



LEA 02	Discipline: Monetary	Principle: PRI 1, 2, 3
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To influence corporate practice or identify the need to adjust material ESG issues <input type="checkbox"/> To engage internal staff <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	
<p>Collaborative engagements</p>	<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need to adjust material ESG issues <input type="checkbox"/> We do not engage in collaborative engagements 	
<p>Service provider engagements</p>	<ul style="list-style-type: none"> <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To influence corporate practice or identify the need to adjust material ESG issues <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider engagements 	

RI TRANSPARENCY REPORT

2018

Barings LLC

About this report

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

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

Understanding the Principles Index

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

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

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

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

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

Principles Index

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

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

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	🔒	n/a	✓						
LEI 04	Types of screening applied	🔒	n/a	✓						
LEI 05	Processes to ensure screening is based on robust analysis	🔒	n/a	✓						
LEI 06	Processes to ensure fund criteria are not breached	🔒	n/a	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Measurement of financial and ESG outcomes of ESG incorporation	✓	Private	✓						
LEI 14	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	🔒	n/a	✓						
FI 05	Negative screening - overview and rationale	🔒	n/a	✓						
FI 06	Examples of ESG factors in screening process	🔒	n/a	✓						
FI 07	Screening - ensuring criteria are met	🔒	n/a	✓						
FI 08	Thematic investing - overview	🔒	n/a	✓						
FI 09	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 10	Thematic investing - assessing impact	🔒	n/a	✓						
FI 11	Integration overview	✓	Public	✓						
FI 12	Integration - ESG information in investment processes	✓	Public	✓						
FI 13	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 14	ESG incorporation in passive funds	🔒	n/a	✓						
FI 15	Engagement overview and coverage	✓	Private		✓					
FI 16	Engagement method	✓	Private	✓	✓					
FI 17	Engagement policy disclosure	✓	Private	✓	✓					
FI 18	Financial/ESG performance	✓	Private							✓
FI 19	Examples - ESG incorporation or engagement	✓	Private	✓	✓					
FI End	Module confirmation page	✓	-							

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 02	Fund placement documents and RI	✓	Public	✓			✓		✓	
PR 03	Formal commitments to RI	✓	Private				✓			
PR 04	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 05	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 06	ESG issues impact in selection process	✓	Public	✓						
PR 07	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 08	ESG issues in post-investment activities	✓	Public		✓					
PR 09	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 10	Certification schemes, ratings and benchmarks	✓	Private		✓					
PR 11	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 12	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 13	Proportion of green leases or MOUs referencing ESG issues	✓	Private		✓					
PR 14	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 15	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 16	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR End	Module confirmation page	✓	-							

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

Barings LLC

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Fund management

% of assets under management (AUM) in ranges

<10%

10-50%

>50%

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

Other, specify

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

Execution and advisory services

Hedge funds

Fund of hedge funds

OO 01.3

Additional information. [Optional]

Barings is a \$304+ billion global financial services firm dedicated to meeting the evolving investment and capital needs of our clients (as of 31 December, 2017).

We build lasting partnerships that leverage our distinctive expertise across traditional and alternative asset classes to deliver innovative solutions and exceptional service. Part of MassMutual, we have the financial stability and flexibility to take a long-term approach.

Global footprint

With 650+ investment professionals across offices in 16 countries, we provide our clients with a broad perspective and access to a diverse set of opportunities as well as the ability to truly partner with our clients to invest across global markets.

Investment solutions

Drawing upon our breadth and depth across the global fixed income, equity, and alternative asset markets, we aim to provide our clients with innovative solutions to address their complex challenges.

Scale and stability

Backed by a strong parent company, we have the financial stability and flexibility to take a long-term approach.

An unwavering focus on risk management

With sophisticated risk management systems and processes in place, helping to protect our clients' capital over the long term is an essential part of our lasting partnerships.

Team driven

Rooted in our core values of transparency and responsibility, our team-driven culture is enhanced by a diversity of perspectives which we view as essential to meeting the needs of our clients.

OO 02	Mandatory	Public	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

United States

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

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

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

FTE

1752

OO 02.4 Additional information. [Optional]

The FTE number above excludes 99 Barings Multifamily Capital employees. Barings Multifamily Capital is an indirect, wholly owned subsidiary of Barings LLC. These employees were included in Barings' 2017 annual report, however, as a capital provider to multifamily borrowers, Barings Multifamily Capital is not a registered investment adviser or does not otherwise provide investment advice. Therefore, we are excluding Barings Multifamily Capital in employee figures going forward as their practices do not constitute investment advice.

Barings is headquartered in Charlotte, North Carolina. The firm has offices in 16 countries around the world. In the U.S., Barings has offices in Boston, MA; Charlotte, NC; Chicago, IL; Glastonbury, CT; Hartford, CT; Los Angeles, CA; New Haven, CT; New York, NY; Springfield, MA and Washington, D.C. In addition, we have offices in Amsterdam, Berlin, Frankfurt, Geneva, Hamburg, Helsinki, London, Munich, Paris, Stockholm, Hong Kong, Seoul, Sydney, Taipei and Tokyo.

OO 03	Mandatory	Public	Descriptive	General
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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]

OO 04	Mandatory	Public	Gateway/Peering	General
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OO 04.1 Indicate the year end date for your reporting year.

31/12/2017

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

	trillions	billions	millions	thousands	hundreds
Total AUM		304	559	000	000
Currency	USD				
Assets in USD		304	559	000	000

OO 06	Mandatory	Public	Descriptive	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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

- as percentage breakdown
- as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	<10%	0
Fixed income	>50%	0
Private equity	<10%	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	0	0

OO 06.2

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

Our Investment Capabilities

Barings leverages its **DEPTH AND BREADTH OF EXPERTISE** across the global fixed income, alternative investment and equity markets to help our clients achieve their investment goals.



