

INFORMACIÓN PARA JURADO DE ALAS20

Categoría Inversiones Responsables

PRINCIPAL AGF

La divulgación pública de información sobre la activa utilización de criterios de inversión responsable es una de las principales áreas de ALAS20 para los inversionistas institucionales.

La importancia de esta categoría radica en que permite conocer los criterios medioambientales, sociales y de gobierno corporativo (ESG, por sus siglas en inglés), que son considerados por los inversionistas institucionales, ya sea en la toma de decisiones o en sus recomendaciones de inversión.

Esta categoría evalúa cómo los inversionistas institucionales ponen públicamente a disposición de sus grupos de interés los antecedentes sobre los criterios de sustentabilidad que utilizan para evaluar sus inversiones, por ejemplo, en las empresas que son sujeto de éstas.

Estos principios consideran los siguientes aspectos:

Análisis de inversión y toma de decisiones

La institución debe divulgar públicamente información sobre la incorporación de los ámbitos medioambientales, sociales y de gobierno corporativo en su análisis de inversión y en la toma de decisiones.

Políticas y prácticas de la institución

La institución debe divulgar públicamente información sobre la incorporación de los ámbitos medioambientales, sociales y de gobierno corporativo en sus políticas y prácticas.

Información de las entidades en las que invierte

La institución debe divulgar públicamente información sobre cómo solicita antecedentes de los ámbitos medioambientales, sociales y de gobierno corporativo a las entidades en las que invierte.

Promoción de la inversión responsable

La institución debe divulgar públicamente información sobre cómo promueve la aceptación e implementación de la inversión responsable en la industria.

Mejora de la eficacia de las inversiones responsables

La institución debe divulgar públicamente información sobre cómo promueve el trabajo conjunto con otros inversionistas, para mejorar la eficacia en la implementación de las inversiones responsables.

Reporte de las inversiones responsables

La institución debe divulgar públicamente información sobre el reporte de las actividades y los progresos respecto a la implementación de las inversiones responsables.

Categoría Investigación en Sustentabilidad
PREGUNTAS Y RESPUESTAS DE:
PRINCIPAL AGF

Can you please provide us with the company's commitment to integrating ESG standards in its investment policies? (investment policy, commitment towards the UN PRI Principles, etc).

Although we do not have a formal commitment with UN PRI Principles most of them are present in our day to day practice. We truly believe those principles will become key guidelines for good practices in the financial markets. This year the company has remarked the importance of sustainability issues to accomplish our mission which is “help our clients to reach safety and financial success” by defining a Sustainability Strategy, which comprises 4 pillars, one of them is Responsible Investments, and 5 stakeholders (see attachments for further details). The Corporate Social Responsibility Area oversees the implementation of this strategy.

To develop the Responsible Investment Pillar, we defined a 2-year plan (see attachments) with bimonthly meetings where participate the investment team, the Corporate Social Responsibility Area and the top management to discuss and check the advances of the plan. Also, we hired GECO, a consulting company specialized in sustainability issues, to study the best practices in responsible investment during 2018 and to help us to implement them gradually in our investment process in 2019.

On the other side, we understand given our mission, that Principal has a role to play in the development of the pension system in the markets we participate.

Principal has been an active player in the development of the pension market in Chile. Working closely with the regulators, it has impulsed the development of voluntary group pension plans for low and middle-income workers (APVC) and today, it is actively involved in the discussion of the pension markets reform because our mission is provide deserving pension for our client's retirement and Chilean population in general.

We have a unique social responsibility program in Chile. As a world leader in pension plans, Principal Financial Group wants to take the same commitment in Chile than in other countries: being a partner and ally of the Chileans to teach them how to manage their financial decisions and have better pensions. Alongside this, we also begin a process of financial education and welfare will, in stages, to reach all our stakeholders, beginning with this corporation, continue with employees, Principal partners, customers, community and suppliers, among others. We have a corporate Social responsibility strategy, that faces 2 targets:

Employees from our company and their families:

OBJECTIVE:

- 1) Educate employees about pensions and gave them all info they need to know about the business.
- 2) Clarify some myths of the pension system
- 3) To share the work done by PFG in terms of pensions and saving.
- 4) Format: with a character call "Mateo Kapo Seco".

Employers:

- The Principal Best Companies for Employee Financial Security is a national program that will recognize companies that excel at giving their employees a financial edge.
- Why? Principal understands that financial security is a critical element in employers' success in recruiting, retaining and motivating their employees, and to incentive companies to play a role in improving financial education in Chile.
- The way to do that is:
 - Give recognition to companies who care about the financial health of their employees
 - Introducing specific issues -like pension education- on the agenda of the human resources areas and make it relevant.
 - Chile launch: October 2015
 - It was developed by the Principal Financial Group in USA 14 years ago.

Community:

Different actions to different targets. Currently on air www.enquedidiomatelodigo.cl

Objective: we want people aged 22-35 to receive key information regarding savings through Social Networks and in this way generate awareness about the importance of doing so.

Also, we have 8 permanent initiatives endorsed by the company but developed by the Principal employees that cover a broad range of social needs. For instance, a group of people help to build infrastructure in poor schools and preschools (Colegio Poeta Eugenio Lillo and Jardín Infantil Guacolda of Valparaíso), others develop workshops to help teenagers in social risk strengthen values and study practices (Programa de Mentorías) and teach women in jail business principles to improve their reinsertion opportunities.

In our investment policies we cover mainly company's governance practices in a systematic way. We have an investment risk team which main goal is to provide a financial risk assessment of our debt issuers and leasing counterpart. In its analysis they study its management performance, reputation and governance practices as an input for the credit ranking given. As a practical example, in the real estate financing business we require from clients full compliance of environmental regulation. Any breach of that regulation, would stop the deal.



On the other hand, we use and offer PGI investment vehicles, which are built strictly following PRI practices and principles.

Our investment team is partially trained in USA by PGI. Every year members of the team travel to the headquarters in Des Moines to assist to the yearly summit, where are presented and discussed the better investment practices and methodologies that PGI uses, that includes at some extend, the ESG factors.

Who is responsible for the oversight or implementation of this policy? Please specify.

The responsibility to search ways to improve and develop the pensions is led by the Principal Country Manager and the Board. Our social responsibility program is oversight by the Corporate Social Responsibility area, develop specially to leader and concrete the strategy, and all the activities under this area.

What is the share of funds under management to which such means are allocated?

100%. Due to all the investment team has been partially trained in USA

Please provide quantitative data on funds that integrate ESG factors, over the past 3 years, and data on any specific funds dedicated to financing social and/or environmental projects.

In our investment processes we do not integrate any specific target on any ESG factor. However, we always consider the assessment of the governance of the company as an input at the moment to decide the investment. This is particularly true with local assets (stocks, bonds, leasings, mortgage loans etc) where we have information to analyse the performance of the company in this specific regard