



# RI TRANSPARENCY REPORT 2018

## Principal Global Investors

OO 01	Mandatory	Gateway/Peering	General
OO 01.1	Select the services and funds you offer		
<input checked="" type="checkbox"/>	Fund management		
	% of assets under management (AUM) in ranges		
<input type="radio"/>	<10%		
<input type="radio"/>	10-50%		
<input checked="" type="radio"/>	>50%		
<input checked="" type="checkbox"/>	Fund of funds, manager of managers, sub-advised products		
	% of assets under management (AUM) in ranges		
<input type="radio"/>	<10%		
<input checked="" type="radio"/>	10-50%		
<input type="radio"/>	>50%		
<input type="checkbox"/>	Other, specify		
OO 01.3	Additional information. [Optional]		
<p>Principal Global Investors, LLC is a diversified asset management organization and a wholly-owned subsidiary of Principal Financial Group Inc. Traded on the Nasdaq Global Select Market under the ticker symbol PFG, Principal Financial Group Inc. is a member of the Fortune 500 and a leading global financial institution offering a wide range of financial products and services through a diverse family of financial services companies. Principal Global Investors multi-boutique organization currently manages assets on behalf of a broad range of sophisticated investors in over 75 countries encompassing public and private pension funds, foundations and endowments, central banks, insurance companies, sub-advisory arrangements, sovereign wealth funds, and individual investors. The network of specialized investment boutiques offers a single point of access to world-class investment boutiques and expertise in fixed income, equity, and real estate investments, asset allocation, lifecycle funds, exchange-traded funds, currency management, stable value management, and other structured investment strategies. The multi-boutique strategy of Principal Global Investors enables us to provide an expanded range of top-tier investment capabilities through our network of specialized affiliates and boutiques that includes: Principal Global Equities, Principal Global Fixed Income, Principal Real Estate Investors, Aligned Investors, Macro Currency Group, Columbus Circle Investors, Edge Asset Management, Finisterre Capital, Origin Asset Management, Morley Financial Services, Principal Portfolio Strategies, Post Advisory Group, and Spectrum Asset Management.</p>			
OO 02	Mandatory	Peering	General
OO 02.1	Select the location of your organisation's headquarters.		
United States			
OO 02.2	Indicate the number of countries in which you have offices (including your headquarters).		
<input type="radio"/>	1		
<input type="radio"/>	2-5		
<input checked="" type="radio"/>	6-10		
<input type="radio"/>	>10		
OO 02.3	Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).		
1713			
OO 02.4	Additional information. [Optional]		
Principal Global Investors has major regional offices in the following countries: Australia, Hong Kong, Japan, Singapore, United Kingdom, and the United States.			
OO 03	Mandatory	Descriptive	General
OO 03.1	Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.		
<input type="radio"/>	Yes		
<input checked="" type="radio"/>	No		
OO 03.3	Additional information. [Optional]		
All investment teams and boutiques are included in Principal Global Investors signatory status and are included in the annual reporting process.			
OO 04	Mandatory	Gateway/Peering	General
OO 04.1	Indicate the year end date for your reporting year.		
31/12/2017			
OO 04.2	Indicate your total AUM at the end of your reporting year, Exclude subsidiaries you have chosen not to report on and any advisory/execution only assets.		
Total AUM			
396,314,376,213 USD			
396,314,376,213 USD			
OO 04.5	Additional information. [Optional]		

Principal Global Investors leads global asset management at Principal® and includes the asset management operations of the following members of Principal®: Principal Global Investors, LLC; Principal Real Estate Investors, LLC; Principal Enterprise Capital, LLC; Spectrum Asset Management, Inc.; Post Advisory Group, LLC; Columbus Circle Investors; Morley Capital Management Inc.; Finisterre Capital, LLP; Origin Asset Management, LLP; Principal Global Investors (Europe) Limited; Principal Global Investors (Singapore) Ltd.; Principal Global Investors (Australia) Ltd.; Principal Global Investors (Japan) Ltd.; Principal Global Investors (Hong Kong) Ltd., and include assets where we provide model portfolios. Marketing assets under management include certain assets that are managed by Principal International and Retirement and Income Solutions divisions of Principal.

"Principal Financial Group" and "Principal" are registered trademarks of Principal Financial Services, Inc., a member of the Principal Financial Group, Inc.

All figures shown in this document are in U.S. dollars unless otherwise noted. All assets under management figures shown in this document are gross figures, before fees, transaction costs and other expenses and may include leverage, unless otherwise noted. Assets under management may include model-only assets managed by the firm, where the firm has no control as to whether investment recommendations are accepted or the firm does not have trading authority over the assets.

OO 05	Mandatory to Report, Voluntary to Disclose	Gateway	General
-------	--	---------	---------

OO 05.1	Provide an approximate percentage breakdown of your AUM at the end of your reporting year using the following asset classes:
---------	--

	Internally managed (%)	Externally managed (%)
Listed equity	10-50%	<10%
Fixed income	10-50%	<10%
Private equity	0	0
Property	10-50%	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	<10%	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	<10%	0
Other (2), specify	0	0

	If you respond 'Other (1)', specify for Internally Managed
--	--

Currency

OO 05.2	Indicate whether your organisation uses fiduciary managers.
---------	---

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

OO 06	Mandatory	Descriptive	General
-------	-----------	-------------	---------

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

- as percentage breakdown
- as broad ranges

	'Other (1)' specified
--	-----------------------

Currency

OO 07	Mandatory to Report, Voluntary to Disclose	Gateway	General
-------	--	---------	---------

OO 07.1	Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.
---------	--

Private

OO 08	Mandatory to Report, Voluntary to Disclose	Peering	General
-------	--	---------	---------

OO 08.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.
---------	--

Private

OO 08.2	Additional information. [Optional]
---------	------------------------------------

Private

OO 09	Mandatory to Report, Voluntary to Disclose	Peering	General
-------	--	---------	---------

OO 09.1	Indicate the breakdown of your organisation's AUM by market.
Private	
OO 09.2	Additional information. [Optional]
Private	

OO 10	Mandatory	Gateway	General
-------	-----------	---------	---------

OO 10.1	Select the active ownership activities your organisation implemented in the reporting year.
<b>Listed equity – engagement</b>	
<input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers. <input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf. <input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors.	
<b>Listed equity – voting</b>	
<input checked="" type="checkbox"/> We cast our (proxy) votes directly or via dedicated voting providers <input type="checkbox"/> We require our external managers to vote on our behalf. <input type="checkbox"/> We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf	
<b>Fixed income SSA – engagement</b>	
<input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers. <input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf. <input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.	
<b>Fixed income Corporate (financial) – engagement</b>	
<input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers. <input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf. <input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.	
<b>Fixed income Corporate (non-financial) – engagement</b>	
<input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers. <input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf. <input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.	
<b>Fixed income Corporate (securitised) – engagement</b>	
<input checked="" type="checkbox"/> We engage with companies on ESG factors via our staff, collaborations or service providers. <input type="checkbox"/> We require our external managers to engage with companies on ESG factors on our behalf. <input type="checkbox"/> We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.	

OO 11	Mandatory	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).
<b>Listed equity</b>	
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.	
<b>Fixed income - SSA</b>	
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.	
<b>Fixed income - corporate (financial)</b>	
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.	
<b>Fixed income - corporate (non-financial)</b>	
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.	
<b>Fixed income - securitised</b>	
<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.	
<b>Property</b>	

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

**Hedge funds**

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

**Other (1)**

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

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

Currency

**OO 11.2** Select the externally managed assets classes in which you and/or your investment consultants address ESG incorporation in your external manager selection, appointment and/or monitoring processes.

Asset class	ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes
Listed equity	<p><b>Listed equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - SSA	<p><b>Fixed income - SSA - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - corporate (financial)	<p><b>Fixed income - corporate (financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - corporate (non-financial)	<p><b>Fixed income - corporate (non-financial) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - securitised	<p><b>Fixed income - securitised - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input checked="" type="checkbox"/> We do not do ESG incorporation</li> </ul>

**OO 11.3b** If your organisation does not integrate ESG factors into investment decisions on your externally managed assets, explain why not.

On 24 February, 2015, The Principal Financial Group® announced structural changes to bring together Principal Funds and Principal Trust, formerly under the Retirement & Investor Services segment - within Principal Global Investors. While the structural changes began to be implemented immediately, full operational integration is still ongoing and a Responsible Investment policy and process will not be fully implemented until 2018.

Please follow the link below for more information on announced organizational changes for the Principal Financial Group:

<http://investors.principal.com/investor-relations/news-releases/press-release-details/2015/The-Principal-Financial-Group-Announces-Changes-to-Strengthen-Global-Asset-Management-Capabilities-and-Retirement-Leadership/default.aspx>

**OO 11.4** Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

On 24 February, 2015, The Principal Financial Group® announced structural changes to bring together Principal Funds and Principal Trust, formerly under the Retirement & Investor Services segment - within Principal Global Investors. While the structural changes began to be implemented immediately, full operational integration is still ongoing and a Responsible Investment policy and process will not be fully implemented until 2018.

Please follow the link below for more information on announced organizational changes for the Principal Financial Group:

<http://investors.principal.com/investor-relations/news-releases/press-release-details/2015/The-Principal-Financial-Group-Announces-Changes-to-Strengthen-Global-Asset-Management-Capabilities-and-Retirement-Leadership/default.aspx>

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

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

Core modules
<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
RI implementation directly or via service providers
Direct - Listed Equity incorporation
<input checked="" type="checkbox"/> Listed Equity incorporation
Direct - Listed Equity active ownership
<input checked="" type="checkbox"/> Engagements <input checked="" type="checkbox"/> (Proxy) voting
Direct - Fixed Income
<input checked="" type="checkbox"/> Fixed income - SSA <input checked="" type="checkbox"/> Fixed income - Corporate (financial) <input checked="" type="checkbox"/> Fixed income - Corporate (non-financial) <input checked="" type="checkbox"/> Fixed income - Securitised
Direct - Other asset classes with dedicated modules
<input checked="" type="checkbox"/> Property
Closing module
<input checked="" type="checkbox"/> Closing module

**OO 12.2** Additional information. [Optional]

On 24 February, 2015, The Principal Financial Group® announced structural changes to bring together Principal Funds and Principal Trust, formerly under the Retirement & Investor Services segment – within Principal Global Investors. While the structural changes began to be implemented immediately, full operational integration is still ongoing and a Responsible Investment policy and process will not be fully implemented until 2018.

Please follow the link below for more information on announced organizational changes for the Principal Financial Group:

<http://investors.principal.com/investor-relations/news-releases/press-release-details/2015/The-Principal-Financial-Group-Announces-Changes-to-Strengthen-Global-Asset-Management-Capabilities-and-Retirement-Leadership/default.aspx>

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

**OO LE 01.1** Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Private

**OO LE 01.2** Additional information. [Optional]

Private

OO FI 01	Mandatory to Report, Voluntary to Disclose	Gateway	General
----------	--	---------	---------

**OO FI 01.1** Provide a breakdown of your internally managed fixed income securities by active and passive strategies

Private

**OO FI 01.2** Additional information. [Optional]

Private

OO FI 03	Mandatory to Report, Voluntary to Disclose	Descriptive	General
----------	--	-------------	---------

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

Private

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

Private

OO SAM 01	Mandatory to Report, Voluntary to Disclose	Gateway	General
-----------	--	---------	---------

OO SAM 01.1	Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies.		
<i>Private</i>			
OO SAM 01.2	Additional information [Optional].		
<i>Private</i>			
OO PR 01	Mandatory to Report, Voluntary to Disclose	Descriptive	General
<i>Private</i>			
OO PR 01.2	Provide a breakdown of your organisations allocation to Real Estate Investment Trusts (REITs) or similar		
<i>Private</i>			
OO PR 01.3	Additional information. [Optional]		
<i>Private</i>			
OO PR 02	Mandatory to Report, Voluntary to Disclose	Gateway	General
OO PR 02.1	Provide a breakdown of your organisation's property assets based on who manages the assets.		
<i>Private</i>			
OO PR 02.2	Additional information. [Optional]		
<i>Private</i>			
OO PR 03	Voluntary	Descriptive	General
OO PR 03.1	Indicate up to three of your largest property types by AUM.		
<i>Private</i>			
OO PR 03.2	Additional information.		
<i>Private</i>			

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.

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 type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Other, specify (1) Environmental & Social in Property policy <input type="checkbox"/> Other, specify(2)	<input checked="" type="checkbox"/> Applicable policies cover all AUM <input type="checkbox"/> Applicable policies cover a majority of AUM <input type="checkbox"/> Applicable policies cover a minority of AUM

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)  
Responsible Property Investing
- 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.

Principal Global Investors has always advocated for long-term solutions. There are a myriad of factors that can make up environmental, social, and governance concerns. Our focus is on ESG integration. Adding ESG considerations can become an investment performance driver and a risk-management tool. ESG integration within our established investment process helps us focus on repeatable and achievable, long-term outperformance for our clients. For Principal Global Investors, ESG means incorporating those issues that are material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuations.

Our client-first focus is central to integrating ESG factors across our investment boutiques and asset classes. We use a flexible approach to ESG to recognize that there is no single one-size-fits-all approach to something as individual as views on environmental, social, and governance issues

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]

Principal Global Investors has always advocated for long-term solutions. There are a myriad of factors that can make up environmental, social, and governance concerns. Our focus is on ESG integration. Adding ESG considerations can become an investment performance driver and a risk-management tool. ESG integration within our established investment process helps us focus on repeatable and achievable, long-term outperformance for our clients. For Principal Global Investors, ESG means incorporating those issues that are material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuations.

Our client-first focus is central to integrating ESG factors across our investment boutiques and asset classes. We use a flexible approach to ESG to recognize that there is no single one-size-fits-all approach to something as individual as views on environmental, social, and governance issues.

Several formal controls are in place to guide ESG integration within the investment process. Governance of the process is guided by established policies at the overall and boutique level. At the overall level, our responsible investment policy has been adopted and approved by our chief executive officer and our operating committee. The policy is reviewed twice a year and is available publicly via our Responsible Investing website. There are no specific environmental, social or governance issues covered by the policy. Our responsible investment policy covers all AUM.

Additionally, our equities, fixed income, and real estate boutiques investment process is guided by their respective policies that touch on specific ESG issues. Additionally, our PGI Code of Ethics is in place to prevent conflicts of interest; and a proxy voting policy rounds out our formalized ESG integration controls.

