate Bonds and Sovereigns • ESG information is fully integrated into the decision supporting tools of the portfolio management teams. 			
OA 19	Voluntary	Additional Assessed	General
OA 19.1	Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.		
<i>Private</i>			
OA 19.4	Additional information.		
<i>Private</i>			

LEI 01	Mandatory to Report, Voluntary to Disclose	Gateway/Peering	PRI 1
LEI 01.1	Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.		
	Private		
LEI 02	Voluntary	Descriptive	PRI 1
LEI 02.1	Provide a brief overview of how you incorporate ESG issues in listed equity investments.		
	Private		
LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.		
	<input type="checkbox"/> Screening alone (i.e. not combined with any other strategies) <input type="checkbox"/> Thematic alone (i.e. not combined with any other strategies) <input type="checkbox"/> Integration alone (i.e. not combined with any other strategies) <input checked="" type="checkbox"/> Screening + Integration strategies <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-left: 20px;">Percentage of active listed equity to which the strategy is applied (estimate +/- 10%)</div> 100% <input type="checkbox"/> Thematic + integration strategies <input type="checkbox"/> Screening + thematic strategies <input type="checkbox"/> All three strategies combined <input type="checkbox"/> No incorporation strategies applied		
LEI 03.2	Describe your primary reasons for choosing a particular ESG incorporation strategy.		
	<p>The focus on environmental, social and governance-related (ESG) company risk factors is an important component of our value-based approach, and non-financial risks have always played a key role, albeit informal, in our meticulous way of assessing investment upside. Inclusions of ESG risks in the decision making process provides useful and important information to the portfolio managers. Thus helping us to meet our fiduciary duty in general.</p> <p>In addition Sparinvest has clients to whom certain values are prevalent. For these clients Sparinvest offers products where the portfolios are screened to accommodate these values.</p>		
LEI 03.3	If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]		
	<p>All Sparinvest funds are screened to prevent investments in companies/institutions involved in the production of illegal weapons. All Sparinvest are screened to prevent investments in companies/institutions/states involved in breach of EU Sanctions.</p> <p>All Sparinvest funds comply with UNPRI in the sense that ESG are incorporated in the investment process.</p> <p>In addition to the above Sparinvest Ethical funds offers an additional ethical screening of the portfolios on the basis of norm-based and sector based exclusion policies or any other criteria specifically requested by clients.</p> <p>In short, the ethical screens are built on two exclusion filters:</p> <p>A norm-based filter, screening for violations of global norms: environmental protection, human rights, labour standards and anti corruption.</p> <p>A sector-based filter, screening for companies operating within controversial sectors such as: alcohol, tobacco, gambling, pornography and weapons.</p>		
LEI 04	Voluntary	Additional Assessed	PRI 1
LEI 04.1	Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.		
	Private		
LEI 04.2	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.		
	Private		
LEI 04.3	Indicate if you incentivise brokers to provide ESG research.		
	Private		
LEI 04.5	Additional information.		
	Private		
LEI 05	Voluntary	Additional Assessed	PRI 1
LEI 05.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.		
	Private		
LEI 06	Mandatory	Descriptive	PRI 1
LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.		
	<input checked="" type="checkbox"/> Negative/exclusionary screening <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Product <input checked="" type="checkbox"/> Activity <input checked="" type="checkbox"/> Sector <input checked="" type="checkbox"/> Country/geographic region <input checked="" type="checkbox"/> Environmental and social practices and performance <input checked="" type="checkbox"/> Corporate governance 		
	Description		
	All our funds are screened for Norms, illegal weapons and EU Sanctions. Furthermore we have some Ethical funds which is also screened on sector level (weapons, tobacco, porn, alcohol and gambling).		

- Positive/best-in-class screening
- Norms-based screening
 - UN Global Compact Principles
 - Universal Declaration of Human Rights
 - International Labour Organization Conventions
 - United Nations Convention Against Corruption
 - OECD Guidelines for Multinational Enterprises
 - Other, specify

Description
See above.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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Screening criteria is established in collaboration with clients. Criteria are reviewed semi annually and clients are always notified in advance before changes are executed.

Screening:

1. Norm-Based Screening assesses companies' adherence to international norms for human rights, the environment, labor standards and anti-corruption. It adheres to the UN Global Compact Principles.
2. Illegal Weapons Screening assesses companies' involvement in banned weapons such as anti-personnel mines, cluster munitions, biological and chemical weapons.
3. Sector Based Screening assesses companies' involvement in industry sectors and products such as alcohol, tobacco, gambling, pornography or weapons

LEI 06.3	Additional information. [Optional]
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Beside the screening provided by Ethix SRI Advisor, we do also have a procedure regarding sanctions.

Sanctions Procedure

The Sparinvest procedure of financial sanctions is based on EU sanctions. The financial sanctions include companies as well as governments/states.

If a company violates any applicable sanctions our service provider will always classify the company conflicted with the EU sanctions.

Regarding sovereigns the EU sanctions list provides an overview of applicable sanctions on country/state level. In case of overlap between the sanctions list and our investments, the affected bonds will be divested.

