



LEA 02	Discretionary	Gateway
<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to transition or <input checked="" type="checkbox"/> To engage internal ESG advocates <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To enhance corporate transition or identify the need to transition or <input type="checkbox"/> Other: specify 	<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to transition or <input checked="" type="checkbox"/> To engage internal ESG advocates <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decisionmaking in & company's material ESG issues <input type="checkbox"/> To enhance corporate transition or identify the need to transition or <input type="checkbox"/> Other: specify

RI TRANSPARENCY REPORT

2020

DDJ Capital Management, LLC

About this report

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

This report is an export of the individual Signatory organisation's response to the PRI during the reporting period specified above. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information.

PRI disclaimer

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

Usage restrictions

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OO 01.1 Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

OO 02.1 Select the location of your organisation's headquarters.

United States

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

1
 2-5
 6-10
 >10

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

54

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

Yes
 No

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

31/12/2019

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

Total AUM

7,861,523,419 USD

7861523419 USD

OO 04.4 Indicate the assets which are subject to an execution and/or advisory approach. Provide this figure based on the end of your reporting year

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

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

	Internally managed (%)	Externally managed (%)
Listed equity	0	0

Fixed income	100	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	0	0
Other (1), specify	0	0
Other (2), specify	0	0

OO 06	Mandatory	Descriptive	General
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OO 06.1	Select how you would like to disclose your asset class mix.
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- as percentage breakdown
- as broad ranges

OO 06.3	Indicate whether your organisation has any off-balance sheet assets [Optional].
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- Yes
- No

OO 06.5	Indicate whether your organisation uses fiduciary managers.
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- 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 07	Mandatory to Report, Voluntary to Disclose	Gateway	General
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Private

OO 09	Mandatory	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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100	Developed Markets
0	Emerging Markets
0	Frontier Markets
0	Other Markets

OO 09.2	Additional information. [Optional]
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Not Applicable

OO 10	Mandatory	Gateway	General
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OO 10.1	Select the active ownership activities your organisation implemented in the reporting year.
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- | | |
|--|---|
| | Fixed income Corporate (non-financial) – engagement |
|--|---|
- We engage with companies on ESG factors via our staff, collaborations or service providers.
 - We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

OO 11	Mandatory	Gateway	General
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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).
	Fixed income - corporate (non-financial)
	<input checked="" type="checkbox"/> We address ESG incorporation. <input type="checkbox"/> We do not do ESG incorporation.

OO 12	Mandatory	Gateway	General
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OO 12.1	Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.
	Core modules
	<input checked="" type="checkbox"/> Organisational Overview <input checked="" type="checkbox"/> Strategy and Governance
	RI implementation directly or via service providers
	Direct - Fixed Income
	<input checked="" type="checkbox"/> Fixed income - Corporate (non-financial)
	Closing module
	<input checked="" type="checkbox"/> Closing module

OO 12.2	Additional information. [Optional]
	Not Applicable

OO FI 01	Mandatory to Report, Voluntary to Disclose	Gateway	General
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OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies	
Corporate (non-financial)	Passive	0
	Active - quantitative (quant)	0
	Active - fundamental and active - other	100

OO FI 01.2	Additional information. [Optional]
	Not Applicable

OO FI 03	Mandatory	Descriptive	General
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OO FI 03.2	Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.								
	<table border="1"> <thead> <tr> <th>Type</th> <th>Investment grade (+/- 5%)</th> <th>High-yield (+/- 5%)</th> <th>Total internally managed</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed				
Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed						

OO FI 03.3	Additional information. [Optional]
	Not Applicable

OO Checks		Checks
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If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

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 type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Other, specify (1) Proxy Voting Policy <input checked="" type="checkbox"/> Other, specify(2) Engagement Policy	<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
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4 Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

DDJ's research process is designed to generate investment ideas with compelling risk/return profiles across an entire client portfolio. DDJ attempts to identify companies that have a solid core business with sufficient enterprise value coverage and generate sufficient free cash flow to service their fixed income debt obligations. DDJ's investment approach creates a comprehensive analytical overview of a target company focused on its current and future business prospects.