All figures are as of December 31, 2017 unless otherwise indicated.

Assets shown are denominated in USD.

For investment professionals only

BARINGS

Asset class implementation gateway indicators

OO 10	Mandatory	Public	Gateway	General
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OO 10.1

Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

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

Listed equity – voting

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

Fixed income SSA – engagement

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

Fixed income Corporate (financial) – engagement

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

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

Our Corporate Financial assets consist entirely of Derivatives, which we solely utilize for hedging purposes. Therefore, engagement is not applicable to this category.

Fixed income Corporate (non-financial) – engagement

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

Fixed income Corporate (securitised) – engagement

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

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

As our securities businesses are a level removed from direct interaction with corporations, it has historically been difficult to engage directly with companies on ESG factors. However, we plan on sending out ESG due diligence questionnaires to the managers and counterparties we interact with this year in an effort to further integrate ESG considerations across our fixed income platform.

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

Listed equity

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

Fixed income - SSA

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

Fixed income - corporate (financial)

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

Fixed income - corporate (non-financial)

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

Fixed income - securitised

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

Private equity

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

Property

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

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

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

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

Direct - Other asset classes with dedicated modules

- Private Equity
- Property

RI implementation via external managers

Closing module

- Closing module

Barings LLC

Reported Information

Public version

Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

SG 01.1

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

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

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

SG 01.3

Indicate if the investment policy covers any of the following

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

SG 01.4	Describe your organisation's investment principles and overall investment strategy, and how they consider ESG factors and real economy impact.
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At Barings, we incorporate ESG factors into our rigorous investment analysis. Through fundamental analysis, we seek to gain a comprehensive understanding of the factors that influence the sustainability of the investments we make. Our research teams and portfolio managers evaluate ESG factors along with a range of other potential risks and opportunities that may impact governments, industries and companies.

As part of our initial and ongoing analysis, our portfolio managers and analysts meet with government officials and corporate management teams, visit operational facilities and analyze industry competitors to better understand potential risks, including ESG-related issues. Once invested, portfolio managers and analysts continue to monitor each issuer to ensure that our thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

In addition to rigorous in-house work done by Barings research analysts and portfolio managers to evaluate ESG risks, our team also has access to third-party resources that provide institutional investors issuer-specific ESG data.

SG 01.5	Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]
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Mandate to Deliver Competitive Risk-Adjusted Returns

Above all, Barings' goal is to deliver competitive risk-adjusted returns for our clients. We consider ESG-related issues an important part of this commitment, as these issues can impact an investment's risks and returns over time.

Barings' Commitment

We consider ESG factors among some of the most important variables that can impact an investment's risks and returns over time. As part of our overall commitment to delivering attractive returns, we endeavor to construct portfolios that meet our clients' risk-return requirements and this includes incorporating ESG criteria into our investment process.

As we execute on our fiduciary responsibility to our clients, we will continue to consider ESG a critical component of our overall investment process.

No

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

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

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

URL

Attachment (will be made public)

Attachment

[File 1:ESG Policy Statement-Barings_12.2017.pdf](#)

Asset class-specific RI guidelines

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/ESG-Sustainability-Policy.pdf>

Attachment (will be made public)

(Proxy) voting policy

URL/Attachment

URL

Attachment (will be made public)

Attachment

[File 1:Global Proxy Voting Policy.pdf](#)

We do not publicly disclose our investment policy documents

SG 02.2

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

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

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attachment

Reporting

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attachment

Climate-related issues

URL/Attachment

URL

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attachment

We do not publicly disclose any investment policy components

SG 02.3

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

Yes

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

No

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

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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When the interests of a Barings entity of entities and Barings Associates interfere with, or have the potential to interfere with Barings' fiduciary obligations to its investment Clients a Conflict of Interest can occur.

Each Barings entity manages Client accounts in a manner that is consistent with the Client's best interests and attempts to avoid and/or manage situations where there can be potential Conflicts of Interest. The purpose of this Global Conflicts of Interest Policy ("Policy") is to establish a framework for:

- Identifying circumstances and relationships that are or could potentially be deemed a Conflict of Interest between a Barings entity, its Clients and or its Associates;
- Assessing the impact of such potential Conflicts of Interest on Clients;
- Ensuring policies and associated procedures are established by each Barings entity to address any potential Conflicts of Interest in a manner that is fair and equitable to Clients and does not disadvantage a Client relative to a Barings entity; and
- Making the appropriate disclosure of those potential Conflicts of Interest to Clients as required by local rules and regulations.

No

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
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- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

SG 05.2

Additional information. [Optional]

To guide our process, Barings has established an ESG working group that is comprised of representation from the firm's Global Management Team, senior representatives from each of the firm's investment areas as well as key members of our legal, compliance, business development and risk management teams. The group meets regularly to discuss ESG trends across different asset classes and identify how Barings can best take these issues into consideration in our investment process.

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

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

Roles present in your organisation

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

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- ESG portfolio manager
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

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

Our CEO is also Chairman of the Board and provides oversight and guidance to our responsible investment activities. Our dedicated internal ESG Coordinator reports directly to our Chief Legal Officer, and both of these individuals sit on the ESG Working Group alongside the heads of many of our business units and investment teams. The Chief Legal Officer is a member of the firm's Global Management Team, and relays ESG-related information, updates, policies and processes between the two groups. Each of our portfolio managers and analysts are responsible for implementing ESG into their investment analysis and decision making processes, and the ESG Working Group representative provides oversight and accountability. We believe that it is important to leave a level of discretion to the analysts and portfolio managers as our firm investment philosophy is centered around fundamental, bottom-up analysis performed by deep research teams with years of experience.