LEI 07	Mandatory	Core Assessed	PRI 1
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LEI 07.1	Indicate which processes your organisation uses to ensure that 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
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

LEI 08	Voluntary	Additional Assessed	PRI 1
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LEI 08.1	Indicate which processes your organisation uses to ensure that fund criteria are not breached
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Private

LEI 08.2	If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.
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Private

LEI 08.3	Additional information.
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Private

LEI 10	Voluntary	Descriptive	PRI 1
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LEI 10.1	Describe how you integrate ESG factors into investment decision making processes.
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Private

LEI 11	Mandatory	Core Assessed	PRI 1
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LEI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
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ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="checkbox"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="checkbox"/> We do not review environmental issues
Social	<input checked="" type="checkbox"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We do not review social issues
Corporate Governance	<input checked="" type="checkbox"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We do not review corporate governance issues

LEI 12	Voluntary	Descriptive	PRI 1
LEI 12.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.		
Private			
LEI 12.2	Describe how ESG information is held and used by your portfolio managers.		
Private			
LEI 12.3	Additional information.		
Private			
LEI 13	Voluntary	Additional Assessed	PRI 1
LEI 13.1	Indicate into which aspects of investment analysis you integrate ESG information.		
Private			
LEI 13.3	Additional information.		
Private			
LEI 14	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
LEI 14.1	Indicate if you manage passive listed equity funds that incorporate ESG issues in the index construction methodology.		
Private			
LEI 15	Voluntary	Descriptive	PRI 1
LEI 15.1	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.		
Private			
LEI 15.2	Additional information.		
Private			
LEI 16	Voluntary	Descriptive	PRI 1
LEI 16.1	Indicate if you believe that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.		
Private			
LEI 16.2	Describe how you are able to determine these outcomes and your actual performance.		
Private			
LEI 16.3	Additional information.		
Private			
LEI 17	Voluntary	Descriptive	PRI 1
LEI 17.1	Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.		
Private			
LEI 17.2	Additional information.		
Private			
LEI 18	Mandatory	Core Assessed	PRI 2,6
LEI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.		
<input checked="" type="checkbox"/> We disclose it publicly http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx http://www.sparinvest.lu/strategies%20and%20solutions/responsible%20investing.aspx			
<input type="checkbox"/> We do not proactively disclose it to the public and/or clients/beneficiaries			

LEA 01	Voluntary	Descriptive	PRI 2
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LEA 01.1	Provide a brief overview of your organisation's approach to engagement.
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Private

LEA 02	Mandatory	Gateway	PRI 1,2,3
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LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via service providers

LEA 02.2	Additional information. [Optional]
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Engagement and active ownership, directed by fund managers – our fund managers are very closely involved in our active ownership approach, directing voting decisions and entering respectful dialogue with company management. The intention is always to improve ESG performance to add investment value over time

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
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Yes

LEA 03.2	Describe how you identify and prioritise engagements.
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Active funds - Dialogue with an impact:

In our active funds our aim is not to enter into dialogue with each and every company in our portfolios. Instead, we will make an assessment of dialogue matters on a case-by-case basis. The key principle of the dialogue program is to influence standards in selected companies, entering into dialogue on issues where achieving a result is likely. We label this 'dialogue with an impact'. Company dialogue is a key element in our investment process and, based on the premise that we know our holdings better than most, the dialogue program is handled internally by the Sparinvest portfolio management teams.

Passive funds:

In the passive equity funds Sparinvest engages systematically with companies in breach with the UN Global Compact principles, in collaboration with other institutional investors. This dialogue is driven by an external research provider.

No

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1	Indicate if you define specific objectives for your engagement activities.
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Yes

- Yes, for all engagement activities
- Yes, for the majority of engagement activities
- Yes, for a minority of engagement activities

No

LEA 04.2	Indicate if you monitor the actions that companies take following your engagements.
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Yes

- Yes, in all cases
- Yes, in the majority of cases
- Yes, in the minority of cases

No

LEA 05	Mandatory	Core Assessed	PRI 2
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LEA 05.1	Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.
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Yes

LEA 05.2	Describe how you identify and prioritise collaborative engagements.
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Sparinvest is involved in two collaborative engagements:

- Anti-Corruption engagement
- Increase ESG Transparency on Stock Exchanges.

These are thematic engagements which have been carefully selected as they represent cardinal issues to be dealt with according to Sparinvests understanding of responsible investment.

No

LEA 06	Mandatory	Core Assessed	PRI 2
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LEA 06.1	Indicate if the collaborative engagements in which you are involved have defined objectives.
----------	--

- Yes
- Yes, for all collaborative engagement activities
 - Yes, for the majority of collaborative engagement activities
 - Yes, for a minority of collaborative engagement activities
- No

LEA 06.2	Indicate if you monitor the actions companies take following your collaborative engagements.
----------	--

- Yes
- Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- No

LEA 07	Mandatory	Core Assessed	PRI 2,4
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LEA 07.1	Indicate if you play a role in the engagement process that your service provider conducts on your behalf.
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Yes

LEA 07.2	Indicate what role you play in engagements that your service provider conducts on your behalf.
----------	--

- Specify the issues for the engagement
- Specify the objectives for the engagement
- Select the companies to be engaged with
- Participate directly in the engagements with your service provider
- Actively monitor and review the activities of the service provider
- Other, specify

No

LEA 07.3	Additional information. [Optional]
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Generally, in all active equity funds, company dialogue is a key element in our investment process and, based on the premise that we know our holdings better than most, the dialogue program is handled internally by the Sparinvest portfolio management teams. However, in our passive mandates, Sparinvest engages systematically with companies in breach with the UN Global Compact principles, in collaboration with other institutional investors. This dialogue effort is driven by an external service provider.