No

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



Policy setting out your overall approach

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.principalglobal.com/about-us/responsible-investing">https://www.principalglobal.com/about-us/responsible-investing</a>
<input type="checkbox"/> Attachment (will be made public)	

Asset class-specific RI guidelines

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.principalglobal.com/about-us/responsible-investing">https://www.principalglobal.com/about-us/responsible-investing</a>
<input type="checkbox"/> Attachment (will be made public)	

Other, specify (1)

We do not publicly disclose our investment policy documents

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

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

Other RI considerations, specify (1)

Responsible Property Investing

URL/Attachment	
<input checked="" type="checkbox"/> URL	<a href="https://www.principalglobal.com/principal-real-estate-investors/knowledge/insights/responsible-property-investing-policies">https://www.principalglobal.com/principal-real-estate-investors/knowledge/insights/responsible-property-investing-policies</a>
<input type="checkbox"/> 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

<https://www.principalglobal.com/about-us/responsible-investing>

No

**SG 02.4** Additional information [Optional].

Our responsible investment policy covers all AUM. Our Real Estate Boutique has an additional policy covering their responsible property investing guidelines and our Equities and Fixed Income Boutiques have additional policies covering engagement. Our parent firm has its own environmental policy covering the firm's environmental focus areas of: Carbon Footprint; Water Efficiency; Waste and Recycling; Environmental Preferable Purchasing; and Employee Awareness.

**SG 03** Mandatory Core Assessed General

**SG 03.1** Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

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

Principal Global Investors' Code of Ethics is in place to prevent instances where conflicts of interest arise between the personal securities transactions of persons associated with Principal Global and the securities that Principal Global holds, buys, or sells in its clients' accounts. The Code of Ethics requirements mirror those of Rule 17j-1 as promulgated under the Investment Company Act of 1940.

No

**SG 04** Voluntary Descriptive General

**SG 04.1** Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.

Private

**SG 04.2** Describe your process on managing incidents

Private

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

**SG 05.1** Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

Quarterly or more frequently

Biannually

Annually

Less frequently than annually

Ad-hoc basis

It is not set/reviewed

SG 05.2	Additional information. [Optional]
<p>An ESG Strategic Review was completed during 2016 and presented to senior management. Several priorities from that review were implemented by the ESG Working Group in 2017, which meets quarterly or more frequently. Regular updates on the progress of the group are presented to senior management, including the Operating Committee of Principal Global Investors. The Principal Financial Group (PFG) board of directors receives semiannual reports from the corporate-wide PFG Sustainability Team on progress towards sustainability goals, including ESG progress updates on Principal Real Estate Investors and Principal Global Investors.</p> <p>In our dedicated real estate boutique, Responsible Property Investing initiatives, goals, and performance are monitored and overseen at the highest levels of Principal Real Estate Investors. Portfolio and Fund Performance Reports are issued quarterly, detailing energy reduction and associated cost savings, GHG emissions, and green certifications such as LEED and ENERGY STAR. Senior management - including the Senior Director of Sustainability and Operations, portfolio management, asset management, and the Responsible Property Investing Working Group – receive reports regularly.</p> <p>The Responsible Property Investing Working Group consists of senior-level leaders and regional directors from various disciplines including portfolio management, asset management, marketing, operations, acquisitions, and sales. This group meets quarterly to: review goals, objectives, and performance progress, and establish action plans at the property, fund, and portfolio levels.</p> <p>The Senior Managing Directors of Portfolio Management and Private Real Estate Production are informed via several in-person meetings per year with the Senior Director of Sustainability and Operations, and through regular memos, emails, and reports. Additionally, these senior management review and approve the PRPI initiative budget and work plan annually.</p> <p>The CEO of Principal Real Estate Investors and the Strategic Working Group (senior decision makers that define the strategy and goals for Principal Real Estate Investors) are briefed on initiative progress through presentations from the Senior Director of Sustainability and Operations and informal meetings.</p>	

SG 06	Voluntary	Descriptive	General
SG 06.1	List the main responsible investment objectives that your organisation set for the reporting year.		
<i>Private</i>			
SG 06.2	Additional information.		
<i>Private</i>			

SG 07	Mandatory	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			
<input type="checkbox"/> Board members or trustees <input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input checked="" type="checkbox"/> Other Chief-level staff or head of department, specify Pat Halter, Chief Operating Officer <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input checked="" type="checkbox"/> Portfolio managers <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input type="checkbox"/> ESG portfolio manager <input checked="" type="checkbox"/> Investment analysts <ul style="list-style-type: none"> <li><input type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input checked="" type="checkbox"/> Dedicated responsible investment staff <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input checked="" type="checkbox"/> Implementation of responsible investment</li> <li><input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input checked="" type="checkbox"/> External managers or service providers <ul style="list-style-type: none"> <li><input type="checkbox"/> Oversight/accountability for responsible investment</li> <li><input type="checkbox"/> Implementation of responsible investment</li> <li><input checked="" type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment</li> </ul> <input type="checkbox"/> Investor relations <input checked="" type="checkbox"/> Other role, specify (1)			

Other description (1)
Senior Director, Operations & Sustainability
<input checked="" type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/> Other role, specify (2)
Other description (2)
ESG Coordinator, Principal Global Investors
<input type="checkbox"/> Oversight/accountability for responsible investment <input checked="" type="checkbox"/> Implementation of responsible investment <input type="checkbox"/> No oversight/accountability or implementation responsibility for responsible investment

SG 07.2	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
<p>Our responsible investment policy has been adopted and approved by our chief executive officer, Jim McCaughan, and our operating committee. Operating Committee members are updated on the firm's ESG efforts regularly, and senior executive operating committee members with responsibility for investable asset classes are responsible for implementation and oversight efforts within their asset classes. Staff members of investable asset classes are responsible for implementation efforts within the sectors that they follow.</p> <p>The Senior Director of Real Estate Operations &amp; Sustainability, is responsible for Principal Real Estate Investors' portfolio-wide Responsible Property Investing efforts, including incorporating ESG issues in the property selection process and is a member of the Principal Financial Group Sustainability Committee. This role reports up through to the Chief Operating Officer.</p> <p>The ESG-dedicated responsible investment staff member is responsible for coordinating ESG-integration efforts across the assets classes and boutiques, suggesting integration enhancements and improvements, documenting ESG activity throughout the calendar year, and is a member of the Principal Financial Group Sustainability Committee.</p>	

SG 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
2	

SG 07 CC	Voluntary	Descriptive	General
----------	-----------	-------------	---------

Private

SG 07.1 CC	Indicate the roles in your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for climate-related issues.
------------	---

Private

SG 08	Voluntary	Additional Assessed	General
-------	-----------	---------------------	---------

SG 08.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
---------	---

Private

SG 08.3	Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.
---------	---

Private

SG 09	Mandatory	Core Assessed	PRI 4,5
-------	-----------	---------------	---------

SG 09.1	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
<input checked="" type="checkbox"/> Principles for Responsible Investment	
Your organisation's role in the initiative during the reporting period (see definitions)	Moderate
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]	<p>In addition to submitting our annual report, we also worked on promoting the Principles in several ways, such as: creating case studies to promote Responsible Property Investment; working with other signatories on best practices in Responsible Investment in Fixed Income; hosting a client session on Responsible Investment; referring to a collaborative engagement posting on unpri.org when speaking with a concerned client; and using the PRI logo in our written communications with current and potential clients.</p>
<input type="checkbox"/> Asian Corporate Governance Association <input type="checkbox"/> Australian Council of Superannuation Investors <input type="checkbox"/> AFIC – La Commission ESG <input type="checkbox"/> BVCA – Responsible Investment Advisory Board <input checked="" type="checkbox"/> CDP Climate Change	
Your organisation's role in the initiative during the reporting period (see definitions)	Moderate
Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]	

Our parent company, Principal Financial Group, submits information annually. Principal Financial Group, scored an A- on our response to CDP's 2017 Climate Change questionnaire. This is a leadership score and higher than 70 percent of all respondents in the United States and nearly 60 percent of all U.S. financial sector respondents. CDP (formally Climate Disclosure Project) is the only global disclosure system for companies, cities, states and regions to manage their environmental impacts and for investors or purchasers to access environmental information for use in financial decisions. Via the CDP, we have committed to publicly disclosing and reporting environmental information for the benefit of investors; connecting the organization's environmental performance to its overall strategy, performance and prospects. Only 160 firms have currently made this commitment.

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity

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

- 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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Principal Real Estate Investors (part of Principal Global Investors) participates in this survey.

- 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

The Principal's overall corporate citizenship responsibility efforts: <https://www.principal.com/about-us/corporate-citizenship>

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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
At Principal we place value on ethical corporate governance, social responsibility and sustainability. There are many company-wide initiatives surrounding these values. A Social Responsibility Report is compiled each year to report on these initiatives, and is publicly available on our dedicated website, <a href="https://www.principal.com/about-us/corporate-citizenship">https://www.principal.com/about-us/corporate-citizenship</a>

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

SG 09.2	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
---------	--	-------------	-------

Indicate approximately what percentage (+/- 5%) of your externally managed assets are managed by PRI signatories.
Private

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

SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
<input checked="" type="checkbox"/> 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
Summit Series program for clients, included speakers from MSCI and Principal

Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input checked="" type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Provided financial support for academic or industry research on responsible investment

- Provided input and/or collaborated with academia on RI related work

Description
Sole participant in a ground-breaking pilot study by the U.S. Department of Energy (DOE) to measure the financial benefits of sustainable/green investing.

Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input checked="" type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

- Spoke publicly at events and conferences to promote responsible investment

Description
Members of Principal Real Estate Investors promoted responsible investment at a total of six events in 2017: • Presented at the ENERGY STAR online webinar: Rolling Out Waste Tracking Across Your Portfolio (May 2017). • Presented at the 2017 Better Buildings Summit session: Believe in Green: Investor-Oriented Sustainability Insights for Commercial Real Estate (May 2017). • Presented at the BOMA International Conference session: Investigating the Impact of Sustainability on Financial Performance (June 2017). • Presented at the Sovereign Investor Institute Americas Roundtable, an organization that draws participation from more than 600 global asset management firms (September 2017). • Presented at the European Institutional Investor Institute Summit session: Why Sustainable Real Estate Investing Has Not Only Green but Also Future Return Potential (October 2017). • Presented at the 2017 Greenbuild International Conference session: Research Links Energy Efficiency & Profits (November 2017).

Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other

- Wrote and published in-house research papers on responsible investment

Description
In 2017, we became the sole participant in a ground-breaking pilot study by the U.S. Department of Energy to measure the financial benefits of owning and operating green properties. Our publicly available document "Connecting the Dots to Financial Performance" summarizes the results of this study for our investors, which includes correlations between green buildings, increased net operating income, and reduced operating expenses.

Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other

- Encouraged the adoption of the PRI

Description
Spoke to affiliate asset managers in Latin America about the PRI
Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other
<input type="checkbox"/> Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.) <input checked="" type="checkbox"/> Wrote and published articles on responsible investment in the media
Description
Principal Real Estate Investors published an article titled "Six Trends Driving Sustainability in Commercial Real Estate" in the National Association of Real Estate Investment Managers (NAREIM) Dialogues Journal. Principal Real Estate Investors also advertised sustainability achievements in the Business Roundtable 2017 Sustainability Report.
Frequency of contribution
<input type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input checked="" type="radio"/> Ad hoc <input type="radio"/> Other
<input type="checkbox"/> A member of PRI advisory committees/ working groups, specify <input checked="" type="checkbox"/> On the Board of, or officially advising, other RI organisations (e.g. local SIFs)
Description
The Senior Director of Real Estate Operations and Sustainability serves on the Urban Land Institute's Responsible Property Investment Product Council, which "aims to accelerate adoption and firmly embed 'triple bottom line' principles as a core part of any real estate investment strategy and decision making process."
Frequency of contribution
<input checked="" type="radio"/> Quarterly or more frequently <input type="radio"/> Biannually <input type="radio"/> Annually <input type="radio"/> Less frequently than annually <input type="radio"/> Ad hoc <input type="radio"/> Other
<input type="checkbox"/> Other, specify

No

**SG 10.3** Describe any additional actions and initiatives that your organisation has taken part in during the reporting year to promote responsible investment [Optional]

- During our annual Summit Series, a collection of asset class forums for our clients, we held a session on responsible investing and ESG Integration
- We provide resources, including published case studies, on sustainable real estate investing: <https://www.principalglobal.com/us/principal-real-estate-investors/knowledge/insights/sustainability-profiles>
- Increased client choice on ESG screens for their portfolios by offering a Controversial Weapons screen
- Named as a 2017 World's Most Ethical Company by Ethisphere Institute
- Responsible Property Investing: Continuation of our blog series, 6 Trends Driving Sustainability in Commercial Real Estate, <https://blog.principal.com/2017/03/08/experience-navigating-new-tenant-expectations-and-tools-for-engagement/>
- Used social media to promote Sustainability in several ways (#BikeToWorkDay, #SustainabilitySunday) <https://twitter.com/search?l=en&q=bike%20from%3Aprincipal%20since%3A2017-05-01%20until%3A2017-07-01&src=typd>
- Principal received a perfect score on the Human Rights Campaign Foundation's 2018 Corporate Equality Index. (December 2017)
- Principal was honored by Working Mother as one of the 2017 Working Mother 100 Best. (September 2017)
- Principal was named one of the 2017 "NAFE Top Companies for Executive Women" by the National Association for Female Executives. (February 2017)

<b>SG 11</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 4,5,6</b>
<b>SG 11.1</b>	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.		
	Private		
<b>SG 11.4</b>	Provide a brief description of the main topics your organisation has engaged with public policy-makers or regulators on.		
	Private		
<b>SG 12</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>