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

	Number
--	--------

1

SG 07.4	Additional information. [Optional]
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Our ESG Working Group strives to ensure that all of our investment professionals include responsible investing as part of their investment analysis and decision making process. In addition, we have a dedicated resource whose responsibilities include internal ESG coordination.

Promoting responsible investment

SG 09

Mandatory

Public

Core Assessed

PRI 4,5

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

SG 09.1

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

Select all that apply

Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

We have attended many conferences and webinars hosted by the PRI and have actively participated on panels and by providing feedback on specific initiatives. Additionally, we advance the aims of the PRI by discussing our membership in our ESG Investment Policy Statement and in client meetings and questionnaires.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- EVCA – Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)

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

- Basic
- Moderate
- Advanced

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

Barings' real estate business has been reporting to GRESB for over 5 years. We are an advocate of the GRESB standards and discuss this frequently with clients and prospective clients.

- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
Sustainability Accounting Standards Board (SASB)

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

- Basic
- Moderate
- Advanced

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

Barings began learning about and working with SASB in 2017 as we believe their approach to defining responsible investment indicators with deference to their financial materiality is consistent with our own philosophy. We attended SASB's annual symposium and are in discussion with the organization on ways to deepen our relationship.

- Other collaborative organisation/initiative, specify
Catalytic Finance Initiative

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

- Basic
- Moderate
- Advanced

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

Barings is also an important participant in the Catalytic Finance Initiative, a collective commitment of \$8 billion for high-impact environmentally sustainable projects, alongside institutions such as the European Investment Bank and the International Finance Corporation, a member of the World Bank Group. This initiative allocates funds toward a broad range of high impact areas including clean energy infrastructure finance, green bonds, project finance and green asset-backed securities, amongst others. Thus far, Barings has been involved in three deals that have mobilized over \$1 billion in sustainable energy development globally.

- Other collaborative organisation/initiative, specify

Embankment Project for Inclusive Capitalism

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

- Basic
- Moderate
- Advanced

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

The Embankment Project for Inclusive Capitalism represents an important opportunity to transform the way businesses measure and report on the value they create for stakeholders. A new reporting mechanism is required for corporations to better measure and communicate the value they create for shareholders through their strategic attention to the broad base of their stakeholders: customers, employees, communities, government and the environment.

EY has developed a proof-of-concept framework that Barings, alongside other large asset owners, asset managers and asset creators (corporations) is testing and further developing. The proposed framework is anticipated to become a tool for asset owners and asset managers as well as other stakeholders to understand, measure and compare the investments made by asset creators in their purpose, brand, intellectual property, products, employees, environment and communities.

Engagement of all parties across the investment value chain is essential to test this framework, therefore, the project is bringing together over 20 global companies on an 18 month journey representing more than \$20T in AUM to jointly develop, test and validate the EY-developed long term value framework. The collaborative project is also supported by an Advisory Board of leading academics, regulators, international standard setters and strategic advisors.

- Other collaborative organisation/initiative, specify

SG 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

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

Yes

SG 10.2

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

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

Description

We provided training to our investment professionals and have supported educational programs such as the G & A Institute's sustainable investing for finance professionals certification.

Frequency of contribution

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad hoc
 - Other
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment

Description

We spoke publicly at several industry conferences promoting responsible investment over the reporting year, at the ESG in Credit Ratings PRI-led conference in NYC as well as a separate real estate conference.

Frequency of contribution

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

Description

Our equities department produced an ESG White Paper in the first quarter of 2017.

Frequency of contribution

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

Encouraged the adoption of the PRI

Description

We promote our membership to the PRI in our ESG Investment Policy Statement and on our website and encourage others who ask about our responsible investment practices to turn to the PRI for guidance and structure, particularly through the supportive resources and research provided as well as the Transparency Reporting framework.

Frequency of contribution

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

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

Wrote and published articles on responsible investment in the media

A member of PRI advisory committees/ working groups, specify

On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

Other, specify

specify description

Embankment Project for Inclusive Capitalism

Description

A project initiated by the non-profit Inclusive Capitalism Project in coordination with EY with the aim of developing a framework of metrics that indicate long-term value and sustainability.

Frequency of contribution

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- No

Outsourcing to fiduciary managers and investment consultants

SG 12

Mandatory

Public

Core Assessed

PRI 4

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

SG 12.1

Indicate whether your organisation uses investment consultants.