LEA 08	Mandatory	Core Assessed	PRI 2,6
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LEA 08.1	Indicate whether you monitor and/or discuss the following information provided to you by your service provider
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- The subject (or ESG issue(s)) of engagement
- The objectives of the engagement
- The rationale for engagement
- The frequency/intensity of interactions with companies
- Progress towards achieving engagement goals
- Outcomes that have been achieved from the engagement
- Next steps for engagement activity
- Other, specify
- None of the above

LEA 09	Voluntary	Additional Assessed	PRI 1,2
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LEA 09.1	Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.
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Private

LEA 09.2	Additional information.
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Private

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
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LEA 10.1	Indicate if you track the number of companies you engage with.
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Type of engagement	Tracking engagements
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Individual / Internal staff engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="checkbox"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="checkbox"/> No, we do not track and cannot estimate our engagements
Service provider engagements	<input checked="" type="checkbox"/> Yes, we track the number of our engagements in full <input type="checkbox"/> Yes, we partially track the number of our engagements <input type="checkbox"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="checkbox"/> No, we do not track and cannot estimate our engagements

LEA 10.2	Additional information. [Optional]
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As mentioned before we have an engagement database where all engagement activities are tracked.

LEA 11	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 2
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LEA 11.1	Indicate the number of companies with which your organisation engaged during the reporting year.
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Private

LEA 11.2	Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]
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Private

LEA 11.3	Indicate what percentage of your collaborative engagements you were a leading organisation during the reporting year. [Optional]
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Private

LEA 11.4	Indicate for which part of your service provider engagements you were highly involved during the reporting year. [Optional]
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Private

LEA 11.5	Additional information. [Optional]
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Private

LEA 12	Voluntary	Additional Assessed	PRI 2
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LEA 12.1	Indicate if your engagements in the reporting year covered E, S and/or G issues.
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Private

LEA 12.2	Provide an estimated breakdown by E, S and/or G issues.
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Private

LEA 12.3	Additional information.
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Private

LEA 13	Voluntary	Descriptive	PRI 2
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LEA 13.1	Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities.
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Private

LEA 13.3	Additional information.
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Private

LEA 14	Voluntary	Descriptive	PRI 2
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LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
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Private

LEA 14.2	Additional information.
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Private

LEA 15	Mandatory	Core Assessed	PRI 2,6
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LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.
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- We disclose it publicly
- We disclose it to clients and/or beneficiaries only

LEA 15.3	Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.
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Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 15.4	Indicate how frequently you typically report engagements information
<input type="radio"/> Disclosed continuously (prior and post engagements) <input type="radio"/> Disclosed quarterly <input type="radio"/> Disclosed annually <input type="radio"/> Disclosed every two years or less <input checked="" type="radio"/> Other, specify <p style="margin-left: 20px;">In client reporting and meetings.</p>	
<input type="radio"/> We do not proactively disclose it to the public and/or clients/beneficiaries.	

LEA 16	Voluntary	Descriptive	PRI 2
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LEA 16.1	Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).
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Voting Policy – Actively Managed Portfolios

Sparinvest engages in proxy voting on all shareholder assemblies in company holdings in the actively-managed portfolios in accordance with the policies established by the investment manager and as stated herein, except where inconsistent with applicable laws and regulations or with specific client instructions. Sparinvest recognizes that rights inherent in stock ownership, including the right to vote by proxy, are important instruments in the dialogue with companies and companies management in order to influence said company towards higher awareness on environmental, social and governance issues. The guiding principle in the voting policy of Sparinvest is that it must best serve the long-term interest of the investors. This means that Sparinvest may vote in a way inconsistent with the below stated policy if it will better serve the interest of the beneficial owners of the assets. It

is the responsibility of the Sparinvest equity portfolio managers to decide on a case-by-case basis the vote on shareholder resolutions so that it is consistent with the guiding principle. When proxy voting on portfolio holdings, Sparinvest:

- Supports the principle of one-share, one-vote
- Supports a fair access to forward shareholder resolutions
- Supports the protection of minority shareholders rights
- Supports the principle of independence of Board members
- Supports the principle of dealing with M&A in the interest of creating long-term shareholder value
- Is generally opposed to any kind of 'poison pills'
- Supports the principle that companies should comply with the corporate governance standards applicable in their country of domicile or explain non-compliance
- Supports the principle of companies being transparent

Active Ownership

In the cases where Sparinvest votes against the recommendation of company management and board, the proxy vote cast is accompanied by a letter to the company informing about and explaining Sparinvest's voting decision. Sparinvest uses the service of an internationally-renowned Proxy Voting Service Provider to assist with proxy voting research and the operational matters in proxy voting on the portfolio holdings. The proxy voting is effectuated within an extensive set of guidelines derived from the voting policy.

The Sparinvest voting record is available on our homepage

Voting Policy – Index and Quantitatively Managed Portfolios

Sparinvest engages in proxy voting on all shareholder assemblies in company holdings in the passively and quantitatively managed portfolios subject only to a minimum required investment in the holding in order to keep the relative cost from proxy voting at an acceptable level in the best interest of the beneficial owners of the assets.