SG 12.1	Indicate whether your organisation uses investment consultants.		
	<input type="checkbox"/> Yes, we use investment consultants <input checked="" type="checkbox"/> No, we do not use investment consultants.		
SG 13	Mandatory	Descriptive	PRI 1
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.		
	<input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future environmental trends <input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future social trends <input type="checkbox"/> We execute scenario analysis which includes factors representing the investment impacts of future governance trends <input type="checkbox"/> We consider scenario analysis that includes factors representing the investment impacts of future climate-related risks and opportunities <input type="checkbox"/> We execute other scenario analysis, specify <input checked="" type="checkbox"/> We do not execute such scenario analysis and/or modelling		
SG 13.3	Additional information. [OPTIONAL]		
	<p>While we do not currently conduct scenario analysis on the investment portfolios of the asset manager Principal Global Investors, at the parent firm level, the Vice President, Corporate Real Estate, is responsible for the setting goals and oversight of our corporate commitment to sustainability and specifically to the achievement of the science based reduction of greenhouse emissions from our corporate facilities, and to report progress to the Principal Financial Group Board twice per year. The Director of Corporate Real Estate heads up the corporate real estate operations where the changes to accomplish these goals are measured and implemented.</p> <p>In addition, we have sought to expand our relationships with global organizations including the Organization for Economic Cooperation and Development, the Asia Pacific Economic Cooperation Forum, the World Bank, and others, as we dialogue with these organizations the demographics of aging populations to improve the futures of their citizens.</p>		
SG 14	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1
SG 14.1	Describe the process used to identify short, medium and long-term risks and opportunities that could have a material impact on your organisation and its activities.		
	<i>Private</i>		
SG 14.1 CC	Describe the processes used to determine which climate-related short, medium and long-term risks and opportunities could have a material impact on your organisation and its activities.		
	<i>Private</i>		
SG 14.2	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following you act on.		
	<i>Private</i>		
SG 14.4a CC	Please provide further details on these key metric(s) used to assess climate related risks and opportunities.		
	<i>Private</i>		
SG 14.4b CC	Please describe in further detail your key targets.		
	<i>Private</i>		
SG 14.5	If you selected disclosure on emissions risks, list any specific climate related disclosure tools or frameworks that you used.		
	<i>Private</i>		
SG 14.6	Additional information [Optional]		
	<i>Private</i>		
SG 14.7 CC	Describe your risk management processes for identifying, assessing, and managing climate-related risks.		
	<i>Private</i>		
SG 14.8 CC	Describe your processes for prioritising climate-related risks.		
	<i>Private</i>		
SG 14.9 CC	Do you conduct engagement activity with investee companies to encourage better disclosure and practices around climate-related risks?		
	<i>Private</i>		
SG 14.10 CC	Describe how you use data from climate-related disclosures.		
	<i>Private</i>		
SG 15	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
SG 15.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.		
	<i>Private</i>		
SG 18	Voluntary	Descriptive	General
SG 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.		
	<i>Private</i>		
SG 18.3	Additional information.		
	<i>Private</i>		
SG 19	Mandatory	Core Assessed	PRI 6

Fixed income	
Do you disclose?	
<input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input type="radio"/> We disclose to clients/beneficiaries only. <input checked="" type="radio"/> We disclose to the public	
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/> Yes <input type="radio"/> No	
<b>Disclosure to public and URL</b>	
Disclosure to public and URL	
<input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used	
Quarterly	
<a href="https://www.principalglobal.com/principal-global-fixed-income/knowledge/insights">https://www.principalglobal.com/principal-global-fixed-income/knowledge/insights</a>	

Listed equity - Engagement	
Do you disclose?	
<input type="radio"/> We do not disclose to either clients/beneficiaries or the public. <input type="radio"/> We disclose to clients/beneficiaries only. <input checked="" type="radio"/> We disclose to the public	
The information disclosed to clients/beneficiaries is the same	
<input checked="" type="radio"/> Yes <input type="radio"/> No	
<b>Disclosure to public and URL</b>	
Disclosure to public and URL	
<input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input type="checkbox"/> Number of engagements undertaken <input type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input type="checkbox"/> Examples of engagement cases <input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information	
Quarterly or more frequently	
<a href="https://www.principalglobal.com/documentdownload/66071">https://www.principalglobal.com/documentdownload/66071</a>	

Listed equity – (Proxy) Voting	
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	
<b>Disclosure to clients/beneficiaries</b>	



Disclosure to clients/beneficiaries
<input checked="" type="checkbox"/> Explain all voting decisions <input type="checkbox"/> Explain some voting decisions <input type="checkbox"/> Only explain abstentions and votes against management <input type="checkbox"/> No explanations provided
Ad hoc/when requested

Listed equity - Incorporation
-------------------------------

Do you disclose?
<input type="checkbox"/> We do not proactively disclose it to the public and/or clients/beneficiaries <input type="checkbox"/> We disclose to clients/beneficiaries only. <input checked="" type="checkbox"/> We disclose it publicly
The information disclosed to clients/beneficiaries is the same
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Disclosure to public and URL</b>
Disclosure to public and URL
<input type="checkbox"/> Broad approach to ESG incorporation <input checked="" type="checkbox"/> Detailed explanation of ESG incorporation strategy used
Quarterly or more frequently
<a href="https://www.principalglobal.com/principal-global-equities/knowledge/insights/esg-principles-principal-global-equities">https://www.principalglobal.com/principal-global-equities/knowledge/insights/esg-principles-principal-global-equities</a>

Property
----------

Do you disclose?
<input type="checkbox"/> We do not disclose to either clients/beneficiaries or the public. <input type="checkbox"/> We disclose to clients/beneficiaries only. <input checked="" type="checkbox"/> We disclose to the public
The information disclosed to clients/beneficiaries is the same
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Disclosure to public and URL</b>
Disclosure to public and URL
<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
Quarterly or more frequently
<a href="https://www.principalglobal.com/principal-real-estate-investors/responsible-property-investing">https://www.principalglobal.com/principal-real-estate-investors/responsible-property-investing</a>

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

**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%)

- 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	97%
---	-----
- Screening and integration strategies
 

Percentage of active listed equity to which the strategy is applied	2%
---	----
- Thematic and integration strategies
 

Percentage of active listed equity to which the strategy is applied	1%
---	----
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

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

The consideration of ESG issues for listed Equities (ex-REITs) primarily takes place within our equity investment process through our Global Research Platform which has shareholder value factors embedded within the process as well as through the fundamental research of stocks by our analysts. The consideration of ESG factors for listed REITs are one of many investment factors that analysts consider when assessing a company. ESG factors are incorporated into our company research reports, whereby companies with superior ESG ratings are viewed more favorably.

Our analysts are the best placed to determine the importance of such factors in relation to a specific company or industry. The analysts provide the essential insights into industry trends and company-specific considerations including ESG issues. These insights are crucial to the evaluation of sustainable competitive advantages and risks at a company-specific and industry level. Analysts have discretion to focus on the considerations and concerns they feel are most important and impactful to sustainable earnings, sentiment and relative valuation. In addition, analysts have access to MSCI Research from which ESG related data can be extracted. Over 6,000 companies are covered in the MSCI universe, and available on the analyst's desktop.

Our stock selection approach focuses on the early identification of fundamental change and differentiating companies on the basis of sustainable earnings trends, investor sentiment, and relative valuation. Academic research and empirical data suggest that some ESG factors can have a material impact on each of these fundamental considerations. Therefore, we consider certain ESG issues to the extent they have material implications on these considerations, consistent with our fiduciary duty to help clients achieve their investment objectives and protect their economic interests.

**LEI 01.3** If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

The Screening plus Integration strategy is applied for those clients that have requested to exclude specific industries that do not align with their particular philosophy. The stock selection process that incorporates ESG issues within our investment process as part of the fundamental research by our analysts remains consistent with other clients. Negative screening is then applied to ensure the portfolio is compliant with client guidelines.

The Thematic plus Integration strategy is applied for Shariah-compliant investment solutions to global institutional investors. Alpha is generated primarily through the application of a consistent and disciplined stock and security selection process, which is guided by Shariah principles and an experienced and highly regarded Shariah advisor. The stock selection process incorporates ESG issues within our investment process as part of the fundamental research into stocks by our analysts.

LEI 02	Voluntary	Additional Assessed	PRI 1
--------	-----------	---------------------	-------

**LEI 02.1** Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Private

**LEI 02.2** Provide a brief description of the ESG information used, highlighting any different sources of information across your ESG incorporation strategies.

Private

**LEI 02.3** Indicate if you incentivise brokers to provide ESG research.

Private

**LEI 02.5** Additional information. [Optional]

Private

LEI 03	Voluntary	Additional Assessed	PRI 1
--------	-----------	---------------------	-------

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

Private

**LEI 03.2** Additional information. [Optional]

Private

LEI 04	Mandatory	Descriptive	PRI 1
--------	-----------	-------------	-------

**LEI 04.1** Indicate and describe the type of screening you apply to your internally managed active listed equities.

- Negative/exclusionary screening

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

Description
Negative/Exclusion screening is applied in several ways. We offer specific thematic products, for example Shariah, which screen on exclusionary factors. Client mandates may direct certain exclusions for their funds, typically also socially thematic. Multiple applications of ESG factors are reviewed as part of the qualitative research across all actively managed fundamentally influenced funds and are then applied in varying capacities by the PM and/or the Analyst.
<input type="checkbox"/> Positive/best-in-class screening
<input type="checkbox"/> Norms-based screening

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

The exclusions are noted in the clients' Investment Management Agreements. These exclusions are applied through rules within our Compliance and Order Management System, Charles River. Securities are screened on a pre-trade basis to prohibit their purchase and holdings are monitored daily via the compliance feature of Charles River to ensure no excluded securities are held in these portfolios. Quarterly reports are sent to the client detailing their holdings and any exceptions to their established investment policy. Screening criteria changes would only be made if the client initiated an amendment to the Investment Management Agreement.

LEI 05	Mandatory	Core Assessed	PRI 1
--------	-----------	---------------	-------

LEI 05.1	Indicate which processes your organisation uses to ensure screening is based on robust analysis.
----------	--

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify  
  
Our OMS/Compliance system was updated during 2017 to a hosted solution; receiving updates to our Compliance system real-time instead of periodic software updates.
- None of the above

LEI 05.4	Indicate how frequently you review internal research that builds your ESG screens.
----------	--

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

LEI 06	Voluntary	Additional Assessed	PRI 1
--------	-----------	---------------------	-------

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

Private

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

Private

LEI 06.3	Additional information.[Optional]
----------	-----------------------------------

Private

LEI 07	Mandatory	Descriptive	PRI 1
--------	-----------	-------------	-------

LEI 07.1	Indicate the type of sustainability thematic funds or mandates your organisation manages.
----------	---

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

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

The Socially themed funds Screening plus Integration strategy, is applied for those clients that have requested to exclude specific industries that do not align with their particular philosophy. The stock selection process that incorporates ESG issues within our investment process as part of the fundamental research by our analysts remains consistent with other clients. Negative screening is then applied to ensure the portfolio is compliant with client guidelines. Multiple applications of ESG factors are reviewed as part of the qualitative research across all actively managed fundamentally influenced funds and are then applied in varying capacities by the PM and/or the Analyst.

We also have the capability to offer a sustainability-focused proxy voting policy if a client wished to customize their proxy policy according to a sustainability

LEI 08	Mandatory	Core Assessed	PRI 1																							
<p><b>LEI 08.1</b> 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.</p> <table border="1"> <thead> <tr> <th>ESG issues</th> <th>Proportion impacted by analysis</th> </tr> </thead> <tbody> <tr> <td>Environmental</td> <td> <table border="1"> <thead> <tr> <th>Environmental</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table> </td> </tr> <tr> <td>Social</td> <td> <table border="1"> <thead> <tr> <th>Social</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table> </td> </tr> <tr> <td>Corporate Governance</td> <td> <table border="1"> <thead> <tr> <th>Corporate Governance</th> </tr> </thead> <tbody> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input checked="" type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table> </td> </tr> </tbody> </table>				ESG issues	Proportion impacted by analysis	Environmental	<table border="1"> <thead> <tr> <th>Environmental</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Environmental	<input checked="" type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%	Social	<table border="1"> <thead> <tr> <th>Social</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Social	<input checked="" type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%	Corporate Governance	<table border="1"> <thead> <tr> <th>Corporate Governance</th> </tr> </thead> <tbody> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input checked="" type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Corporate Governance	<input type="radio"/> <10%	<input checked="" type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%
ESG issues	Proportion impacted by analysis																									
Environmental	<table border="1"> <thead> <tr> <th>Environmental</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Environmental	<input checked="" type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%																				
Environmental																										
<input checked="" type="radio"/> <10%																										
<input type="radio"/> 10-50%																										
<input type="radio"/> 51-90%																										
<input type="radio"/> >90%																										
Social	<table border="1"> <thead> <tr> <th>Social</th> </tr> </thead> <tbody> <tr> <td><input checked="" type="radio"/> &lt;10%</td> </tr> <tr> <td><input type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Social	<input checked="" type="radio"/> <10%	<input type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%																				
Social																										
<input checked="" type="radio"/> <10%																										
<input type="radio"/> 10-50%																										
<input type="radio"/> 51-90%																										
<input type="radio"/> >90%																										
Corporate Governance	<table border="1"> <thead> <tr> <th>Corporate Governance</th> </tr> </thead> <tbody> <tr> <td><input type="radio"/> &lt;10%</td> </tr> <tr> <td><input checked="" type="radio"/> 10-50%</td> </tr> <tr> <td><input type="radio"/> 51-90%</td> </tr> <tr> <td><input type="radio"/> &gt;90%</td> </tr> </tbody> </table>	Corporate Governance	<input type="radio"/> <10%	<input checked="" type="radio"/> 10-50%	<input type="radio"/> 51-90%	<input type="radio"/> >90%																				
Corporate Governance																										
<input type="radio"/> <10%																										
<input checked="" type="radio"/> 10-50%																										
<input type="radio"/> 51-90%																										
<input type="radio"/> >90%																										
<p><b>LEI 08.2</b> Additional information. [Optional]</p> <p>The consideration of ESG issues primarily takes place within our equity investment process through our Global Research Platform which has shareholder value factors embedded within the process as well as through the fundamental research of stocks by our analysts. Our analysts are the best placed to determine the importance of such factors in relation to a specific company or industry. The analysts provide the essential insights into industry trends and company-specific considerations including ESG issues. These insights are crucial to the evaluation of sustainable competitive advantages and risks at a company-specific and industry level. Analysts have discretion to focus on the considerations and concerns they feel are most important and impactful to sustainable earnings, sentiment and relative valuation.</p> <p>Our stock selection approach focuses on the early identification of fundamental change and differentiating companies on the basis of sustainable earnings trends, investor sentiment, and relative valuation. Academic research and empirical data suggest that some ESG factors can have a material impact on each of these fundamental considerations. Therefore, we consider certain ESG issues to the extent they have material implications on these considerations, consistent with our fiduciary duty to help clients achieve their investment objectives and protect their economic interests.</p>																										
LEI 09	Voluntary	Additional Assessed	PRI 1																							
<p><b>LEI 09.1</b> Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis. <i>Private</i></p>																										
<p><b>LEI 09.5</b> Describe how ESG information is held and used by your portfolio managers. <i>Private</i></p>																										
<p><b>LEI 09.6</b> Additional information.[Optional] <i>Private</i></p>																										
LEI 10	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 1																							
<p><b>LEI 10.1</b> Indicate which aspects of investment analysis you integrate material ESG information into. <i>Private</i></p>																										
<p><b>LEI 10.5</b> Additional information. <i>Private</i></p>																										
LEI 11	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1																							
<p><b>LEI 11.1</b> Indicate if you manage passive listed equity funds that incorporate ESG issues in the index construction methodology. <i>Private</i></p>																										
LEI 12	Voluntary	Descriptive	PRI 1																							
<p><b>LEI 12.1</b> Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe. <i>Private</i></p>																										
<p><b>LEI 12.2</b> Additional information.[Optional] <i>Private</i></p>																										
LEI 13	Voluntary	Additional Assessed	PRI 1																							