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

ESG issues in asset allocation

SG 13

Mandatory

Public

Descriptive

PRI 1

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

SG 13.1

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

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

Asset class implementation not reported in other modules

SG 16

Mandatory

Public

Descriptive

General

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Listed equities - engagement	<p>As part of our investment process we regularly meet with management teams of potential or existing investments. We use company meetings as an opportunity to discuss strategy, risks and opportunities. Environmental, social and governance issues fit within these categories. A focus on good governance has become well entrenched, and ensuring effective governance at the board level and good stakeholder relationships to ensure protection of the rights of minority shareholders, will continue to be an essential area of consideration for our analysis. In our view, an understanding that poor reputations on social issues, such as labor relations, high staff turnover and unsustainable supply chains, can affect the value of a franchise. Costs to economic activity from environmental issues are becoming clearer. Hence these are issues that are addressed in our regular meetings with senior management of potential or existing investments. Furthermore, we do generally vote proxies in accordance with the recommendations of our third-party proxy voting research provider, which is a recognized authority on proxy voting and corporate governance.</p>
Listed equity - (proxy) voting	<p>Barings understands that the voting of proxies is an integral part of its investment management responsibilities and believes that, as a general principle, proxies should be acted upon (voted or abstained) solely in the best interests of its clients (i.e., in a manner believed by Barings to best pursue a client's investment objective). To implement this general principle, it is Barings' policy to generally vote proxies in accordance with the recommendations of its third party proxy voting research provider, Glass Lewis & Co. ("Glass Lewis"), a recognized authority on proxy voting and corporate governance, or, in cases where Glass Lewis has not made any recommendations with respect to a proxy, in accordance with Glass Lewis' proxy voting guidelines. Barings recognizes, however, that there may be times when it will be in the best interests of clients holding the securities to be voted against Glass Lewis' recommendations or against Glass Lewis' proxy voting guidelines. There may also be situations in which Barings will not vote proxies.</p>
Private equity	<p>Above all, Barings Alternative Investments' goal is to deliver competitive risk-adjusted returns for our clients. We consider ESG-related issues part of this commitment, as these issues can impact an investment's risks and returns over time. Through fundamental analysis, we seek to gain a comprehensive understanding of the factors that influence the sustainability of the investments we make, along with a range of other potential risks and opportunities that may impact governments, industries and companies.</p> <p>As part of our initial and ongoing analysis, our investment professionals meet with corporate management teams, visit operational facilities and analyze industry competitors to better understand potential risks, including ESG-related issues. Once invested, we continue to monitor investments to ensure that our thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.</p> <p>To guide our process, we are part of a Barings firm-wide ESG working group that comprises representatives from each of the firm's investment areas as well as from our legal, compliance, sales and risk management teams. The group meets regularly to discuss ESG trends across different asset classes and identify how Barings can best take these issues into consideration in our investment process.</p>

Communication

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

Do you disclose?

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

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

Listed equity - Incorporation

Do you disclose?

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

Disclosure to clients/beneficiaries	
Disclosure to clients/beneficiaries	
<input type="radio"/> Broad approach to ESG incorporation <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used	
Frequency	
<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input checked="" type="checkbox"/> Ad-hoc/when requested	

Property	
Do you disclose?	
<input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input checked="" type="radio"/> We disclose to clients/beneficiaries only. <input type="radio"/> We disclose to the public	

Disclosure to clients/beneficiaries	
Disclosure to 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	
Frequency	
<input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested	

Barings LLC

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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

ESG incorporation in actively managed listed equities

Implementation processes

LEI 01	Mandatory	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEI 01.1	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 (+/- 5%)
-----------------	--

ESG incorporation strategy (select all that apply)

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

Percentage of active listed equity to which the strategy is applied	
---	--

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

Total actively managed listed equities
--

100%

LEI 01.2	Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.
-----------------	---

As investment managers, our aim is to generate attractive risk-adjusted returns on a sustainable basis, while demonstrating social awareness as fiduciaries and stewards of our clients' funds. It is also our responsibility to contribute to the integrity of capital markets. In this way, investing in companies with solid governance structures is vital, and so we actively consider ESG factors as part of our investment research.

In our assessment, well-governed companies are better placed to manage the risks inherent in running a business and to leverage competitive advantages to create value. Indeed, an abdication of social and environmental responsibilities poses real risks to business sustainability, which could compromise earnings and cash flows.

Identifying and avoiding such risks has the potential to enhance investment performance and is complementary to our Barings' Equity investment philosophy and the work we do to identify companies with sustainable competitive advantages and long-term earnings visibility.

We fully recognize the importance of ESG considerations, which our analysts incorporate when conducting their in-depth company research. To us, quality companies are those that enjoy durable competitive positions, sustainable and attractive earnings growth, strong balance sheets and credible management teams able to deliver value for shareholders. Our experience tells us that quality companies are more likely to be well-governed and as such better placed to manage business risks and harness competitive advantages to create value.

Our responsibility is to act in clients' best interests, generate returns and manage investments responsibly. Since ESG factors could materially affect company returns, they must be considered. In practice, this is integrated into our company-focused research. We find this to be more effective than exercising an exclusion policy. In fact, we believe our focus on quality when analyzing companies naturally fits with our view of the importance of ESG considerations when identifying attractive investments.

(C) Implementation: Integration of ESG issues

LEI 08	Mandatory	Public	Core Assessed	PRI 1
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LEI 08.1

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

ESG issues	Proportion impacted by analysis
Environmental	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070c0; margin-right: 5px;"></div> <div style="background-color: #0070c0; color: white; padding: 2px 5px;">Environmental</div> </div> <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%
Social	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070c0; margin-right: 5px;"></div> <div style="background-color: #0070c0; color: white; padding: 2px 5px;">Social</div> </div> <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%
Corporate Governance	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070c0; margin-right: 5px;"></div> <div style="background-color: #0070c0; color: white; padding: 2px 5px;">Corporate Governance</div> </div> <ul style="list-style-type: none"> <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90%