The portfolio management team proxy votes in accordance with the general policy which considers market-specific recommended best practices, transparency, and disclosure when addressing issues such as board structure, director accountability, corporate governance standards, executive compensation, shareholder rights, corporate transactions, and social/environmental issues. The policy is established by Sparinvests Proxy Voting Agents' Global Benchmark Policy Guidelines. In the case of passive and quantitative funds, the management process is focused on portfolio and index characteristics as opposed to the individual portfolio holdings, and as a consequence the proxy voting policy equally focuses on general trends in line with market best practices and local principles of Corporate Governance.

http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx

LEA 17	Mandatory	Descriptive	PRI 2
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LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.
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Approach	<input type="radio"/> We use our own research or voting team and make our own voting decisions without the use of service providers. <input checked="" type="radio"/> We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
Based primarily on	<input type="radio"/> the service provider voting policy signed off by us <input checked="" type="radio"/> our own voting policy <input type="radio"/> our clients requests or policy <input type="radio"/> other, explain <input type="radio"/> We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions. <input type="radio"/> We hire service provider(s) which make voting decisions on our behalf.

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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Private

LEA 19.2	Provide additional information on your organisation's vote confirmation efforts.
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Private

LEA 20	Voluntary	Additional Assessed	PRI 2
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LEA 20.1	Indicate if your organisation has a securities lending programme.
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Private

LEA 20.3	Additional information. [Optional]
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Private

LEA 21	Mandatory	Core Assessed	PRI 2
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Yes, in most cases

- Sometimes, in the following cases:
- No
- Not applicable as we and/or our service providers do not abstain or vote against management recommendations

LEA 21.2	Additional information. [Optional]
In cases where Sparinvest vote against the recommendation of company management and board, the proxy vote cast is accompanied by a letter to the company informing about and explaining Sparinvest's voting decision.	

LEA 22	Mandatory	Core Assessed	PRI 2
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LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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We do track or collect this information

Votes cast (to the nearest 1%)
91%

Specify the basis on which this percentage is calculated
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- of the total number of ballot items on which you could have issued instructions
- of the total number of company meetings at which you could have voted
- of the total value of your listed equity holdings on which you could have voted

LEA 22.2	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
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Country specific requirements of Power of Attorneys prevented successful proxy in these markets.

We do not track or collect this information

LEA 23	Voluntary	Descriptive	PRI 2
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LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
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Yes, we track this information

LEA 23.2	Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:
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Voting instructions	Breakdown as percentage of votes cast
For (supporting) management proposals	91%
Against (opposing) management proposals	7%
Abstentions	2%

LEA 23.3	For the reporting year, describe your approach towards voting on shareholder resolutions.
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We don't have a specific approach toward voting on shareholder resolution. If the resolutions are in favor of our voting policy we vote FOR.

For more information see http://www.sparinvest.eu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx

No, we do not track this information

LEA 23.4	Additional information.
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All voting instructions are issued by ourselves on our active managed equities. ISS Governance provide us with their research on the AGM agenda, but the instructions are made according to our own voting policy and the responsible portfolio manager.

LEA 24	Voluntary	Descriptive	PRI 2
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LEA 24.1	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
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Private

LEA 24.6	Additional information.
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Private

LEA 25	Voluntary	Descriptive	PRI 2
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LEA 25.1	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
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Private

LEA 25.2	Additional information.
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Private

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
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We disclose it publicly

<http://www.sparinvest.eu/various/voting%20record.aspx>

We disclose it to clients/beneficiaries only

We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

FI 01	Mandatory to Report, Voluntary to Disclose	Gateway/Peering	PRI 1		
FI 01.1	Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.				
Private					
FI 01.2	Additional information. [Optional]				
Private					
FI 02	Mandatory to Report, Voluntary to Disclose	Peering	General		
FI 02.1	Provide a breakdown of your internally managed fixed income investments by credit quality.				
Private					
FI 02.2	Provide a breakdown of your fixed income investments between primary and secondary market.				
Private					
FI 02.3	Additional information. [Optional]				
Private					
FI 03	Voluntary	Descriptive	PRI 1		
FI 03.1	Provide a brief overview of how you incorporate ESG issues in fixed income investments.				
Private					
FI 04	Mandatory	Gateway/Core Assessed	PRI 1		
FI 04.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.				
<input type="checkbox"/> Screening alone (i.e. not combined with any other strategies) <input type="checkbox"/> Thematic alone (i.e. not combined with any other strategies) <input type="checkbox"/> Integration alone (i.e. not combined with any other strategies) <input checked="" type="checkbox"/> Screening + Integration strategies					
<table border="1"> <tr> <td>Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)</td> <td>100%</td> </tr> </table>				Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	100%
Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	100%				
<input type="checkbox"/> Thematic + integration strategies <input type="checkbox"/> Screening + thematic strategies <input type="checkbox"/> All three strategies combined <input type="checkbox"/> No incorporation strategies applied					
FI 04.2	Describe your primary reasons for choosing a particular incorporation strategy.				
<p>The focus on environmental, social and governance-related (ESG) company risk factors is an important component of our value-based approach, and non-financial risks have always played a key role, albeit informal, in our meticulous way of assessing investment upside. Inclusions of ESG risks in the decision making process provides useful and important information to the portfolio managers. Thus helping us to meet our fiduciary duty in general.</p> <p>In addition Sparinvest has clients to whom certain values are prevalent. For these clients Sparinvest offers products where the portfolios are screened to accommodate these values.</p>					
FI 04.3	If assets are managed using a combination of ESG incorporation strategies, describe briefly how these are used in combination. [Optional]				
<p>All Sparinvest funds are screened to prevent investments in companies/institutions involved in the production of illegal weapons. All Sparinvest are screened to prevent investments in companies/institutions/states involved in breach of EU Sanctions.</p> <p>All Sparinvest funds comply with UNPRI in the sense that ESG are incorporated in the investment process.</p> <p>In addition to the above Sparinvest Ethical funds offers an additional ethical screening of the portfolios on the basis of norm-based and sector based exclusion policies or any other criteria specifically requested by clients.</p> <p>In short, the ethical screens are built on two exclusion filters:</p> <p>A norm-based filter, screening for violations of global norms: environmental protection, human rights, labour standards and anti corruption.</p> <p>A sector-based filter, screening for companies operating within controversial sectors such as: alcohol, tobacco, gambling, pornography and weapons.</p>					
FI 05	Voluntary	Additional Assessed	PRI 1		
FI 05.1	Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.				
Private					
FI 05.2	Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.				
Private					
FI 05.3	Additional information. [Optional]				
Private					
FI 06	Mandatory	Descriptive	PRI 1		
FI 06.1	Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.				
<input checked="" type="checkbox"/> Negative/exclusionary screening					
<input checked="" type="checkbox"/> Product <input checked="" type="checkbox"/> Activity <input checked="" type="checkbox"/> Sector <input checked="" type="checkbox"/> Country/geographic region <input checked="" type="checkbox"/> Environmental and social practices and performance <input checked="" type="checkbox"/> Corporate governance					