LEI 13.1	Indicate whether your organisation measures how your approach to responsible investment in Listed Equity has affected your portfolio's financial and/or ESG performance.
----------	--

Private

LEI 13.2	Describe how you are able to determine these outcomes.
----------	--

Private

LEI 14	Voluntary	Descriptive	PRI 1
--------	-----------	-------------	-------

LEI 14.1	Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.
----------	---

Private

LEI 14.2	Additional information.[Optional]
----------	-----------------------------------

Private

LEA 01	Mandatory	Core Assessed	PRI 2
LEA 01.1	Indicate whether your organisation has a formal engagement policy.		
	<input checked="" type="checkbox"/> Yes		
LEA 01.2	Attach or provide a URL to your engagement policy.		
	<input type="checkbox"/> Attachment provided: <input checked="" type="checkbox"/> URL provided: <a href="https://www.principalglobal.com/documentdownload/66071">https://www.principalglobal.com/documentdownload/66071</a>		
LEA 01.3	Indicate what your engagement policy covers:		
	<input checked="" type="checkbox"/> Conflicts of interest <input checked="" type="checkbox"/> Insider information <input checked="" type="checkbox"/> Alignment with national stewardship code requirements <input checked="" type="checkbox"/> Due diligence and monitoring process <input type="checkbox"/> Prioritisation of engagements <input type="checkbox"/> Transparency of engagement activities <input type="checkbox"/> Environmental factors <input type="checkbox"/> Social factors <input checked="" type="checkbox"/> Governance factors <input type="checkbox"/> Other, describe <input type="checkbox"/> None of the above		
LEA 01.4	Provide a brief overview of your organization's approach to engagement		
	<p>The engagement policy is derived from the investment process. Engagement is not a central tenet of our research process, as we tend not to own stocks if we have fundamental concerns about any aspect of the investment case. However, if concerns do arise on existing holdings, we will engage management to monitor ESG issues.</p> <input type="checkbox"/> No		
LEA 01.6	Additional information [optional]		
	<p>In a typical year, we conduct more than 2,500 discussions with corporate management teams for both current and prospective investments; however, our investment philosophy does not place particular emphasis on investor activism. We will tend to simply avoid or sell any stock where we have fundamental concerns about any aspect of the investment case, which could include ESG factors.</p>		

LEA 02	Mandatory	Gateway	PRI 1,2,3								
LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.										
	<table border="1"> <thead> <tr> <th>Type of engagement</th> <th>Reason for interaction</th> </tr> </thead> <tbody> <tr> <td>Individual/Internal staff engagements</td> <td> <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues  <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure  <input type="checkbox"/> Other, specify  <input type="checkbox"/> We do not engage via internal staff                 </td> </tr> <tr> <td>Collaborative engagements</td> <td> <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues  <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure  <input type="checkbox"/> Other, specify  <input type="checkbox"/> We do not engage via collaborative engagements                 </td> </tr> <tr> <td>Service provider engagements</td> <td> <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues  <input type="checkbox"/> To encourage improved/increased ESG disclosure  <input checked="" type="checkbox"/> Other, specify                      Proxy Voting  <input type="checkbox"/> We do not engage via service providers                 </td> </tr> </tbody> </table>			Type of engagement	Reason for interaction	Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff	Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements	Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify Proxy Voting <input type="checkbox"/> We do not engage via service providers
Type of engagement	Reason for interaction										
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff										
Collaborative engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements										
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> Other, specify Proxy Voting <input type="checkbox"/> We do not engage via service providers										
LEA 02.2	Additional information. [Optional]										
	<p>From a quantitative perspective, our proprietary investment research platform will indicate any outlying factors, ESG or other, that could require engagement with a company. From a fundamental perspective, analysts will raise any concerns about ESG issues, and indeed any other fundamental concerns, during meetings with management with the responses they receive impacting their opinion of the stock's outlook. Where such concerns are discussed, they are documented by the analysts and stored within our research database.</p>										

LEA 03	Mandatory	Core Assessed	PRI 2
LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.		
	<input checked="" type="checkbox"/> Yes		

LEA 03.2	Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.
<input checked="" type="checkbox"/> Geography / market of the companies <input checked="" type="checkbox"/> Materiality of ESG factors <input checked="" type="checkbox"/> Systemic risks to global portfolios <input checked="" type="checkbox"/> Exposure (holdings) <input checked="" type="checkbox"/> In response to ESG impacts that have already occurred. <input checked="" type="checkbox"/> As a response to divestment pressure <input type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (i.e. NGOs, trade unions etc.) <input type="checkbox"/> As a follow-up from a voting decision <input checked="" type="checkbox"/> Client request <input type="checkbox"/> Other, describe	
<input type="radio"/> No	

LEA 04	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 04.1	Indicate if you define specific objectives for your engagement activities.
<input checked="" type="checkbox"/> Yes <input type="radio"/> Yes, for all engagement activities <input type="radio"/> Yes, for the majority of engagement activities <input checked="" type="checkbox"/> Yes, for a minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff.	

LEA 04.2	Indicate if you monitor the actions that companies take during and following your engagements activities carried out by internal staff.
<input checked="" type="checkbox"/> Yes <input type="radio"/> Yes, in all cases <input type="radio"/> Yes, in the majority of cases <input checked="" type="checkbox"/> Yes, in the minority of cases <input type="radio"/> We do not monitor the actions that companies take following engagement activities carried out by internal staff.	

LEA 04.3	Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.
<input type="checkbox"/> Define timelines for your objectives <input type="checkbox"/> Tracking and/or monitoring progress against defined objectives <input type="checkbox"/> Tracking and or monitoring progress of actions taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other, please specify <input type="checkbox"/> We do not monitor and evaluate progress of engagement activities carried out by internal staff	

LEA 05	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 05.1	Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements
<input checked="" type="checkbox"/> Yes	
LEA 05.2	Describe the criteria used to identify and prioritise collaborative engagements.
<input type="checkbox"/> Potential to learn from other investors <input type="checkbox"/> Ability to add value to the collaboration <input type="checkbox"/> Geography / market of the companies targeted by the collaboration <input type="checkbox"/> Materiality of ESG factors addressed by the collaboration <input type="checkbox"/> Systemic risks to global portfolios addressed by the collaboration <input type="checkbox"/> Exposure (holdings) to companies targeted by the collaboration <input type="checkbox"/> In reaction to ESG impacts addressed by the collaboration that have already occurred. <input type="checkbox"/> As a response to divestment pressure <input type="checkbox"/> As a follow-up from a voting decision <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (i.e. NGOs, trade unions etc.) <input type="checkbox"/> Other, describe	
<input type="radio"/> No	

LEA 06	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

**LEA 06.1** Indicate if you define specific objectives for your engagement activities carried out collaboratively.

Yes  
 We do not define specific objectives for engagement activities carried out collaboratively.

**LEA 06.2** Indicate if you monitor the actions companies take during and following your collaborative engagements.

Yes  
 We do not monitor the actions that companies take following engagement activities carried out collaboratively

**LEA 06.3** Indicate if you do any of the following to monitor and evaluate the progress of your collaborative engagement activities.

Define timelines for your objectives  
 Tracking and/or monitoring progress against defined objectives  
 Tracking and or monitoring progress of actions taken when original objectives are not met  
 Revisit and, if necessary, revise objectives on continuous basis  
 Other, please specify

**other description**  
 Calls between concerned client and our analyst on ongoing collaborative engagement. Updates were given upon client request, with notes kept notes in our tracking tool.

We do not monitor and evaluate progress of engagement activities carried out by internal staff

**LEA 09** Voluntary Additional Assessed PRI 1,2

**LEA 09.1** Indicate if insights gained from your engagements are shared with your internal or external investment managers.

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

**LEA 09.2** Additional information. [Optional]  
 The analysts provide the essential insights into industry trends and company-specific considerations including ESG issues. These insights are crucial to the evaluation of sustainable competitive advantages and risks at a company-specific and industry level. Our analysts have complete discretion to focus on the concerns they feel are most important.

**LEA 10** Mandatory Gateway PRI 2

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

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

**LEA 10.2** Additional information. [OPTIONAL]  
 In a typical year, we conduct more than 2,500 discussions with corporate management teams for both current and prospective investments; however, our investment philosophy does not place any emphasis on investor activism. We will tend to simply avoid or sell any stock where we have fundamental concerns about any aspect of the investment case. Where appropriate, analysts will raise any concerns about ESG issues, and indeed any other fundamental concerns, during meetings with management with the responses they receive impacting their opinion of the stock's outlook. Where such concerns are discussed, they are documented by the analysts and stored within our analyst research tool and portfolio manager workbench.

**LEA 11** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

**LEA 11.1** Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.  
*Private*

**LEA 11.2** Indicate the proportion of engagements that involved multiple, substantive and detailed discussions or interactions with a company during the reporting year relating to ESG issue.  
*Private*

**LEA 11.5** Additional information. [Optional]



LEA 12	Voluntary	Additional Assessed	PRI 2
LEA 12.1	Indicate which of the following your engagement involved.		
Private			
LEA 12.2	Additional information. [Optional]		
Private			
LEA 13	Voluntary	Descriptive	PRI 2
LEA 13.1	Indicate whether you track the number of cases during the reporting year in which a company changed its practices, or made a formal commitment to do so, following your organisation's and/or your service provider's engagement activities.		
Private			
LEA 13.3	Additional information [Optional].		
Private			
LEA 14	Voluntary	Additional Assessed	PRI 2
LEA 14.1	Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.		
Private			
LEA 14.2	Additional information. [Optional]		
Private			
LEA 15	Mandatory	Core Assessed	PRI 1,2,3
LEA 15.1	Indicate whether your organisation has a formal voting policy.		
<input checked="" type="radio"/> Yes			
LEA 15.2	Indicate what your voting policy covers:		
<input checked="" type="checkbox"/> Conflicts of interest <input checked="" type="checkbox"/> Share blocking <input type="checkbox"/> Securities lending process <input type="checkbox"/> Prioritisation of voting activities <input checked="" type="checkbox"/> Decision making processes <input type="checkbox"/> Environmental factors <input type="checkbox"/> Social factors <input checked="" type="checkbox"/> Governance factors <input type="checkbox"/> Filing/co-filing resolutions <input type="checkbox"/> Extraordinary meetings <input type="checkbox"/> Regional voting practices <input type="checkbox"/> Transparency of proxy voting activities <input type="checkbox"/> Company dialogue pre/post vote <input checked="" type="checkbox"/> Other, describe			
		other description	
The Principal Global Investors proxy voting policy allows for accommodation of individual client guidelines, if desired, while still utilizing the ISS proxy voting service.			
<input type="checkbox"/> None of the above			
LEA 15.3	Attach or provide a URL to your voting policy. [Optional]		
<a href="https://www.principalglobal.com/documentdownload/24174">https://www.principalglobal.com/documentdownload/24174</a>			
LEA 15.4	Provide a brief overview of your organization's approach to (proxy) voting.		
<p>Principal Global Investors' guiding principles in performing proxy voting are to make decisions that (i) favor proposals that tend to maximize shareholder value and (ii) are not influenced by conflicts of interest. These principles reflect our belief that sound corporate governance will create a framework within which a company can be managed in the interests of its shareholders. Although governance is one factor in which decisions to invest in a particular company are made, it may not be the primary consideration.</p> <p>Principal Global Investors understands the importance of voting proxies, however, there may be times when refraining from voting is in the client's best interest such as in share blocking markets or when the cost to the client is higher than the benefit. In these situations, Principal Global Investors will vote on a best-efforts basis.</p> <p>Principal Global Investors has engaged the services of Institutional Shareholder Services ("ISS") and uses the standard voting guidelines of ISS. In certain case-by-case circumstances, we may disagree with the ISS recommendation and vote differently. Principal Global Investors does not file or co-file shareholder resolutions.</p> <p>ISS' services include objective governance research and analysis. ISS delivers research and vote recommendations 15-20 days prior to the shareholder meeting.</p>			
<input type="radio"/> No			

LEA 16	Mandatory	Descriptive	PRI 2
LEA 16.1	Indicate how you typically make your (proxy) voting decisions.		
	Approach		
	<input type="radio"/> We use our own research or voting team and make voting decisions without the use of service providers. <input type="radio"/> We hire service provider(s) that make voting recommendations or provide research that we use to inform our voting decisions. <input checked="" type="radio"/> We hire service provider(s) that make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.		
	Based on		
	<input type="radio"/> the service provider voting policy signed off by us <input type="radio"/> our own voting policy <input type="radio"/> our clients' requests or policy <input checked="" type="radio"/> other, explain The service provider provides voting recommendations, but we reserve the right to override the recommendation.		
	<input type="radio"/> We hire service provider(s) that make voting decisions on our behalf.		
LEA 16.2	Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).		
	<p>Principal Global Investors has two formal overarching proxy voting policies. One that covers global clients ex-Australia, and one specific to the Australian market. In addition, we have a Taft-Hartley policy specific to Taft-Hartley fund clients, a Japanese policy, and other policy options that clients may subscribe to, based on ISS ESG voting guidelines.</p> <p>In addition, a UK-based subsidiary of Principal Global Investors has engaged the services of Broadridge's ProxyEdge, which integrates the vote recommendations provided by Glass Lewis. Glass Lewis' UK Guidelines integrate such issues as: Board Diversity, Environmental and Social Risk Oversight, Remuneration, Disclosure, and Capital Management.</p>		
LEA 16.3	Additional information. [Optional]		
	Our largest equity boutique also has the ability to provide more targeted proxy policies that focus on Sustainability if a client requests this additional service.		