Barings LLC

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

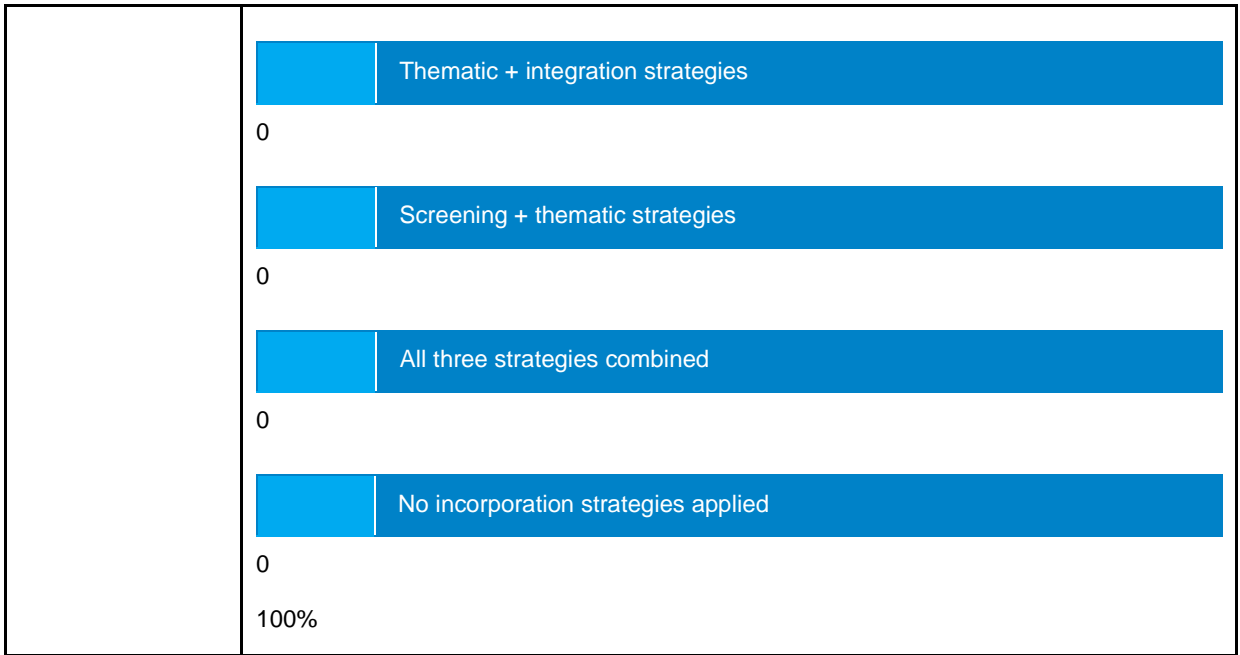
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ESG incorporation in actively managed fixed income

Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

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



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

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

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

We adopt an integration approach to ESG incorporation primarily because fundamental, bottom-up analysis is the heart of our investment philosophy at Barings. It is through fundamental analysis, which includes ESG factors along with a range of other potential risks and opportunities, that we evaluate factors that may impact issuers and industries.

FI 01.3 Additional information [Optional].

In addition to Barings' integration approach to ESG, we also have the ability to code our front-end compliance system for any ESG requirements provided by a client for separately managed accounts. The system can exclude investment based on countries, sectors and/or companies.

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

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

specify description

Analysts are required to provide ongoing monitoring of all issues and communicate to the investment committee if the investment thesis changes.

None of the above

FI 03.2

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

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

(C) Implementation: Integration

FI 11

Mandatory

Public

Descriptive

PRI 1

FI 11.1

Describe your approach to integrating ESG into traditional financial analysis.

At Barings, we incorporate ESG factors into our rigorous investment analysis. Through fundamental, bottom-up analysis, we seek to gain a comprehensive understanding of the factors that influence the sustainability of each investment we make. Our research teams and portfolio managers evaluate ESG factors along with a range of other potential risks and opportunities that may impact issuers and industries.

As part of our initial and ongoing analysis, our portfolio managers and analysts meet with management teams, visit operational facilities and analyze industry competitors to better understand potential risks, including ESG-related issues. Once invested, portfolio managers and analysts continue to monitor each issuer to ensure that our thesis remains intact and that an investment's risk and return profile remains attractive to other opportunities available in the market.

FI 11.2

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

SSA

SSA includes agency debt, Emerging Markets sovereign debt, municipal bonds and U.S. Treasuries and accounts for just over 10% of our total fixed income assets. While we do not use a single third-party database to help us evaluate these issuers, as such a database is not available, we factor ESG criteria into our investment analysis, which is particularly significant with respect to EM sovereign debt issuers.

Corporate (financial)

Corporate (financial) fixed income accounts for less than 3% of our fixed income assets and consists of derivatives, which are primarily used for hedging purposes. ESG analysis is not applicable to these assets.

Corporate (non-financial)

Corporate (non-financial) fixed income accounts for nearly 70% of our total fixed income assets.

Our public market analysts incorporate ESG factors into their fundamental, bottom-up investment analysis and decision-making processes. Analysts also have access to a third-party ratings product which analyzes thousands of companies worldwide, providing ratings, real-time updates, search functionality and analytical tools to assess company-level ESG risks. For companies covered in the database, Barings' analysts receive an overall rating for the selected company and research on specific ESG factors that may be present. Analysts review the ratings research material and utilize the information as one of many factors within their fundamental, rigorous analysis and underwriting processes. Analysts are required to include ESG considerations in all underwriting memos, and deals cannot be sent to the Investment Committee unless ESG considerations are compiled in our proprietary research platform. Additionally, many ESG risks are also covered under the general credit report as ESG considerations are inherent in a comprehensive risk analysis.

Our private market analysts also incorporate ESG considerations as part of their investment decision making and rigorous underwriting processes. For private credit investors, understanding risk is a result of rigorous due diligence similar to, and typically alongside, a private equity sponsor considering an equity investment. ESG is included and documented in this due diligence process. When a new investment opportunity comes to the screening stage, analysts are required to document any potential ESG-related risks and mitigants in the screening memo. At the next stage, analysts must highlight ESG concerns and mitigants again in the underwriting memos and elaborate on any questions that arose during the screening stage. Both the screening and underwriting memos are used for discussion in weekly investment team meetings, during which deal teams present and discuss opportunities with the investment committee. In addition to our direct involvement in the business due diligence process, we also typically rely on reports performed by third parties. Often, these third party due diligence reports are the same reports required by a private equity sponsor and usually include: a quality of earnings report by a leading accounting firm; industry and market research reports; customer and supplier reference calls; environmental studies (if applicable); insurance adequacy reviews; background checks; and legal reviews. These reports help to inform the deal team and investment committee of any material issues that could negatively impact the credit profile of the investment, including ESG criteria. As discussed above, the analysts and/or investment committee will decline opportunities that we feel do not meet our requirements.