Description
All our funds are screened for Norms, illegal weapons and EU Sanctions. Furthermore we have some Ethical funds which is also screened on sector level (weapons, tobacco, porn, alcohol and gambling).
<input type="checkbox"/> Positive/best-in-class screening <input checked="" type="checkbox"/> Norms-based screening <ul style="list-style-type: none"> <input checked="" type="checkbox"/> UN Global Compact Principles <input checked="" type="checkbox"/> Universal Declaration of Human Rights <input checked="" type="checkbox"/> International Labour Organization Conventions <input checked="" type="checkbox"/> United Nations Convention Against Corruption <input type="checkbox"/> OECD Guidelines for Multinational Enterprises <input type="checkbox"/> Other, specify
Description
See above.

FI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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Screening criteria is established in collaboration with clients. Criteria are reviewed semi annually and clients are always notified in advance before changes are executed.

Screening:

Norm-Based Screening assesses companies' adherence to international norms for human rights, the environment, labor standards and anti-corruption. It adheres to the UN Global Compact Principles.

Illegal Weapons Screening assesses companies' involvement in banned weapons such as anti-personnel mines, cluster munitions, biological and chemical weapons.

Sector Based Screening assesses companies' involvement in industry sectors and products such as alcohol, tobacco, gambling, pornography or weapons

FI 06.3	Additional information. [Optional]
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Beside the screening provided by Ethix SRI Advisor, we do also have a procedure regarding sanctions.

Sanctions Procedure

The Sparinvest procedure of financial sanctions is based on EU sanctions. The financial sanctions include companies as well as governments/states.

If a company violates any applicable sanctions our service provider will always classify the company conflicted with the EU sanctions.

Regarding sovereigns the EU sanctions list provides an overview of applicable sanctions on country/state level. In case of overlap between the sanctions list and our investments, the affected bonds will be divested.

FI 07	Mandatory	Core Assessed	PRI 1
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FI 07.1	Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.
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- Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- Issuers 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 issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

FI 08	Voluntary	Additional Assessed	PRI 1
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FI 08.1	Indicate which processes your organisation uses to ensure that fund criteria are not breached in corporate fixed income investments.
<i>Private</i>	

FI 08.2	If breaches of fund screening criteria are identified, describe the process followed to correct those breaches.
<i>Private</i>	

FI 08.3	Additional information.
<i>Private</i>	

FI 10	Voluntary	Descriptive	PRI 1
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FI 10.1	Describe how you integrate ESG issues into investment decision-making processes.
<i>Private</i>	

FI 11	Mandatory	Core Assessed	PRI 1
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FI 11.1	Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.
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ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="checkbox"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="checkbox"/> We do not review environmental issues
Social	<input checked="" type="checkbox"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We do not review social issues

Corporate Governance	<input checked="" type="checkbox"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We do not review corporate governance issues
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FI 12	Voluntary	Descriptive	PRI 1
FI 12.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.		
<i>Private</i>			
FI 12.2	Describe how ESG information is held and used by your portfolio managers.		
<i>Private</i>			
FI 12.3	Additional information.		
<i>Private</i>			

FI 13	Mandatory	Core Assessed	PRI 1
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FI 13.1 Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

Yes

FI 13.2	Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.
<input type="checkbox"/> <10% <input type="checkbox"/> 10-50% <input type="checkbox"/> 51-90% <input checked="" type="checkbox"/> >90%	

FI 13.3 Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input type="checkbox"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input checked="" type="checkbox"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="checkbox"/> We do not review environmental issues
Social	<input checked="" type="checkbox"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="checkbox"/> We do not review social issues
Corporate Governance	<input checked="" type="checkbox"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="checkbox"/> We do not review corporate governance issues

FI 13.4 Describe your approach to incorporating ESG issues in government fixed income investments. [Optional]

ESG and Sovereigns

The formal consideration of sovereign ESG risk factors is integrated in the investment process of the Sparinvest funds that invest in sovereigns, using World Governance Indicators as input. More than 200 countries are analysed annually on key metrics, focusing on government/regulatory governance and human rights in particular. Specifically, countries are ranked according to:

- Voice and accountability. This metric captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as enjoy freedom of expression, freedom of association, and a free media.
- Political stability and absence of violence. This metric measures the perception of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including domestic violence and terrorism.
- Government effectiveness. This metric captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
- Regulatory quality. This metric captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.
- Rule of law. This metric captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.
- Control of corruption. This metric captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

Sparinvest operates a proprietary risk regression model where the factors listed above are included alongside other relevant risk measures when evaluating the credit spread. Consequently, World Governance Indicators are systematically included in the investment process and decision. Where serious ESG risks are identified, Sparinvest's Sovereign Bonds Investment Team prefers to look for alternative bond issues. Accordingly, engagement and intervention with States/Governments is done in collaboration with other institutional investors through e.g. the Clearinghouse, a UNPRI initiative to support co-operation between institutional investors in the effort to increase awareness on ESG issues and improve the standards in dealing with ESG risks. Other forums for engaging with States/Governments include Eurosif - where Sparinvest is a member of the Lobbying Advisory Group.

No

FI 15	Voluntary	Descriptive	PRI 1
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FI 15.1 Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe.

Private

FI 15.2 Additional information.

Private

FI 16	Voluntary	Descriptive	PRI 1
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FI 16.1 Indicate if you believe (by applicable strategy) that incorporating ESG factors has: (a) Impacted funds' financial performance; (b) Reduced funds' risk or volatility; (c) Improved funds' ESG performance.

Private

FI 16.2	Describe how you are able to determine these outcomes and your actual performance.
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Private

FI 16.3	Additional information.
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Private

FI 17	Voluntary	Descriptive	PRI 1
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FI 17.1	Provide examples of ESG issues that affected your fixed income investment view and/or performance during the reporting year.
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Private

FI 17.2	Additional information.
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Private

FI 18	Mandatory	Core Assessed	PRI 2,6
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FI 18.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.
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We disclose it publicly

http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx
<http://www.sparinvest.lu/strategies%20and%20solutions/responsible%20investing.aspx>

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

FI 19	Voluntary	Descriptive	PRI 2
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FI 19.1	Indicate if you engage with corporate issuers.
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Private

FI 19.3	Additional information.
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Private

FI 20	Voluntary	Descriptive	PRI 2
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FI 20.1	Indicate if you engage with government issuers such as government departments (national or local), agencies and other entities in order to influence their approach to ESG issues that may affect creditworthiness.
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Private

FI 20.3	Additional information.
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Private

PR 01	Mandatory to Report, Voluntary to Disclose	Gateway/Peering	General
PR 01.1	Provide a breakdown of your organisation's internally managed property investments by equity and debt.		
Private			
PR 01.3	Additional information. [Optional]		
Private			
PR 03	Voluntary	Descriptive	General
PR 03.1	Indicate up to three of your largest property types by AUM.		
Private			
PR 03.2	Additional information.		
Private			
PR 05	Mandatory	Core Assessed	PRI 1-6
PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.		
<input checked="" type="radio"/> Yes			
PR 05.2	Provide a URL if your RPI policy is publicly available. [Optional]		
http://www.sparinvest.lu/~media/international/downloads/ebooks/20121119_ebook_responsible_investing_english_final.ashx			
<input type="radio"/> No			
PR 05.3	Additional information. [Optional]		
<p>ESG and Property</p> <p>Property investments in the Sparinvest Group are the responsibility of the daughter company, Sparinvest Property Investors. Generally Sparinvest Property Investors is committed to implementing responsible principles in the investment and portfolio management process while upholding our fiduciary duty to our investors. Sparinvest Property Investors manages indirect real estate investments. Indirect real estate investment has fundamental attributes that affect the ability to include ESG factors in the investment process. Specifically:</p> <p>Managing funds-of-funds involves no direct control of the ultimate asset invested in. Investment in a real estate fund is typically entered into for a defined period of time. Subject to the above limitations, the fund screening and selection process consists of an asset and property manager quality assessment where Sparinvest Property Investors' policy regarding how to deal with ESG risks in the property portfolio is fully integrated. Consequently, since 2005 Sparinvest Property Investors has systematically required the fund investment managers under due diligence to state:</p> <ul style="list-style-type: none"> • That the investment manager is aware of the UN Global Compact Principles • That there have been no deliberate and repeated violations of the principles of UN Global Compact in the property management/development. • That the investment manager has not been involved in any critical violation of national laws with no attempt to remedy the violation. • That the investment manager will not invest in properties which are principally used for manufacturing, trading, storing or other kinds of servicing of weapons violating the international arms treaties. <p>The statements are mandatory for Sparinvest Property Investors to consider investment in a fund. In addition, Sparinvest Property Investors exercise active ownership, giving priority to securing impact and influence from the effort:</p> <ul style="list-style-type: none"> • Sparinvest Property Investors always seeks board representation in the funds invested in, or alternatively seeks alliances with other investors with board representation. • Sparinvest Property Investors has identified governance issues as a key-focus area and in particular guarding the limited partners' rights. • Sparinvest Property Investors actively monitors the portfolio and annually requests the fund managers to report any perceived violations of international norms as defined by UN Global Compact. 			
PR 06	Mandatory	Core Assessed	PRI 1,4,6
PR 06.1	Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.		
<input checked="" type="radio"/> Yes			
PR 06.2	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:		
<input checked="" type="checkbox"/> Policy and commitment to responsible investment			
<input checked="" type="radio"/> Always			
<input type="radio"/> In a majority of cases			
<input type="radio"/> In a minority of cases			
<input checked="" type="checkbox"/> Approach to ESG issues in pre-investment processes			
<input checked="" type="radio"/> Always			
<input type="radio"/> In a majority of cases			
<input type="radio"/> In a minority of cases			
<input checked="" type="checkbox"/> Approach to ESG issues in post-investment processes			
<input checked="" type="radio"/> Always			
<input type="radio"/> In a majority of cases			
<input type="radio"/> In a minority of cases			
PR 06.3	Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]		
<p>ESG and Property</p> <p>Property investments in the Sparinvest Group are the responsibility of the daughter company, Sparinvest Property Investors. Generally Sparinvest Property Investors is committed to implementing responsible principles in the investment and portfolio management process while upholding our fiduciary duty to our investors. Sparinvest Property Investors manages indirect real estate investments. Indirect real estate investment has fundamental attributes that affect the ability to include ESG factors in the investment process. Specifically:</p> <ul style="list-style-type: none"> • Managing funds-of-funds involves no direct control of the ultimate asset invested in. • Investment in a real estate fund is typically entered into for a defined period of time. <p>Subject to the above limitations, the fund screening and selection process consists of an asset and property manager quality assessment where Sparinvest Property Investors' policy regarding how to deal with ESG risks in the property portfolio ESG in the Investment Process is fully integrated. Consequently, since 2005 Sparinvest Property Investors has systematically required the fund investment managers under due diligence to state:</p>			