LEA 17	Mandatory	Additional Assessed	PRI 2
LEA 17.1	Of the voting recommendations that your service provider made in the reporting year, indicate the percentage reviewed by your organisation, giving reasons.		
	Percentage of voting recommendations your organisation reviewed		
	<input type="radio"/> >40%, <input type="radio"/> 20-40%, <input type="radio"/> 5-20%, <input checked="" type="radio"/> <5%		
	Reasons for review		
	<input type="checkbox"/> Specific ESG issues <input type="checkbox"/> Votes for significant holdings <input type="checkbox"/> Votes against management and/or abstentions <input type="checkbox"/> Conflicts of interest <input checked="" type="checkbox"/> Corporate actions such as M&A, disposal, etc. <input type="checkbox"/> Votes for companies with which we have an active engagement <input checked="" type="checkbox"/> Client requests <input type="checkbox"/> Ad-hoc oversight of Service Provider <input type="checkbox"/> Shareholder resolutions <input type="checkbox"/> Share blocked securities <input checked="" type="checkbox"/> Other, explain		
	other description		
	Significant issues that would affect the value of the security or where we disagree with the analysis of the service provider.		

LEA 18	Voluntary	Descriptive	PRI 2
LEA 18.1	Describe your involvement in any projects to improve the voting trail and/or to obtain vote confirmation .		
	Private		
LEA 18.2	Additional information. [OPTIONAL]		
	Private		
LEA 19	Voluntary	Additional Assessed	PRI 2

LEA 19.1 Indicate if your organisation has a securities lending programme.

Private

LEA 20 Mandatory Core Assessed PRI 2

LEA 20.1 Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting

- Yes, in most cases
- Sometimes, in the following cases:
- Neither we nor our service provider raise concerns with companies ahead of voting

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

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

LEA 20.3 Additional information. [Optional]

Our service provider, ISS, provides companies the opportunity to review a draft of their vote recommendation analysis for fact-checking purposes. This includes analysis and recommendations on Management and Shareholder proposals. Principal Global Investors is also provided a report summarizing the proposals and recommendations prior to the company meeting date, which includes a Company Governance risk score.

LEA 21 Mandatory Core Assessed PRI 2

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

- We do track or collect this information

Votes cast (to the nearest 1%)
99%

Specify the basis on which this percentage is calculated

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

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

- Shares were blocked
  - Notice, ballots or materials not received in time
  - Missed deadline
  - Geographical restrictions (non-home market)
  - Cost
  - Conflicts of interest
  - Holdings deemed too small
  - Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
  - On request by clients
  - Other
- We do not track or collect this information

LEA 21.3 Additional information. [Optional]

Ballots may not be voted due to a number of reasons including, but not limited to, restrictions for share blocking countries, restrictions on foreigner's ability to exercise votes, requirements to vote in person, requirements to provide local agents with power of attorney to facilitate the voting instructions, and untimely notice of shareholder meeting. Therefore, some meetings were not voted.

LEA 22 Mandatory Additional Assessed PRI 2

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

- Yes, we track this information

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

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	90%
Against (opposing) management recommendations	10%
Abstentions	0%

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

- We generally follow recommendation of our service provider so would follow their guidance on these issues.
- No, we do not track this information

**LEA 22.4** Additional information. [Optional]

We generally follow recommendation of our service provider so would follow their guidance on these issues.

LEA 23	Voluntary	Descriptive	PRI 2
LEA 23.1	Indicate if your organisation directly or via a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.		
<i>Private</i>			
LEA 23.6	Describe whether your organisation reviews ESG shareholder resolutions filed by other investors.		
<i>Private</i>			
LEA 23.7	Additional information. [Optional]		
<i>Private</i>			
LEA 24	Voluntary	Descriptive	PRI 2
LEA 24.1	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.		
<i>Private</i>			
LEA 24.2	Additional information. [Optional]		
<i>Private</i>			

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	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
Corporate (financial)	Screening alone	0
	Thematic alone	0
	Integration alone	94
	Screening + integration strategies	6
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	94
	Screening + integration strategies	6
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0

Securitised	0	Screening alone
	0	Thematic alone
	100	Integration alone
	0	Screening + integration strategies
	0	Thematic + integration strategies
	0	Screening + thematic strategies
	0	All three strategies combined
	0	No incorporation strategies applied

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

ESG Integration within the investment process is utilized for the purposes of risk management and alpha generation. Our research teams are organized by areas of industry sector specialization, our analysts are responsible for providing essential insights into industry trends, and company-specific considerations, which may include certain ESG issues deemed material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuation. Our analysts utilize a Fundamental, Technical, and Valuation (FTV) factor variable framework to establish a level of conviction and ultimately a portfolio recommendation at the security and industry level. They are also expected to provide timely insights on key risk considerations at a company-specific and industry level, which may also include qualitative ESG-related considerations and events. In addition, an ESG score is integrated in to our FTV scoring model. Both industries and issuers are scored using this model. In addition, we do have client-directed socially-responsible mandates, where a screened list supplied by the client is applied as an overlay to the ESG-integration investment process.

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

We manage a small number of mandates with specific ESG exclusions. Specifically, we manage some US-based public pension plan mandates that place restrictions on investing in Iran and Sudan and tobacco companies, as well as some European-based pension funds with cluster munition restrictions.

**FI 02** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 1

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

Private

**FI 02.2** Indicate what format your ESG information comes in and where you typically source it

Private

**FI 02.3** Provide a brief description of the ESG information used, highlighting any differences in sources of information across your ESG incorporation strategies.

Private

**FI 02.4** Additional information. [Optional]

Private

**FI 03** Mandatory Additional Assessed PRI 1

**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  
 Dialog with other PRI signatories to understand best practices; largest boutique expanded ESG Research providers to include norm-based research and controversial weapons list.

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

FI 04	Mandatory	Gateway	PRI 1
-------	-----------	---------	-------

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

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

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

ESG Integration within the investment process is utilized for the purposes of risk management and alpha generation. Our research teams are organized by areas of industry sector specialization, our analysts are responsible for providing essential insights into industry trends, and company-specific considerations, which may include certain ESG issues deemed material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuation. Analysts at our largest boutique utilize a Fundamental, Technical, and Valuation (FTV) factor variable framework to establish a level of conviction and ultimately a portfolio recommendation at the security and industry level. They are also expected to provide timely insights on key risk considerations at a company-specific and industry level, which may also include qualitative ESG-related considerations and events. In addition, an ESG score is integrated in to our FTV scoring model. Both industries and issuers are scored using this model. In addition, we do have client-directed socially-responsible mandates, where a screened list supplied by the client is applied as an overlay to the ESG-integration investment process. In the future our largest fixed income boutique will offer a norms-based screen as a portfolio construction option and our dedicated High Yield boutique plans to offer carbon-footprint portfolio reports.

FI 05	Mandatory	Descriptive	PRI 1
-------	-----------	-------------	-------

**FI 05.1** Indicate why you conduct negative screening.

Corporate (non-fin)
<input checked="" type="checkbox"/> For legal reasons
<input checked="" type="checkbox"/> For non-legal reasons

**FI 05.2** Describe your approach to ESG-based negative screening of issuers from your investable universe.

ESG Integration within the investment process is utilized for the purposes of risk management and alpha generation. Our research teams are organized by areas of industry sector specialization, our analysts are responsible for providing essential insights into industry trends, and company-specific considerations, which may include certain ESG issues deemed material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuation. Our analysts utilize a Fundamental, Technical, and Valuation (FTV) factor variable framework to establish a level of conviction and ultimately a portfolio recommendation at the security and industry level. They are also expected to provide timely insights on key risk considerations at a company-specific and industry level, which may also include qualitative ESG-related considerations and events. In addition, an ESG score is integrated in to our FTV scoring model. Both industries and issuers are scored using this model. In addition, we do have client-directed socially-responsible mandates, where a screened list supplied by the client is applied as an overlay to the ESG-integration investment process. In the future our largest fixed income boutique will offer a norms-based screen as a portfolio construction option and our dedicated High Yield boutique plans to offer carbon-footprint portfolio reports.

**FI 05.3** Additional information. [Optional]

We manage fixed income mandates with specific ESG exclusions. For example, we manage some US-based public pension plan mandates that place restrictions on investing in Iran and Sudan and tobacco companies, as well as some European-based pension funds with cluster munition restrictions. In addition, some client exclusions are based upon religious beliefs, while other clients exclude companies based on: serious violations of human rights; systematic environmental damage; or breaches of global norms.

FI 06	Voluntary	Additional Assessed	PRI 1
-------	-----------	---------------------	-------

**FI 06.1** Provide examples of how ESG factors are included in your screening criteria.

Private

**FI 06.2** Additional information.

Private

FI 07	Mandatory	Core Assessed	PRI 1
-------	-----------	---------------	-------

**FI 07.1** Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

Type of screening	Checks
Negative/exclusionary screening?	<input type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input type="checkbox"/> We ensure that data used for the screening criteria is updated at least every 2 years. <input checked="" type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input checked="" type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="border: 1px solid black; padding: 5px; margin-top: 5px;"> <p style="text-align: center; background-color: #0070C0; color: white; margin: 0;">other description</p> <p style="margin: 0;">Our OMS/Compliance system was updated during 2017 to a hosted solution, receiving updates to our Compliance system real-time instead of periodic software updates.</p> </div> <input type="checkbox"/> None of the above

FI 07.2	Additional information. [Optional]
The exclusions are noted in the clients' Investment Management Agreements. These exclusions are applied through rules within our Compliance and Order Management System.	

FI 11	Mandatory	Descriptive	PRI 1
-------	-----------	-------------	-------

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

Our primary consideration of ESG issues takes place within our investment process by our sector-focused research analysts. Our research team is organized by areas of industry sector specialization and our analysts are responsible for providing essential insights into industry trends and company-specific considerations, which may include certain ESG issues deemed material and relevant to the evaluation of sustainable earnings trends, sentiment, and valuation. Our analysts are also expected to provide timely insights on key risk considerations at a company-specific and industry level which may also include ESG-related considerations and events. ESG is factored into the "Fundamentals" component of our Financials, Technicals, and Valuations framework, which runs throughout our investment process. It is based on independent internal research and provides a consistent, comparative framework to evaluate all investment opportunities. To ensure they appropriately integrate ESG factors into their investment theses, the analysts of our largest boutique, supplement their own fundamental research with insights from third-party ESG research providers.

We conduct frequent discussions with corporate management teams for both current and prospective investments. Where appropriate, analysts will raise any concerns about ESG issues (along with any other fundamental concerns) during meetings with management. The company responses impact our opinion of the company's outlook.

Prior to issuance, the focus of our research is more focused on identifying potential ESG issues and evaluating how they impact the investment case for a particular company. If ESG issues are discovered, we determine the extent to which we will be compensated for the risks created by these issues or if we would avoid the investment. Following issuance and our investment, the focus of our monitoring shifts to ensuring the issuer is fulfilling the terms of the agreement and not engaging in any activities (ESG or otherwise) that could jeopardize the value of our investment.

Our analysts obtain the information necessary for his/her independent analysis from a variety of sources, including, but not limited to company information available on websites and through regulatory filings, meetings and calls with management teams, industry conferences and publications, media reports, formal and informal research from and dialogue with sell-side analysts, direct dialogue with and publications from the credit rating agencies, industry contacts, and various internal resources (economic team, legal counsel, analysts in other asset classes, etc.). In addition, analysts have access to MSCI Research and ISS-Ethix reports, from which ESG related data can be extracted. Over 6,000 companies are covered in the MSCI universe and ISS-Ethix researches and screens more than 20,000 debt and equity issuers worldwide. A sizable portion of our research data and information is available at no cost through disclosures from the company or as part of the service package provided by sell-side firms. Information from MSCI and the credit rating agencies is paid for directly as part of a service contract.

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

SSA
-----

We are a research driven organization and our team of research analysts are experts in their particular area of focus, across asset classes and regions. Independent research and analysis on SSA issuers is conducted by dedicated analysts on the Fixed Income Emerging Market and Municipal teams for the companies and government issuers he or she covers. The product of this analysis is a view of the risks of the investment and recommended actions. We incorporate ESG issues into our analysis through our qualitative research at the discretion of our analysts. The analysts provide the essential insights into country or issuer specific considerations including ESG issues.

For SSA issuers, government and quasi-government agencies will generally engage with investors before bond issuance, but government issuers of sovereign bonds do not usually engage with investors prior to coming to market. However, we are able to engage with sovereign emerging market debt issuers at IMF investor conferences.

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

For financial corporate bond issuers, analysts are expected to incorporate all factors impacting the creditworthiness of a company when conducting his/her analysis, which include social, governance issues such as cyber-security and risk management practices, and to a lesser extent environmental issues. These issues can be company specific or country specific, and analysts are expected to evaluate each. Analysts evaluate raw data from a variety of sources as well as comments from the credit rating agencies when determining the impact of ESG issues on our investment decision. Systems are in place for analysts to document, distribute, and store information to support his/her investment decision. To the extent ESG issues impact the investment decision, they may be documented in these databases. While ESG issues are an important consideration in our research, we incorporate ESG factors to expand our understanding of the company's credit quality and relative value so we may uphold our fiduciary duty to our clients.

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

For non-financial corporate bond issuers, PGI analysts are expected to incorporate all factors impacting the creditworthiness of a company when conducting his/her analysis, which include social, governance, and environmental issues. These issues are sector or country specific, such as environmental factors pertaining to the utility sector. Analysts evaluate raw data from a variety of sources as well as comments from the credit rating agencies when determining the impact of ESG issues on our investment decision. Systems are in place for analysts to document, distribute, and store information to support his/her investment decision. To the extent ESG issues impact the investment decision, they may be documented in these databases. While ESG issues are an important consideration in our research, we incorporate ESG factors to expand our understanding of the company's credit quality and relative value so we may uphold our fiduciary duty to our clients.

Securitized
-------------

For Securitized assets that are made up of pools of residential mortgages or auto loans (ABS), there is not the opportunity to engage on ESG issues. Pools are generally fixed upon issue announcement and for the life of the security. For this reason, an evaluation of the originator becomes more important prior to purchase, as this allows you to incorporate governance factors into the analysis. There is not the opportunity to engage on concerns post-investment to change the trajectory of creditworthiness.