Our real estate debt analysts also believe that companies can demonstrate a commitment to the environment, socially responsible investing and governance while maximizing returns to the investor. We include any relevant ESG factors in our underwriting memos and throughout our due diligence process. If an investment could lead to adverse implications for any of our clients, we carefully identify those during our due diligence and make an appropriate recommendation on whether to invest in the asset. Through fundamental analysis, we seek to gain a comprehensive understanding of the factors that influence the sustainability of the investments we make. Our research teams and portfolio managers evaluate ESG factors along with a range of other potential risks and opportunities that may impact the real estate debt assets we invest in.

Securitized

Securitized includes ABS, CMBS, CMO, Commercial Paper, MBS, Short Term and Structured Credit and accounts for 15% of our fixed income assets. Our investment approach is similar to that used with other fixed income assets in which analysts include ESG factors in their fundamental analysis. Due to the nature of these assets, we are not directly investing in a company, so our analysis focuses on proper due diligence of other managers and the underlying assets.

FI 12

Mandatory

Public

Core Assessed

PRI 1

FI 12.1

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

Select all that apply

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

FI 13	Mandatory	Public	Additional Assessed	PRI 1
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FI 13.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

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

FI 13.2 Please provide more detail on how you review E, S and G factors in your integration process.

SSA

For Emerging Market sovereign debt, our summary sheet analysis weights macro indicators and social/governance indicators for each country, both of which are significant components of our investment decision making process.

Corporate (financial)

As previously mentioned, corporate (financial) fixed income assets represent less than 3% of fixed income AUM and primarily consist of financial derivatives used for hedging purposes, therefore, ESG analysis is not truly applicable.

Corporate (non-financial)

We incorporate ESG factors into our rigorous investment analysis and through fundamental, bottom-up analysis, we seek to gain a comprehensive understanding of the factors that influence the sustainability of each investment we make. Our research teams and portfolio managers evaluate ESG factors along with a range of other potential risks and opportunities that may impact issuers and industries.

As part of our initial and ongoing analysis, our portfolio managers and analysts meet with management teams, visit operational facilities and analyze industry competitors to better understand potential risks, including ESG-related issues. Once invested, portfolio managers and analysts continue to monitor each issuer to ensure that our thesis remains intact and that an investment's risk and return profile remains attractive relative to other opportunities available in the market.

In addition to rigorous in-house work done by Barings research analysts and portfolio managers to evaluate ESG risks, our team also has access to a third-party system that provides institutional investors company-specific ESG data.

Securitized

Due to the nature of these assets, we plan to send out ESG due diligence questionnaires to managers of securitized assets that we invest in in order to make our analysis more robust.

Barings LLC

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 01

Mandatory

Public

Core Assessed

PRI 1-6

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

PR 01.1

Indicate if your organisation has a Responsible Property Investment (RPI) policy.

Yes

PR 01.2

Provide a URL or attach the document

URL

<https://www.barings.com/assets/user/media/Barings-ESG-Policy-Statement.pdf>

Attach Document

[ESG-Sustainability-Policy_Real Estate.pdf \[1174KB\]](#)

No

PR 01.3

Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy.

Barings' Real Estate Global Sustainability Policy has five principal objectives:

- Enhance - To enhance a property's "Green" credentials during our period of management. In general, Barings personnel should seek to reduce energy, water and waste consumption; make a positive impact on the environment; and improve the financial performance of assets that we manage for our clients through cost-saving measures.
- Reduce - To seek cost-effective ways of reducing energy consumption, carbon emissions, water consumption and waste generation while providing positive benefits to the occupiers of the buildings under management. We have set the below long-term reduction targets: Reduce energy & GHG emissions 15% by 2021 (2011 baseline)
 - Reduce water consumption 15% by 2021 (2011 baseline)
 - Increase recycling rates by at least 15% by 2023 (2013 baseline)
 -
- Measure - To measure the impact of properties on the environment, including positive impacts of any sustainability measures undertaken, to help Barings manage its clients' portfolios in a more efficient manner, understanding the relative performance and tracking asset performance over time. Measuring ESG performance is essential to identifying and delivering long-term enhancements to properties.
- Engage - To engage our identified stakeholders through appropriate communication channels and disclose sustainability objectives, strategies and performance regularly.
- Lead - To promote our ESG objectives, strategies and tactics through the governance of our independent Real Estate ESG Committee, which reports into the firm-wide ESG Working Group with representation from the firm's Global Management Team.

Fundraising of property funds

PR 02	Mandatory	Public	Core Assessed	PRI 1,4,6
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PR 02.1

Indicate if your most recent fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

- Yes
 No
 Not applicable as our organisation does not fundraise

PR 02.5

Additional information. [Optional]

We do not make formal commitments to responsible investment in fund formation contracts, LPAs or side letters because our clients do not ask us to do so. We would be open to discussing including these formal commitments in legal documentation based on client demand.

Pre-investment (selection)

PR 04	Mandatory	Public	Gateway/Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 04.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

- Yes

PR 04.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.