- That the investment manager is aware of the UN Global Compact Principles
- That there have been no deliberate and repeated violations of the principles of UN Global Compact in the property management/development.
- That the investment manager has not been involved in any critical violation of national laws with no attempt to remedy the violation.
- That the investment manager will not invest in properties which are principally used for manufacturing, trading, storing or other kinds of servicing of weapons violating the international arms treaties.

The statements are mandatory for Sparinvest Property Investors to consider investment in a fund. In addition, Sparinvest Property Investors exercise active ownership, giving priority to securing impact and influence from the effort:

- Sparinvest Property Investors always seeks board representation in the funds invested in, or alternatively seeks alliances with other investors with board representation.
- Sparinvest Property Investors has identified governance issues as a key-focus area and in particular guarding the limited partners' rights.
- Sparinvest Property Investors actively monitors the portfolio and annually requests the fund managers to report any perceived violations of international norms as defined by UN Global Compact.
- Sparinvest Property Investors seeks the highest risk-adjusted return in line with its investment strategy with due consideration to environmental sustainability. The movement toward sustainable, or 'green', building practices is a structural change in the commercial real estate market and Sparinvest Property Investors advocates sustainable building practices throughout the funds invested in where it is economically efficient. E.g. by encouraging fund managers/property managers to work systematically towards energy certifying the properties in the portfolios (an example is the LEED Certification in the US).

Sparinvest Property Investors actively enters into alliances with co-investors on securing common policies on ESG risks in the property portfolios.

<http://www.sparinvest.lu/strategies%20and%20solutions/responsible%20investing.aspx>

No

PR 07	Voluntary	Additional Assessed	PRI 4
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PR 07.1	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.
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Private

PR 07.2	Additional information.
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Private

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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Yes

PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]
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Generally Sparinvest Property Investors is committed to implementing responsible principles in the investment and portfolio management process while upholding our fiduciary duty to our investors. Sparinvest Property Investors manages indirect real estate investments. Indirect real estate investment has fundamental attributes that affect the ability to include ESG factors in the investment process. Specifically:

Managing funds-of-funds involves no direct control of the ultimate asset invested in. Investment in a real estate fund is typically entered into for a defined period of time.

Subject to the above limitations, the fund screening and selection process consists of an asset and property manager quality assessment where Sparinvest Property Investors' policy regarding how to deal with ESG risks in the property portfolio ESG in the Investment Process is fully integrated.

No

PR 09	Voluntary	Descriptive	PRI 1,4
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PR 09.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process.
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Private

PR 09.2	Additional information.
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Private

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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Environmental

Investment in UKPIF fund meets several environmental criteria including energy, waste and water usage.

Investment in Goodman European Logistics Fund meet several environmental criteria and has participated in the Green Real Estate Sustainability Benchmark since launch.

Social

Investment in UKPIF fund meets several social criteria including regular meetings with representatives and general procedures for tenant engagement.

Governance

Sparinvest Property Investors exercise active ownership through board representation, by putting focus on guarding the limited partners' rights and by monitoring funds compliance with UNGC.

PR 10.2	Additional information. [Optional]
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ESG and Property

Property investments in the Sparinvest Group are the responsibility of the daughter company, Sparinvest Property Investors. Generally Sparinvest Property Investors is committed to implementing responsible principles in the investment and portfolio management process while upholding our fiduciary duty to our investors. Sparinvest Property Investors manages indirect real estate investments. Indirect real estate investment has fundamental attributes that affect the ability to include ESG factors in the investment process. Specifically:

Managing funds-of-funds involves no direct control of the ultimate asset invested in. Investment in a real estate fund is typically entered into for a defined period of time.

Subject to the above limitations, the fund screening and selection process consists of an asset and property manager quality assessment where Sparinvest Property Investors' policy regarding how to deal with ESG risks in the property portfolio ESG in the Investment Process is fully integrated. Consequently, since 2005 Sparinvest Property Investors has systematically required the fund investment managers under due diligence to state:

- That the investment manager is aware of the UN Global Compact Principles
- That there have been no deliberate and repeated violations of the principles of UN Global Compact in the property management/development.