For CMBS (Commercial Mortgage Backed Securities), every property supporting the investment would have an environmental survey done as part of the underwriting. Looking through to the underlying properties allows the analysts to incorporate ESG factors into his or her analysis and allows us to monitor the performance of the deal for as long as we own the security.

FI 12	Mandatory	Core Assessed	PRI 1
-------	-----------	---------------	-------

FI 12.1	Indicate how ESG information is typically used as part of your investment process.
---------	--

	SSA	Corporate (financial)	Corporate (non-financial)	Securitized
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



ESG analysis is integrated into security weighting decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" 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 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 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 type="checkbox"/>
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 type="checkbox"/>
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**FI 12.2 Additional information [OPTIONAL]**

We are a research driven organization and our team of research analysts are experts in their particular area of focus, across industries and regions. Independent research and analysis is conducted by each analyst on the Fixed Income Credit Research team for the companies and industries he or she covers. The product of this analysis is a view of the risks of the investment and recommended actions. We incorporate ESG issues into our analysis through our quantitative research and inclusion into scored valuation models. The analysts provide the essential insights into industry trends and company-specific considerations including ESG issues. These insights are crucial to the evaluation of sustainable competitive advantages and risks at a company-specific and industry level. ESG factors can inform buy or sell decisions and underweight or overweight decisions at the issuer level. However, Portfolio Managers do not use ESG factors to weight particular benchmark sectors unless mandated by client-specific thematic directives.

We conduct frequent discussions with corporate management teams for both current and prospective investments. Where appropriate, analysts will raise any concerns about ESG issues (along with any other fundamental concerns) during meetings with management. The company responses impact our opinion of the company's outlook.

Prior to bonds issuance, our research is more focused on identifying potential ESG issues and evaluating how they impact the investment case for a particular company. If ESG issues are discovered, we determine the extent to which we will be compensated for the risks created by these issues or if we would avoid the investment. Following issuance and our investment, the focus of our monitoring shifts to ensuring the issuer is fulfilling the terms of the agreement and not engaging in any activities (ESG or otherwise) that could jeopardize the value of our investment.

Our analysts obtain the information necessary for his/her independent analysis from a variety of sources, including, but not limited to company information available on websites and through regulatory filings, meetings and calls with management teams, industry conferences and publications, media reports, formal and informal research from and dialogue with sell-side analysts, direct dialogue with and publications from the credit rating agencies, industry contacts, and various internal resources (economic team, legal counsel, analysts in other asset classes, etc.). In addition, analysts have access to MSCI Research and ISS-Ethix reports, from which ESG related data can be extracted. Over 6,000 companies are covered in the MSCI universe and ISS-Ethix researches and screens more than 20,000 debt and equity issuers worldwide. A sizable portion of our research data and information is available at no cost through disclosures from the company or as part of the service package provided by sell-side firms. Information from MSCI and the credit rating agencies is paid for directly as part of a service contract.

**FI 13 Mandatory Additional Assessed PRI 1**

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

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

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

SSA  
 Macroeconomic research (which would include an assessment of corruption) is part of the investment process for sovereign debt. For municipal issuers,

assessment of ESG factors varies with the type of bond issuance. For example, General Obligation bonds would focus more on the governance factor, while debt issued out of specific agencies (such as water or sewer departments) would have an environmental element in addition to governance; and agencies that focus on affordable housing or education would incorporate social factors as well as governance. Information on these factors would be obtained through research obtained from economists, investment banks, think-tanks, rating agencies, and directly from interaction with the issuer.

**Corporate (financial)**

Analysts are expected to incorporate all factors impacting the creditworthiness of a company when conducting his/her analysis, which could include environmental, social, and/or governance issues. These issues can be company specific, sector specific, or country specific, and analysts are expected to evaluate each. Analysts evaluate raw data from a variety of sources as well as comments from the credit rating agencies when determining the impact of ESG issues on our investment decision and are required to assign a specific ESG signal for each issuer in their coverage, ranging from green (positive) to red (warning). The next level of integration involves our analysts assigning an explicit ESG score that is an input in to the Fundamental, Technical, and Valuation (FTV) framework, culminating in a level of conviction and ultimately a portfolio recommendation at the security and industry level. They are also expected to provide timely insights on key risk considerations at a company-specific and industry level, which may also include qualitative ESG-related considerations and events. Systems are in place for analysts to document, distribute, and store information to support his/her investment decision. To the extent ESG issues impact the investment decision, they may be documented in these databases.

**Corporate (non-financial)**

Analysts are expected to incorporate all factors impacting the creditworthiness of a company when conducting his/her analysis, which could include environmental, social, and/or governance issues. These issues can be company specific, sector specific, or country specific, and analysts are expected to evaluate each. Analysts evaluate raw data from a variety of sources as well as comments from the credit rating agencies when determining the impact of ESG issues on our investment decision and are required to assign a specific ESG signal for each issuer in their coverage, ranging from green (positive) to red (warning). The next level of integration involves our analysts assigning an explicit ESG score that is an input in to the Fundamental, Technical, and Valuation (FTV) framework, culminating in a level of conviction and ultimately a portfolio recommendation at the security and industry level. They are also expected to provide timely insights on key risk considerations at a company-specific and industry level, which may also include qualitative ESG-related considerations and events. Systems are in place for analysts to document, distribute, and store information to support his/her investment decision. To the extent ESG issues impact the investment decision, they may be documented in these databases.

**Securitized**

For Securitized assets that are made up of pools of residential mortgages or auto loans (ABS), there is not the opportunity to engage on ESG issues. Pools are generally fixed upon issue announcement and for the life of the security. For this reason, an evaluation of the originator becomes more important prior to purchase, as this allows you to incorporate governance factors into the analysis. There is not the opportunity to engage on concerns post-investment to change the trajectory of creditworthiness.

For CMBS (Commercial Mortgage Backed Securities), every property supporting the investment would have an environmental survey done as part of the underwriting. Looking through to the underlying properties allows the analysts to incorporate ESG factors into his or her analysis and allows us to monitor the performance of the deal for as long as we own the security.

**FI 15** Mandatory to Report, Voluntary to Disclose Core Assessed PRI 2

**FI 15.1** Indicate the proportion of your fixed income assets on which you engage. Please exclude any engagements carried out solely in your capacity as a shareholder.

Private

**FI 15.3** Additional information.[OPTIONAL]

Private

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

**FI 16.1** Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)

Private

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

Private

If 'other' has been selected, please give a description

Private

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

Private

If 'other' has been selected, please give a description

Private

**FI 16.4** Indicate how your organisation conducts engagements with issuers.

Private

If 'other' has been selected, please give a description

Private

**FI 16.5** Indicate what your organisation conducts engagements with issuers on.

Private

If 'other' has been selected, please give a description

Private

**FI 16.6** Indicate how your organisation shares the outcomes of the engagements internally.

Private

**FI 16.7** Additional information.[OPTIONAL]

Private

**FI 17** Mandatory to Report, Voluntary to Disclose Additional Assessed PRI 1,2

FI 17.1	Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.		
<i>Private</i>			
FI 17.3	Additional information [OPTIONAL]		
<i>Private</i>			
FI 18	Mandatory to Report, Voluntary to Disclose	Additional Assessed	General
FI 18.1	Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance.		
<i>Private</i>			
FI 18.2	Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. [OPTIONAL]		
<i>Private</i>			
FI 18.3	Additional information.[OPTIONAL]		
<i>Private</i>			
FI 19	Voluntary	Descriptive	PRI 1,2
FI 19.1	Provide examples of how your incorporation of ESG analysis and/or your engagement of issuers has affected your fixed income investment outcomes during the reporting year.		
<i>Private</i>			
FI 19.2	Additional information.		
<i>Private</i>			

PR 01	Mandatory	Core Assessed	PRI 1-6
PR 01.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.		
<input checked="" type="radio"/> Yes			
PR 01.2	Provide a URL or attach the document		
<input checked="" type="checkbox"/> URL <a href="https://www.principalglobal.com/principal-real-estate-investors/knowledge/insights/responsible-property-investing-policy">https://www.principalglobal.com/principal-real-estate-investors/knowledge/insights/responsible-property-investing-policy</a>			
<input type="checkbox"/> Attach Document			
<input type="radio"/> 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.		
<p>Principal Real Estate Investors has a long-standing commitment to corporate stewardship and an established track record in responsible property investing. In 2010, to help formalize this commitment, we became a signatory to the United Nations-sponsored Principles of Responsible Investment (PRI), as is evidenced by our participation in this survey. In 2013, we adapted and evolved this important philosophy into our Pillars of Responsible Property Investing (PRPI) initiative. PRPI is a unique, overarching environmental-social-and-governance framework undertaken by Principal Real Estate Investors and its partners. This initiative provides frameworks, specific tasks, and an overall management philosophy that guides day-to-day decision making in investing, management oversight, property operations, new developments, and stakeholder engagement. Furthermore, the PRPI initiative provides for competitive distinction in the marketplace, and helps to orient our business strategy from the executive level to the building operator level.</p> <p>Our Responsible Investing Policy guides our approach to real estate investment and management and states that appropriate consideration of environmental, social, and governance issues is integral to our fiduciary responsibility and critical in delivering superior risk adjusted returns.</p> <p>This policy covers all phases of the real estate investment lifecycle, including acquisitions, development, operations, management, and dispositions, is approved by our executive management team, and mandates the following environmental, social, and governance strategies:</p> <ul style="list-style-type: none"> <li>• Partner with clients and investors to implement the Pillars of Responsible Property Investing initiative.</li> <li>• Engage property tenants, residents, and guests to build partnerships and programs that meet the needs of our communities.</li> <li>• Collaborate with joint-venture partners, property managers, technicians, vendors, and service providers to implement our Responsible Property Investing strategies and ensure best-in-class operations.</li> <li>• Monitor and track greenhouse gas (GHG) emissions and take actions to continuously improve performance.</li> <li>• Reduce environmental impacts through energy, water, and waste management practices, as well as cost-effective development and management strategies.</li> <li>• Promote our accomplishments in the market, share best practices and certify properties in LEED, ENERGY STAR, and other industry recognized certification programs where appropriate.</li> </ul>			

PR 02	Mandatory	Core Assessed	PRI 1,4,6
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.		
<input checked="" type="radio"/> Yes			
PR 02.2	Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:		
<input checked="" type="checkbox"/> Policy and commitment to responsible investment <input checked="" type="checkbox"/> Approach to ESG issues in pre-investment processes <input checked="" type="checkbox"/> Approach to ESG issues in post-investment processes			
PR 02.3	Describe how your organisation refers to responsible investment for property funds in fund placement documents (PPMs or similar). [Optional]		
<p>Principal Real Estate Investors believes that leasing, acquiring or developing properties that adhere to the standards of responsible property investing can provide potential opportunities to deliver attractive risk-adjusted returns, and we articulate that where appropriate in private placement memorandums, presentations, and select marketing materials. Through our communications and fund placement materials, we describe our unique fiduciary framework, the Pillars of Responsible Property Investing. These Pillars - Market Resilience, Corporate Governance, and Property Performance - orient and guide our staff and property management partners, leading to greater success across environmental, social, and governance indicators. As part of the Property Performance Pillar, we also discuss the specifics of environmental property certifications, such as Leadership in Energy and Environmental Design (LEED) and ENERGY STAR, and how each may influence or be a component of the fund investment strategy.</p> <p>We also seek to make investors aware of the financial and economic benefits of responsible property investment practices, most succinctly detailed in our publicly available document "The Strategy Behind Green Investing." This publication cites recent research and studies on how green buildings and RPI practices enhance investment outcomes, including increased asset value, competitive parity, reduced costs, reduced risks, and greater community appeal. Additionally, in 2017, we became the sole participant in a ground-breaking pilot study by the U.S. Department of Energy to measure the financial benefits of owning and operating green properties. Our publicly available document "Connecting the Dots to Financial Performance" summarizes the results of this study for our investors, which includes correlations between green buildings, increased net operating income, and reduced operating expenses.</p>			
<input type="radio"/> No <input type="radio"/> Not applicable as our organisation does not fundraise			

PR 03	Voluntary	Additional Assessed	PRI 4
PR 03.1	Indicate whether your organisation makes formal commitments in fund formation contracts, Limited Partnership Agreements (LPAs) or in side letters relating to responsible investment in property when requested by clients.		
Private			
PR 03.2	Additional information.		
Private			

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.

Our RPI philosophy guides every aspect of our investment process including consideration of ESG issues in property selection. Additionally, our Responsible Property Investing Working Group, which is composed of senior leaders representing various areas across our organization, helps to further our RPI efforts and ensure consistency among each area of our business.

All investments for every client are evaluated by an Investment Committee using a process that includes ESG variables. If client mandates require greater focus on ESG issues, then we modify our process to meet the client's goals.

We thoroughly evaluate ESG issues, for both short and long term impacts, from the earliest stages of our pre-investment process. Starting with basic factors such as geographic location, environmental concerns, regulatory conditions, and/or social matters, we consider ESG issues that are unique to each site and those which are obvious today or may have greater impact in the future. For example, we consider proximity to health or environmental concerns such as pollution sources, sensitive ecologies, and exposure to extreme weather events. We take into account local market resilience, from both an economic and regulatory perspective. These considerations inform our investment process from the outset.

Our due diligence checklist includes a broad spectrum of ESG issues such as overall building performance and energy efficiency, viability of green certifications like LEED and ENERGY STAR, indoor environmental quality, occupant health and safety, toxic materials, environmental assessments, compliance with accessibility regulations, tenant satisfaction, walkability score and more depending on the specific property. For new development projects, other criteria may also be utilized such as an ecological impact assessment.

To better assess and respond to geographically specific ESG issues, Principal relies on local market expertise provided by our property management and development partners, and a regional asset manager and engineering organizational structure that allows for greater insight and focus on key local market conditions.

ESG issues are factored into our financial modeling and impact our determination of present and future asset value. For example, we consider energy expenses and operating costs among other ESG factors to determine our purchase price, but also incorporate a continuous improvement methodology to identify and capitalize on value-creation opportunities and risk reduction through improved property performance.

Finally, ESG issues, when applicable, are also incorporated into the Investment Committee underwriting process, as well as into the annual business plan for each individual asset. ESG information gained in the investment selection process is maintained and included in records and files for the asset throughout the ownership period. ESG information gathered in the investment process forms the baseline of key performance indicators, which are tracked and monitored over the life of the investment. We then actively work with our property management partners to continuously improve the environmental and financial performance of the asset.