The ESG risk assessment is an ongoing part of our investment management process. Throughout the acquisition due diligence process we are continually seeking to uncover numerous risks through our standard practices including: obtaining ALTA surveys (flooding & natural hazards risk); Environmental Site Assessment (natural hazards, contamination & regulatory risk); Property Condition Reports (mechanical, electrical, plumbing, utility supply, building safety & materials, regulatory, natural hazards, flooding, geotechnical); Seismic studies (where applicable); and ESG Acquisition Assessments (see below) from qualified third parties on every acquisition in our U.S. core property fund.

In addition, internally we conduct a thorough Market and Economic Assessment (socio-economic risk). As part of the process, tenant interviews and building walk-throughs are conducted to assess comfort, safety and satisfaction of building occupants (health, safety & well-being).

Concerning our third-party ESG Acquisition Assessments, we specifically address the following aspects:

- Energy and water efficiency
- Building certifications and energy ratings
- Regulatory compliance
- Impact of pending regulation
- Waste management
- Climate change adaptation
- Resilience
- Location to transit, bike scores and walk scores

- Density
- Plumbing, refrigerant, energy supply and renewable energy

PR 04.3

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.

ESG issues

- Environmental

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Property Condition Assessments

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Property Condition Assessments

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Environmental Site Assessments

- Social

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

ADA accessibility

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Tenant interviews

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Property Condition Assessments

- Governance

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Corporate policies & protocols

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Regulatory & building code compliance

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Potential conflicts of interest

No

PR 04.4 Additional information. [Optional]

All of the above are considered as part of the property investment selection and due diligence process. Additional information such as energy & water efficiency, building certifications and energy ratings, regulatory compliance, impacts of pending regulation, waste management, climate change adaptation, resilience, location to transit, bike scores, walk scores, density, plumbing, refrigerant, energy supply and renewable energy are obtained from third-party ESG Acquisition Assessments for our U.S. and European core property funds.

PR 06	Mandatory	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 06.1 Indicate if ESG issues impacted your property investment selection process during the reporting year.

- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

PR 06.2

Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.

- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

Selection, appointment and monitoring third-party property managers

PR 07

Mandatory

Public

Core Assessed

PRI 4

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

PR 07.1

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.

- Yes

PR 07.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- Selection process of property managers incorporated ESG issues

Types of actions

- Request explanation of how ESG is effectively integrated, including inquiries about governance and processes
- Request track records and examples of how the manager implements ESG in their asset and property management
- Discuss property level out-performance opportunities through greater integration of ESG criteria
- Request explanation of engaging stakeholders on ESG issues
- Other, explain

Coverage

- >75% to 100%
- >50% to 75%
- >25% to 50%
- >0% to 25%
- Contractual requirements when appointing property managers includes ESG issues

Types of actions

- Include clear and detailed expectations for incorporating ESG
- Require dedicated ESG procedures in all relevant asset and property management phases
- Clear ESG reporting requirements
- Clear ESG performance targets
- Other, explain

Coverage

- >75% to 100%
 - >50% to 75%
 - >25% to 50%
 - >0% to 25%
- Monitoring of property managers covers ESG responsibilities and implementation

Types of actions

- Performance against quantitative and material environmental / resource targets over specified timeframe.
- Performance against quantitative and material environmental / resource targets against relevant benchmarks
- Performance against quantitative and qualitative targets to address social impacts of the portfolio/investment,
- Other, explain

Coverage

- >75% to 100%
 - >50% to 75%
 - >25% to 50%
 - >0% to 25%
- No

PR 07.3

Provide a brief description of your organisations selection, appointment and monitoring of third party property managers and how they contribute to the management of ESG issues for your property investments.

Our asset managers conduct due diligence in the selection of property management companies. Our standard property management agreement includes sustainability compliance. Property managers are monitored through quarterly and annual sustainability reporting.

Barings uses third-party managers to provide highly qualified local leasing and property management expertise. Property teams are an integral part of the development and implementation of each asset's ESG plan. Sustainability training is provided across the majority of assets using Barings' Sustainability Guidelines for Operating Properties as well as ENERGY STAR training resources in the U.S. We have hired a third-party consultant in the U.S., LORD Green Real Estate Strategies, to provide additional technical support and to provide third-party reviews of the U.S. property investments as it relates to their sustainability performance and reporting. In Europe, Upstream Sustainability Services JLL is providing advice and support in relation to the sustainability performance of the European portfolio.

Post-investment (monitoring and active ownership)

Overview

PR 08	Mandatory	Public	Gateway	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 08.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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Yes

PR 08.2	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 major renovations.
- 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

Tenant fit-outs

PR 08.3	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.
----------------	---

Barings performs ESG risk assessments through its required Annual Sustainability Progress Report from each property in the U.S. It is due by 15th February each year to Barings' asset managers with a copy to the Barings regional engineer. Progress on measurable goals in the report using narrative and numerical inputs includes: tenant engagement; energy conservation; water conservation; waste management and recycling; and Sustainable Property Operations Guidelines Implementation. The U.S. program utilizes a monthly Dashboard Report which includes energy, water and sustainability performance. The Energy Improvement Report (EIR) is also issued for each property.

For European properties, quarterly environmental monitoring and reporting is also carried out, covering energy, water and waste performance. Additionally, annual reporting to the GRESB survey for the European Core Property Fund also covers activities and performance around certifications, stakeholder engagement and Sustainable Property Operations.

Distributions of all these reports include Barings asset managers, portfolio managers, regional and corporate directors and property managers.

Valuation and insurance programs also uncover environmental and social risks in current investments. Some risks are kept track of by the insurance carriers, such as extreme weather conditions and flooding. These insurance carriers and policies/coverage are re-evaluated on an annual basis. Finally, property management teams are on-site and able to continuously assess risks, including those of natural hazards and contamination. Barings collects feedback on its ESG programs through formal reporting processes, tenant/resident and management surveys, accounting audits and risk management audits.