- That the investment manager has not been involved in any critical violation of national laws with no attempt to remedy the violation.
- That the investment manager will not invest in properties which are principally used for manufacturing, trading, storing or other kinds of servicing of weapons violating the international arms treaties.

The statements are mandatory for Sparinvest Property Investors to consider investment in a fund.

PR 11	Voluntary	Additional Assessed	PRI 1,3
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PR 11.1 Indicate what type of ESG information your organisation typically considers during your property investment selection process.

Private

PR 11.2 Additional information.

Private

PR 12	Voluntary	Additional Assessed	PRI 1
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PR 12.1 Indicate if ESG issues impacted your property investment selection process during the reporting year.

Private

PR 12.2 Additional information.

Private

PR 14	Mandatory	Gateway	PRI 2
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PR 14.1 Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

Yes

PR 14.2 Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and refurbishments
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

PR 14.3 Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

ESG and Property

Property investments in the Sparinvest Group are the responsibility of the daughter company, Sparinvest Property Investors. Generally Sparinvest Property Investors is committed to implementing responsible principles in the investment and portfolio management process while upholding our fiduciary duty to our investors. Sparinvest Property Investors manages indirect real estate investments. Indirect real estate investment has fundamental attributes that affect the ability to include ESG factors in the investment process. Specifically:

- Managing funds-of-funds involves no direct control of the ultimate asset invested in.
- Investment in a real estate fund is typically entered into for a defined period of time.

Subject to the above limitations, the fund screening and selection process consists of an asset and property manager quality assessment where Sparinvest Property Investors' policy regarding how to deal with ESG risks in the property portfolio ESG in the Investment Process is fully integrated. Consequently, since 2005 Sparinvest Property Investors has systematically required the fund investment managers under due diligence to state:

- That the investment manager is aware of the UN Global Compact Principles
- That there have been no deliberate and repeated violations of the principles of UN Global Compact in the property management/development.
- That the investment manager has not been involved in any critical violation of national laws with no attempt to remedy the violation.
- That the investment manager will not invest in properties which are principally used for manufacturing, trading, storing or other kinds of servicing of weapons violating the international arms treaties.

The statements are mandatory for Sparinvest Property Investors to consider investment in a fund. In addition, Sparinvest Property Investors exercise active ownership, giving priority to securing impact and influence from the effort:

- Sparinvest Property Investors always seeks board representation in the funds invested in, or alternatively seeks alliances with other investors with board representation.
- Sparinvest Property Investors has identified governance issues as a key-focus area and in particular guarding the limited partners' rights.
- Sparinvest Property Investors actively monitors the portfolio and annually requests the fund managers to report any perceived violations of international norms as defined by UN Global Compact.
- Sparinvest Property Investors seeks the highest risk-adjusted return in line with its investment strategy with due consideration to environmental sustainability. The movement toward sustainable, or 'green', building practices is a structural change in the commercial real estate market and Sparinvest Property Investors advocates sustainable building practices throughout the funds invested in where it is economically efficient. E.g. by encouraging fund managers/property managers to work systematically towards energy certifying the properties in the portfolios (an example is the LEED Certification in the US).

Sparinvest Property Investors actively enters into alliances with co-investors on securing common policies on ESG risks in the property portfolios.

<http://www.sparinvest.lu/strategies%20and%20solutions/responsible%20investing.aspx>

No

PR 15	Mandatory	Core Assessed	PRI 2,3
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PR 15.1 Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

PR 15.2 Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

- Environmental
- Social
- Governance

We do not set and/or monitor against targets

PR 16	Voluntary	Additional Assessed	PRI 2
PR 16.1	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.		
Private			
PR 16.2	Additional information.		
Private			
PR 21	Voluntary	Additional Assessed	PRI 1,2
PR 21.1	Indicate whether your organisation measures how your approach to ESG issues in property investments has affected financial and/or ESG performance.		
Private			
PR 21.4	Additional information.		
Private			
PR 22	Voluntary	Descriptive	PRI 1,3
PR 22.1	Provide examples of ESG issues that affected your property investments during the reporting year.		
Private			
PR 22.2	Additional information. [Optional]		
Private			
PR 23	Mandatory	Core Assessed	PRI 6
PR 23.1	Indicate if your organisation proactively discloses ESG information on your property investments.		
<input type="radio"/> Disclose publicly <input checked="" type="radio"/> Disclose to clients/beneficiaries only			
PR 23.2	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.		
<input type="checkbox"/> Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS) <input type="checkbox"/> Other property reporting standards, specify <input checked="" type="checkbox"/> No property specific reporting standards are used			
PR 23.4	Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.		
<input checked="" type="checkbox"/> ESG information on how you select property investments <input checked="" type="checkbox"/> ESG information on how you monitor and manage property investments <input checked="" type="checkbox"/> Information on your property investments' ESG performance <input type="checkbox"/> Other, specify			
PR 23.5	Indicate your organisation's typical frequency of disclosing ESG information to the your clients/beneficiaries.		
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Semi annually <input checked="" type="radio"/> Annually <input type="radio"/> Every two years or less frequently <input type="radio"/> Ad-hoc, specify			
PR 23.6	Describe the ESG information and how your organisation proactively discloses it to your clients/beneficiaries. [Optional]		
Part of the AGM agenda.			
<input type="radio"/> No proactive disclosure to the public or to clients/beneficiaries			