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.

Environmental

Energy efficiency

Description [OPTIONAL]

Ecological impact, mitigation risk or needs and opportunities for property enhancement

Water efficiency

GHG emissions

Description [OPTIONAL]

Monitor and track greenhouse gas (GHG) emissions and take actions to continuously improve performance.

Social

Building safety and materials

Health, Safety and wellbeing

Description [OPTIONAL]

Engage property tenants, residents and guests to build partnerships and programs that meet the needs of our communities.

Other

Description [OPTIONAL]

Fair labor and quality craftsmanship through responsible contracting and standardized construction contracts and service agreements

Governance

Anti-bribery & corruption

Conflicts of interest

No

PR 04.4 Additional information. [Optional]

Principal Real Estate Investors has a robust process in place to assess the entity's governance risk during the property investment selection process. We conduct thorough and extensive due diligence and underwriting on all of our partners and vendors to ensure that they abide by the same high standards for ethics, governance, and financial practices that we demand from ourselves. This process typically involves financial checks, reference checks, and Office of Foreign Assets Control verification on all potential partners and vendors. All of our employees are trained to recognize corrupt practices. We maintain a whistleblower mechanism for employees and other stakeholders to report their concerns.

All employees subscribe to the Global Code of Business Conduct and Ethics upon being hired by the firm. While each and every employee is responsible for overall compliance, Principal maintains a robust in-house compliance department. Our code of ethics policy is in place to provide policies and procedures consistent with applicable laws and regulations and to prevent conflicts of interests or the appearance of such conflicts when officers, directors, supervised persons, employees and other persons of Principal Real Estate Investors own or engage in transactions involving securities held and/or traded in our client accounts. SunGard PTA on-line pre-clearance system monitors all personal trading and third party vendors perform annual SSAE 16 audits of controls of investment transactions.

In addition, we have a stringent expense management policy for property managers that forbids the use of property budgets for political contributions. Principal employees may also not make political contributions without approval.

In addition to governance factors, Principal Real Estate Investors uses a due diligence checklist to ensure that environmental and social factors are also considered during property investment decisions. This checklist includes factors such as a property's green building certifications (to assess energy and water efficiency); phase I and II environmental reports identifying ecological risks and mitigation procedures; and health and well-being testing including indoor air quality, water quality, radon, and other tests.

PR 05	Voluntary	Additional Assessed	PRI 1,3
-------	-----------	---------------------	---------

PR 05.1 Indicate what type of ESG information your organisation typically considers during your property investment selection process.

Private

PR 05.2 Provide a brief description of how this ESG information was incorporated into your investment selection process.

Private

PR 06	Mandatory	Core Assessed	PRI 1
-------	-----------	---------------	-------

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

PR 06.3 Additional information.

ESG issues have positively impacted property investment selection and deal structuring processes during the reporting year. For example, select assets considered for acquisition are evaluated on their ability to qualify for Freddie Mac's Multi-Family "Green Advantage" program, which can yield beneficial loan rates and alter prices offered. Additionally, some assets considered for acquisition undergo risk assessments that incorporate ESG factors to identify opportunities to improve asset value, such as the ability to create amenities that enhance tenant experiences, impacting the prices offered as well as the decision to purchase the asset.

PR 07	Mandatory	Core Assessed	PRI 4
-------	-----------	---------------	-------

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.

For all properties, Principal Real Estate Investors uses third-party property management firms. Property management firms are retained through a competitive selection process to provide management and leasing services. The factors we consider when selecting a property management and leasing company include but are not limited to the following:

- Asset type and property issues and challenges.
- Market or sub-market conditions and challenges.
- Firm qualifications, experience, past performance, and reputation.
- Ability to adhere to Principal Real Estate Investors ESG policies.
- Market share and potential conflicts of interest.
- Proposed key personnel including experience and expertise, industry certifications, capacity and current assignments.
- Market competitive fee structure.
- Ability to source additional opportunities such as acquisitions.

While service fees are certainly an important consideration, we generally make a selection based on the overall fit of a management company and its key employees with a particular assignment. Property managers are under 30-day cancellable contracts, which provide our firm with the ability to terminate firms quickly if there are performance issues.

Property managers are contractually required to contribute to ESG efforts through the Pillars of Responsible Property Investing initiative, including to but not limited to the following:

Environmental Measurement

- Targeted portfolio-wide environmental (GHG emissions, water, and waste) reduction target of 10 percent by 2020, and a recently revised energy reduction target of 20 percent by 2020, in addition to significant reductions already achieved.
- Benchmark energy and water consumption/costs and waste production/costs monthly in EPA's ENERGY STAR Portfolio Manager.
- Develop a sustainability plan as part of the annual budgeting process, implement sustainable building remodeling and operations practices.
- Create safe, healthy living and work environments through green cleaning and integrated landscape and pest management practices.
- Comply with our Utility Data Management policy, which requires property teams to ensure accurate and timely data on energy, water, waste and other key metrics.

Resource Management

- Achieve standard practices that enable cost savings through no- and low-cost measures, strategic capital improvements, and best-in-class building operations.
- Implement Energy Playbook and property assessment program to perform in-depth analyses to identify financially viable technologies and efficient operational techniques.
- Establish transportation and sustainable purchasing policies.

Stakeholder Engagement

- Utilize our newly updated green leasing language, which allows us to: pass through energy efficiency-related capital expenses to tenants, require disclosure of tenant utility consumption information for the purposes of whole building benchmarking, require tenants to purchase efficient equipment and fixtures during tenant improvement projects, and install submeters to track tenant space energy consumption.
- Leverage utility and regional incentives, rebates and technical resources.
- Increase performance certifications such as ENERGY STAR, LEED, and BOMA 360.
- Develop a tenant and community engagement plan.

We have standard policies and procedures in place for all property managers, including property managers who are affiliated with our joint venture partners. In addition, our comprehensive program to monitor and evaluate our property managers includes but is not limited to: ongoing thorough and extensive underwriting, property manager and joint venture partner watch list, day-to-day oversight of compliance with policies and procedures by a robust multi-disciplined internal staff; frequent visits to the properties and management companies by staff throughout the year; annual property management company scorecard evaluations including a specific sustainability component; annual operational and internal control compliance certification by management company; tenant surveys; formal audit program; and annual property inspections. In addition, property managers are required to submit energy, water and

waste data and complete a comprehensive protocol of responsible property investing measures, policies, and procedures as part of our Pillars of Responsible Property Investing initiative.

To monitor property manager progress and provide feedback, we have created a web-based Status Board, which tracks property performance and environmental consumption metrics. The Status Board is viewable by all property managers. While specific properties are not listed, management firms are shown so that firms can see how they are performing against their peers. Status board information is also included in our annual Property Manager Scorecard, which grades property teams on their data management, data accuracy, and responsiveness to ESG responsibilities. Adhering to our policies and procedures is an expectation of their standard performance and part of their management fee and contractual agreement. We do not provide additional reward or incentivize them monetarily for these achievements. Additionally, in 2016 we created the Energy Playbook program, which holds property managers accountable for creating energy targets and identifying energy efficiency projects to meet these targets. This program was expanded in 2017 to include more than 60 properties. We monitor participating property teams by requesting quarterly updates on the implementation of energy efficiency updates and reviewing property performance towards their energy goal using data from ENERGY STAR Portfolio Manager.

PR 08	Mandatory	Gateway	PRI 2
-------	-----------	---------	-------

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

✓ 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

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

Property managers are contractually required to contribute to ESG efforts through the Pillars of Responsible Property Investing initiative, including to but not limited to the following:

Environmental Measurement

- Targeted portfolio-wide environmental (GHG emissions, water, and waste) reduction target of 10 percent by 2020, and a recently revised energy reduction target of 20 percent by 2020, in addition to significant reductions already achieved.
- Benchmark energy and water consumption/costs and waste production/costs monthly in EPA's ENERGY STAR Portfolio Manager.
- Develop a sustainability plan as part of the annual budgeting process, implement sustainable building remodeling and operations practices.
- Create safe, healthy living and work environments through green cleaning and integrated landscape and pest management practices.
- As requested, participate in the Energy Playbook program to develop an energy target and identify and implement energy conservation projects to achieve the target.
- Comply with our Utility Data Management policy, which requires property teams to ensure accurate and timely data on energy, water, waste and other key metrics.

Resource Management

- Achieve standard practices that enable cost savings through no- and low-cost measures, strategic capital improvements, and best-in-class building operations.
- Implement Energy Playbook and property assessment program to perform in-depth analysis to identify financially viable technologies and efficient operational techniques.
- Establish transportation and sustainable purchasing policies.

Stakeholder Engagement

- Utilize our newly updated green leasing language, which allows us to: pass through energy efficiency-related capital expenses to tenants, require disclosure of tenant utility consumption information for the purposes of whole building benchmarking, require tenants to purchase efficient equipment and fixtures during tenant improvement projects, and install submeters to track tenant space energy consumption.
- Leverage utility and regional incentives, rebates and technical resources.
- Increase performance certifications such as ENERGY STAR, LEED, and BOMA 360.
- Develop a tenant and community engagement plan.

Additionally, Principal Real Estate Investors initiated/continued the following programs with select properties:

- We launched a pilot Energy Playbook program to assist property managers in setting energy performance targets and identifying efficiency projects to achieve their goals in 2016. This program was expanded in 2017 to include more than 60 properties. In total, these properties have identified more than 350 energy efficient projects contributing to an estimated \$2.2 million in annual avoided energy costs, with an average payback of 4.2 years.
- Targeted site visits and energy audits to identify no- and low-cost operational improvements.
- Advanced energy monitoring to provide better information and enable property teams to respond to energy demand and efficiency opportunities as well as energy procurement and curtailment strategies.
- Innovative group-purchasing, geographic, and technology campaigns to leverage economies of scale and in-house engineering expertise for accelerated performance results. For example, in 2016, Principal Real Estate Investors collaborated with two lighting vendors to upgrade common area lighting at ten properties in Florida, Georgia, and North Carolina. The program identified the opportunity to replace 2,086 lamps in parking lots, garages, and wall mounted fixtures with high-efficiency LED replacements. Once installations are complete, the campaign is expected to reduce annual operating costs by over \$160,000 and save over 1,515,000 kWh annually with a 3.6-year simple payback. To date, the properties have saved more than \$73,000 and 690,000 kWh since installation, which represents a 23% energy cost reduction and a 28% energy use reduction for the participating assets.
- We provide extensive guidance, instructional resources, templates, and tips to property managers to streamline their execution of ESG initiatives. We have created handbooks outlining property manager responsibilities and containing worksheets to summarize the PRPI requirements, "how-to" guidelines for using ENERGY STAR Portfolio Manager, "field guides" for common energy efficiency opportunities, and sustainable building and operations/maintenance protocols.

As part of our RPI philosophy, we believe that by conducting business equitably and ethically, we can strengthen local marketplaces, improve the health and productivity of occupants, and subsequently reinforce the financial performance of our properties.



To this end, we work with our property managers to integrate a number of protocols in the course of their business practices:

- Designing, constructing, and overseeing capital and tenant improvements with the health, safety, and welfare of tenants in mind.
- Ensuring consistent treatment of tenants and vendors through standardized building-management practices.
- Managing tenant comfort and satisfaction through indoor air-quality and water-infiltration risk-mitigation plans and operations and maintenance protocols.
- Promoting quality craftsmanship and fair labor practices through responsible contracting and standardized construction contracts and service agreements.
- Encouraging increased tenant engagement and community outreach.
- Promoting supplier diversity through vendor and purchasing initiatives.
- Fostering safe and healthy work environments through recycling, green cleaning, integrated pest management, and green landscaping practices.
- Ensuring compliance of federal, state, municipal or other governmental law, ordinance, rule or regulation through accessibility assessments and third-party reports.

No

**PR 09** **Mandatory** **Core Assessed** **PRI 2,3**

**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

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

Environmental

Target/KPI	Progress Achieved
<p>A portfolio-wide environmental (GHGs, water, and waste) reduction target of 10% by 2020, and a recently revised energy reduction target of 20% by 2020.</p> <p>100% adherence to the RPI guidelines implementation of green cleaning, integrated pest management, and green landscaping practices across office, retail and residential portfolios.</p> <p>Ecological impact, mitigation risks or needs, and opportunities for property enhancement</p>	<p>Achieved 16.4% reduction in energy use over baseline, avoiding 107K metric tons of GHG emissions. Water/waste baseline reporting established in 2016 is currently undergoing analysis.</p> <p>Principal Real Estate Investors annually requires property teams to certify compliance with ESG policies. At December 31, 2017, 100% of property teams certified compliance.</p> <p>As of December 31, 2017, 59 properties were ENERGY STAR certified, with an average ENERGY STAR score of 85.5, and 87 properties were LEED certified.</p>

Social

Target/KPI	Progress Achieved
<p>100% compliance with all federal, state, municipal or other governmental law, ordinance, rule or regulation through accessibility assessments and third-party reports.</p> <p>100% compliance with the creation and implementation of community engagement plans across our office, retail, and residential portfolios.</p> <p>Above-average tenant comfort and satisfaction survey scores to ensure healthy living and work environments through indoor air quality and water-infiltration risk-mitigation plans.</p>	<p>100% compliance was achieved.</p> <p>At December 31, 2017, 100% of property teams certified compliance.</p> <p>Surveys showed an average of 4 out of 5 possible points in "overall satisfaction" across all property types in 2017. Scores improved vs. 2016.</p>

Governance

Target/KPI	Progress Achieved
<p>100% adherence of employees to the Corporate Code of Business Conduct and Ethics, verified through our Compliance Certification Process.</p> <p>Engage independent third-party vendors to perform annual audits of investment processing controls and audits of financial statements for all Funds.</p> <p>Promote transparency through tracking, monitoring, and disclosing key financial and environmental data including annual progress under the PRI, GRESB, and EPA's ENERGY STAR platform.</p>	<p>100% of employees adhered to the Corporate Code of Business Conduct and Ethics.</p> <p>100% of Funds receive annual independent audit.</p> <p>Reported to both the PRI (received "A+" rating) and GRESB ("4-Star rating"). Continued tracking energy, water, and waste in EPA's ENERGY STAR platform.</p>

We do not set and/or monitor against targets

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

100% of Principal Real Estate Investors properties meet our target to comply with all federal, state, municipal and other governmental, laws, ordinances, rules, and regulations. For example, all properties meet disability access requirements in accordance with ADA code.