By continually assessing risks and having standard policies and practices in place alongside a clear chain of communication, we are able to effectively mitigate risk. Specifically, this is achieved through the review of the above-noted review processes. Once risks are identified, the appropriate actions are implemented in response. These could include communication, compliance, emergency preparedness, disaster recovery or avoidance.

No

Property monitoring and management

PR 09	Mandatory	Public	Core Assessed	PRI 2,3
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 09.1	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

(in terms of number of property assets)

PR 09.2	Indicate which ESG targets your organisation and/or property managers typically set and monitor
----------------	---

Environmental

Target/KPI	Progress Achieved
Energy consumption	Targets set and publicly posted in 2017; monitoring progress towards achievement
Greenhouse gas emissions	Targets set and publicly posted in 2017; monitoring progress towards achievement
Water consumption	Targets set and publicly posted in 2017; monitoring progress towards achievement

Social

Target/KPI	Progress Achieved
Tenant satisfaction	100% of U.S. Core properties surveyed tenants
Community engagement	100% of U.S. Core monitored and 50% participating
Tenant education & engagement	100% of U.S. Core monitored and 100% participating

Governance

Target/KPI	Progress Achieved
Compliance with energy reporting and disclosure laws Green building certifications Energy ratings (e.g. ENERGY STAR)	100% of U.S. Core and European properties Please see below for progress achieved in response to PR 09.3 100% of U.S. Core office properties have an ENERGY STAR Rating 100% of European Core Fund assets have EPCs

We do not set and/or monitor against targets

PR 09.3	Additional information. [Optional]
----------------	------------------------------------

Progress achieved on green building certifications: 76.9% of the U.S. Core office portfolio, 46.6% of the U.S. Core multifamily portfolio, 100% of the U.S. Core hotel portfolio, and 44.9% of the U.S. Core retail portfolio by square footage have a green building certification or is currently pursuing a green building certification.

Targets were set and publicly posted in 2017 for energy consumption, greenhouse gas emissions and water consumption for all Barings properties.

Additional targets in the social and governance categories are set for our U.S. core property fund.

Property developments and major renovations

PR 11	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 11.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.
----------------	--

- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 11.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.
----------------	---

- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- Energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Resilient building design and orientation
- Other, specify

PR 11.3	Additional information. [Optional]
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We strongly encourage our development partners to follow our Sustainability New Development Guidelines & Requirements, which include all of the ESG topics checked above. We have more control with regard to incorporating ESG considerations in our major renovations. We have sustainability guidelines that specify recommendations for HVAC equipment, appliances & equipment, new plumbing fixtures, lighting, tenant metering, building materials and contractor practices. Additionally, for our new developments and major renovations, we place high importance on life safety and indoor air quality.

Occupier engagement

PR 12	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 12.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- >90% of occupiers
- 50-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 12.2

Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Offer green leases
- Other, specify

PR 12.3

Additional information. [Optional]

We know that tenant engagement is integral to achieving sustainability objectives at the asset level. As a result, we have a robust tenant and resident education and engagement program for our U.S. core property fund including: Green Leases, Tenant & Residential Handbooks, Green Building Standards & Recommendations for Tenant Fit-Outs, Tenant/Resident events, meetings, education and resources covering energy, water waste, recycling, indoor air quality and sustainable practices such as green cleaning and integrated pest management.

Tenant engagement meetings and performance reporting are also carried out across the European Core Property Fund with guidance and information on environmental issues provided as required via our third party property managers.

Barings LLC

Reported Information

Public version

Assurance

PRI disclaimer

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Assurance

CM1 01.1	Mandatory	Public	Core Assessed	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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

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

CM1 01.2 & 01.8	Mandatory	Public	Descriptive	
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CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?
----------	--

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

CM1 01.3 & 01.9	Mandatory	Public	Descriptive	General
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CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report
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- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report, or we did not have such a report last year.

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

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

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

CM1 01.7

Mandatory

Public

Descriptive

General

CM1 01.7

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

Who has conducted the verification

- CEO or other Chief-Level staff
- The Board
- Investment Committee
- Compliance Function

What data has been verified

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

Relevant modules

- Organisational Overview

Corresponding Indicator number

All indicators

- Strategy and Governance

Corresponding Indicator number

All indicators

- Direct - Listed Equity Incorporation
- Direct - Fixed Income
- Direct - Property
- RI/ESG Team

What data has been verified

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

Relevant modules

- Organisational Overview

Corresponding Indicator number

All indicators

- Strategy and Governance

Corresponding Indicator number

All indicators

- Direct - Listed Equity Incorporation

Corresponding Indicator number

All indicators

- Direct - Fixed Income

Corresponding Indicator number

All indicators

- Direct - Property

Corresponding Indicator number

All indicators

- Investment Teams

What data has been verified

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

Relevant modules

- Organisational Overview
- Strategy and Governance
- Direct - Listed Equity Incorporation

Corresponding Indicator number

All indicators

- Direct - Fixed Income

Corresponding Indicator number

All indicators

- Direct - Property

Corresponding Indicator number

All indicators

- Legal Department

What data has been verified

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

Relevant modules

- Organisational Overview

Corresponding Indicator number

All indicators

- Strategy and Governance

Corresponding Indicator number

All indicators

- Direct - Listed Equity Incorporation

Corresponding Indicator number

All indicators

- Direct - Fixed Income

Corresponding Indicator number

All indicators

Direct - Property

Corresponding Indicator number

All indicators

Other (specify)