ESG issues are included in standard property management agreements, which are standard for all property management partners, including in cases when property managers are affiliated with joint venture partners. Property manager performance reviews take their ESG services and accomplishments into account. Adhering to our policies and procedures is an expectation of their standard performance and part of their management fee. We do not provide additional reward or incentivize them monetarily for these achievements.

To monitor each property manager's progress and provide feedback on how we measure progress, we have created a web-based status board, which tracks progress against several metrics. The status board is viewable by all property managers. While specific properties are not listed, management firms are shown

so that firms can see how they are performing against their peers. Status board information is also included in our annual Property Manager Scorecard, which grades property teams on their data management, data accuracy, and responsiveness to ESG responsibilities.

We employ the following tracking, monitoring, and benchmarking protocol to assess performance and identify trends and opportunities:

- Continually track and monitor energy, water, and waste performance data across all office, retail, and multifamily properties with the EPA's ENERGY STAR Portfolio Manager benchmarking tool.
- Annually participate in the Global Real Estate Sustainability Benchmark (GRESB), allowing for select fund benchmarking across critical environmental performance, governance, management, and policy
- Maintain an internal property performance Status Board to monitor and communicate performance metrics and deliverables with our property management partners.
- Annual certification by property management firms to ensure adherence to all policies and procedures including our Pillars of Responsible Investing Initiative.

PR 10	Voluntary	Descriptive	PRI 2
PR 10.1	Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks		
<i>Private</i>			
PR 10.3	Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.		
<i>Private</i>			
PR 10.4	Additional information.		
<i>Private</i>			

PR 11	Mandatory	Core Assessed	PRI 2
PR 11.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.		
<input checked="" type="checkbox"/> >90% of active developments and major renovations <input type="checkbox"/> 51-90% of active developments and major renovations <input type="checkbox"/> 10-50% of active developments and major renovations <input type="checkbox"/> <10% of active developments and major renovations <input type="checkbox"/> N/A, no developments and major renovations of property assets are active			
PR 11.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.		
<input checked="" type="checkbox"/> Environmental site selection requirements <input checked="" type="checkbox"/> Environmental site development requirements <input checked="" type="checkbox"/> Sustainable construction materials <input checked="" type="checkbox"/> Water efficiency requirements <input checked="" type="checkbox"/> Energy efficiency requirements <input checked="" type="checkbox"/> Energy generation from on-site renewable sources <input checked="" type="checkbox"/> Waste management plans at sites <input checked="" type="checkbox"/> Health and safety management systems at sites <input checked="" type="checkbox"/> Construction contractors comply with sustainability guidelines <input checked="" type="checkbox"/> Resilient building design and orientation <input type="checkbox"/> Other, specify			
PR 11.3	Additional information. [Optional]		
<p>In 2016, we formalized our sustainability approach as it relates to design and construction activities through the PRPI Guidelines for Real Estate Development. These guidelines encourage new development partners and stakeholders to pursue designs that achieve performance certifications and incorporate procedures that enable staff to track and monitor energy, water, and waste in Portfolio Manager, in addition to other requirements.</p> <p>In accordance with our Guidelines for Real Estate Development, nearly all new developments and major renovations are built to LEED standards and obtain certification. LEED provides a comprehensive framework to ensure a broad range of ESG issues are addressed. We also work with property managers to ensure that design, construction, and overseeing capital and tenant improvements is consistently accomplished with the health, safety, and welfare of tenants in mind.</p> <p>The primary drivers behind our ESG approach in new developments and existing buildings include:</p> <ul style="list-style-type: none"> <li>• Reduce costs and enhance asset value.</li> <li>• Meet client and investor objectives.</li> <li>• Fulfill commitments of the United Nations Principles of Responsible Investment.</li> <li>• Align operations with community, tenant, and stakeholder expectations.</li> <li>• Fulfill regulatory requirements.</li> <li>• Gain competitive advantage.</li> </ul> <p>We utilize standard AIA contracts with all contractors to ensure contractor compliance and require ongoing status reports. We promote quality craftsmanship and fair-labor practices through responsible contracting and standardized construction contracts and service agreements. Our "Indoor Air Quality Guidelines and Building Maintenance and Operations Protocol," includes steps to maintain air quality during construction. Contractors are required to follow the guidelines and property managers are responsible for verifying their compliance.</p>			

PR 12	Mandatory	Core Assessed	PRI 2
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

**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]

Promoting sustainability to our tenants is part of our Pillars of Responsible Property Investing program for our property managers. They are directed to develop an education, communication and engagement plan for the tenants. We expect property managers to encourage tenants to implement sustainable building practices within their business operations, provide tenants with information and tools on benchmarking, and actively promote and enforce sustainable building practices and initiatives. To increase engagement and enforcement, we also strive to incorporate green lease clauses into our standard lease form as well as incorporate sustainability standards into the building rules and regulations and the tenant improvement guidelines.

Tenant engagement programs are specific to each building and vary by market. Property managers are asked to include tenant and community engagement in their sustainability plans.

In 2016, we created the PRPI Handbook and Addendum, a comprehensive set of resources that includes property manager responsibilities as they relate to tenant engagement in addition to other responsible property investing policies and guidance materials. Components of the Handbook and Addendum include: Broker education materials, a Tenant/Resident Guide to Saving Energy and Water, Vendor education sheets, and community outreach recommendations to better inform and organize participation by stakeholders on environmental, social, and governance issues related to the property.

<b>PR 13</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
--------------	------------------	----------------------------	--------------

**PR 13.1** Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues.

- >90% of leases or MoUs
- 50-90% of leases or MoUs
- 10-50% of leases or MoUs
- <10% of leases or MoUs
- 0% of leases or MoUs
- N/A, no leases or MoUs were signed during the reporting year

**PR 13.2** Additional information.

In 2017, we completed and incorporated revisions to our standard Green Leasing Language. This new language allows us to: pass through energy efficiency-related capital expenses to tenants, require disclosure of tenant utility consumption information for the purposes of whole building benchmarking in Portfolio Manager, require tenants to purchase ENERGY STAR and/or WaterSense certified equipment and fixtures during tenant improvements, and install submeters to track tenant space energy consumption. As a result of these efforts, we earned the 2017 Green Lease Leaders Award from the Institute of Market Transformation and the U.S. Department of Energy. This leasing language is currently being rolled out across our portfolios.

Principal Real Estate Investors encourages the use of green lease language for its transactions and is developing further guidance for property managers, brokers, and staff. We have also adjusted our standard lease language and direction to property managers to ensure that we and our building occupants remain in compliance with local energy disclosure mandates as they become increasingly prevalent. We recognize that utility costs are part of the total cost of occupancy for tenants and encourage leasing brokers and property managers to recognize this and factor into any lease negotiations.

Lease language is modified to fit specific situations, property types and market conditions. More comprehensive language may be used especially if the building is LEED certified or intends to become LEED certified. The building rules and regulations are also modified to address building standards and building operations and practices.

All leases are required to include the following minimal information:

Energy and Environmental Initiatives. Tenant shall fully cooperate with Landlord in any programs in which Landlord may elect to participate relating to the Building's (i) energy efficiency, management and conservation; (ii) water conservation and management; (iii) environmental standards and efficiency; (iv) recycling and reduction programs; and/or (v) safety, which participation may include, without limitation, the Leadership in Energy and Environmental Design (LEED) program and related Green Building Rating System promoted by the U.S. Green Building Council. All carbon tax credits and similar credits, offsets and deductions are the sole and exclusive property of Landlord.

<b>PR 14</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
--------------	------------------	----------------------------	--------------

**PR 14.1** Indicate what proportion of property assets your organisation, and/or your property managers, engaged with the community on ESG issues during the reporting year.

Private

**PR 14.2** Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement.

Private

**PR 14.3** Additional information.

Private

PR 15	Voluntary	Additional Assessed	PRI 1,2
PR 15.1	Indicate whether your organisation measures how your approach to responsible investment in property investments has affected financial and/or ESG performance.		
<i>Private</i>			
PR 15.3	Describe how you are able to determine these outcomes.		
<i>Private</i>			
PR 16	Voluntary	Descriptive	PRI 1,3
PR 16.1	Provide examples of ESG issues that affected your property investments during the reporting year.		
<i>Private</i>			
PR 16.2	Additional information. [Optional]		
<i>Private</i>			

CM1 01.1	Mandatory	Core Assessed	General												
CM1 01.1	Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:														
<input type="checkbox"/> Third party assurance over selected responses from this year's PRI Transparency Report <input type="checkbox"/> Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year <input type="checkbox"/> Third party assurance or audit of the implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <ul style="list-style-type: none"> <li><input type="radio"/> Whole PRI Transparency Report has been internally verified</li> <li><input checked="" type="radio"/> Selected data has been internally verified</li> </ul> <input checked="" type="checkbox"/> Other, specify OO section reviewed to ensure it met Compliance standards, Business Units verified respective asset class submissions for accuracy, Compliance reviewed LEA, Consultant reviewed PR section.															
CM1 01.2 & 01.8	Mandatory	Descriptive	Planned assurance of this year's PRI Transparency Report												
CM1 01.2	Do you plan to conduct third party assurance of this year's PRI Transparency report?														
<input type="radio"/> Whole PRI Transparency Report will be assured <input type="radio"/> Selected data will be assured <input checked="" type="checkbox"/> We do not plan to assure this year's PRI Transparency report															
CM1 01.3 & 01.9	Mandatory	Descriptive	General												
CM1 01.3	We undertook third party assurance on last year's PRI Transparency Report														
<input type="radio"/> Whole PRI Transparency Report was assured last year <input type="radio"/> Selected data was assured in last year's PRI Transparency Report <input checked="" type="checkbox"/> 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	Descriptive	General												
CM1 01.4	We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:														
<input type="checkbox"/> We adhere to an RI certification or labelling scheme <input type="checkbox"/> 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 <input type="checkbox"/> ESG audit of holdings <input checked="" type="checkbox"/> Other, specify Third-party real estate consultants verify the PR portion of the PRI survey submission. In the future, we look to verify our CSR.															
CM1 01.7	Mandatory	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														
<input checked="" type="checkbox"/> CEO or other Chief-Level staff															
<table border="1"> <tr> <td colspan="2">Sign-off or review of responses</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Sign-off</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Review of responses</td> </tr> </table>				Sign-off or review of responses		<input type="checkbox"/>	Sign-off	<input checked="" type="checkbox"/>	Review of responses						
Sign-off or review of responses															
<input type="checkbox"/>	Sign-off														
<input checked="" type="checkbox"/>	Review of responses														
<table border="1"> <tr> <td colspan="2">What data has been verified</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Policies</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Overarching strategy and processes</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Asset class specific processes</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Quantitative data related to RI processes</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> </tr> </table>				What data has been verified		<input checked="" type="checkbox"/>	Policies	<input checked="" type="checkbox"/>	Overarching strategy and processes	<input type="checkbox"/>	Asset class specific processes	<input type="checkbox"/>	Quantitative data related to RI processes	<input type="checkbox"/>	Other
What data has been verified															
<input checked="" type="checkbox"/>	Policies														
<input checked="" type="checkbox"/>	Overarching strategy and processes														
<input type="checkbox"/>	Asset class specific processes														
<input type="checkbox"/>	Quantitative data related to RI processes														
<input type="checkbox"/>	Other														
<table border="1"> <tr> <td colspan="2">Relevant modules</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Organisational Overview</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Strategy and Governance</td> </tr> </table>				Relevant modules		<input type="checkbox"/>	Organisational Overview	<input checked="" type="checkbox"/>	Strategy and Governance						
Relevant modules															
<input type="checkbox"/>	Organisational Overview														
<input checked="" type="checkbox"/>	Strategy and Governance														

	Corresponding Indicator number
	All
<input type="checkbox"/>	Direct - Listed Equity Incorporation
<input type="checkbox"/>	Direct - Listed Equity Active Ownership
<input type="checkbox"/>	Direct - Fixed Income
<input checked="" type="checkbox"/>	Direct - Property
	Corresponding Indicator number
	All
<input type="checkbox"/>	The Board
<input type="checkbox"/>	Investment Committee
<input checked="" type="checkbox"/>	Compliance Function
	What data has been verified
<input checked="" type="checkbox"/>	Policies
<input checked="" type="checkbox"/>	Overarching strategy and processes
<input checked="" type="checkbox"/>	Asset class specific processes
<input type="checkbox"/>	Quantitative data related to RI processes
<input type="checkbox"/>	Other
	Relevant modules
<input type="checkbox"/>	Organisational Overview
<input type="checkbox"/>	Strategy and Governance
<input type="checkbox"/>	Direct - Listed Equity Incorporation
<input checked="" type="checkbox"/>	Direct - Listed Equity Active Ownership
	Corresponding Indicator number
	LEA 15.1 to LEA 24.1
<input type="checkbox"/>	Direct - Fixed Income
<input type="checkbox"/>	Direct - Property
<input checked="" type="checkbox"/>	RI/ESG Team
	What data has been verified
<input checked="" type="checkbox"/>	Policies
<input checked="" type="checkbox"/>	Overarching strategy and processes
<input checked="" type="checkbox"/>	Asset class specific processes
<input type="checkbox"/>	Quantitative data related to RI processes
<input checked="" type="checkbox"/>	Other
	Specify
	Data related to GHG emissions of Real Estate portfolio
	Relevant modules
<input checked="" type="checkbox"/>	Organisational Overview
	Corresponding Indicator number
	All
<input checked="" type="checkbox"/>	Strategy and Governance
	Corresponding Indicator number
	All
<input checked="" type="checkbox"/>	Direct - Listed Equity Incorporation
	Corresponding Indicator number
	All
<input checked="" type="checkbox"/>	Direct - Listed Equity Active Ownership
	Corresponding Indicator number
	All
<input checked="" type="checkbox"/>	Direct - Fixed Income
	Corresponding Indicator number
	All

Direct - Property

Corresponding Indicator number

All

Investment Teams

What data has been verified

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

Specify

All answers for their respective asset class

Relevant modules

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

Corresponding Indicator number

All indicators

Direct - Listed Equity Active Ownership

Corresponding Indicator number

All indicators

Direct - Fixed Income

Corresponding Indicator number

All indicators

Direct - Property

Legal Department

Other (specify)