DDJ integrates into its investment research process various ESG considerations, such as a company's transparency in corporate governance, existence of an independent and experienced board of directors, a commitment to environmental protection and a track record of product safety. DDJ endeavors to identify material ESG factors that may contribute to financial downside (in particular, significant event risks that can affect an issuer's creditworthiness), as well as positive ESG factors or improving ESG trends that can create long-term value and assess whether or not market pricing adequately reflects such factors with respect to any proposed investment. If DDJ believes that an identified ESG-related factor will have a material impact on the business that may disproportionately change the risk/reward profile of such investment, DDJ will factor that assessment into its investment decision-making process

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]

DDJ believes that its clients have selected DDJ to manage their assets primarily to seek to maximize total return while minimizing risk, in each case in accordance with the desired investment strategy and any customized individual guidelines. In pursuing this objective, DDJ believes that it has a responsibility to take into account non-financial factors when allocating client assets to various investment opportunities. Accordingly, this Responsible Investment Policy outlines DDJ's integration approach with respect to assessing environmental, social and governance ("ESG") factors as an integral feature of DDJ's underlying investment philosophy and process.

To further enhance the quality of its ESG-related research, DDJ licenses ESG data from a leading third-party provider of such data for many of the companies within DDJ client portfolios as well as its investable universe more broadly. Such information includes both industry-wide and company specific research reports. In addition, the vendor provides ESG ratings for a broad list of corporate credit issuers, including many portfolio holdings of DDJ's clients. DDJ's research team can access such ESG ratings within DDJ's trade order and portfolio management system. Although DDJ does not use these ratings to strictly include or exclude an investment from client accounts, DDJ does instruct its analysts to incorporate such information in their fundamental research process in an effort to better understand the topical ESG-related risks as well as the relative value among existing and prospective investment opportunities.

DDJ, which pursues fixed income investment strategies on behalf of its clients, believes that issuer engagement as a debt holder tends to be more indirect when compared to that of an equity owner. In the high yield market, DDJ would like to see more robust ESG disclosures and increased transparency by issuers; to further this objective, DDJ seeks to influence terms in new issue bond indentures when possible (e.g., increased reporting obligations by issuers). DDJ also identifies inconsistencies between its third party ESG vendor research on certain companies and DDJ's evaluation of those companies. In such cases, DDJ initiated discussions with both the respective issuer and with its third party ESG vendor in an effort to improve the quality of the ESG research produced.

DDJ's active approach to fixed income investing oftentimes includes frequent interaction with company management, as DDJ seeks to keep an open line of communication with respect to actions that could negatively impact the investment made by DDJ on behalf of its clients. In the event that DDJ does not believe that it can advocate for practical change to mitigate a material ESG risk factor, divestment from a client portfolio may be warranted. In addition, DDJ implements exclusionary screens at the request of certain of DDJ's clients and works with new clients to tailor products that meet their internal requirements (e.g., investment restrictions on issuers associated with the production of Cluster Munitions, Tobacco, etc).

No

SG 01 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

SG 02	Mandatory	Core Assessed	PRI 6
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SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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Policy setting out your overall approach

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment (will be made public)

Asset class-specific RI guidelines

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment (will be made public)

Screening / exclusions policy

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment (will be made public)

Other, specify (1)

Other, specify (2)

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

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment

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

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment

ESG incorporation approaches

URL/Attachment
<input checked="" type="checkbox"/> URL https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment

Active ownership approaches

URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment	
<input checked="" type="checkbox"/> Reporting	
URL/Attachment	
<input checked="" type="checkbox"/> URL	https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf
<input type="checkbox"/> Attachment	
<input type="checkbox"/> We do not publicly disclose any investment policy components	
SG 02.3	Additional information [Optional].
Not Applicable	

SG 03	Mandatory	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
<input checked="" type="radio"/> Yes	
SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
<p>DDJ generally considers a conflict of interest to arise when there exists a set of circumstances that creates a risk that professional judgment or actions regarding a primary interest (e.g., client interest) will be unduly influenced by a secondary interest (e.g., DDJ or personal interest). Such potential conflicts of interest include valuing illiquid or otherwise hard-to-price assets; regulating personal trading by DDJ employees; achieving best execution of trades; and allocating of investment opportunities amongst client accounts. DDJ believes that the compliance policies and procedures within its compliance manual are designed to address these potential conflicts of interests that may arise in the ordinary course of DDJ's investment management activities. The effectiveness of such policies and procedures is also reviewed periodically by DDJ's compliance personnel in connection with the firm's annual compliance review conducted pursuant to rules promulgated by the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Although numerous DDJ personnel share responsibility for managing these potential conflicts of interest, the firm's chief compliance officer is responsible for overseeing the compliance policies and procedures contained within the compliance manual.</p>	
<input type="radio"/> No	
SG 03.3	Additional information. [Optional]
Not Applicable	

SG 04	Voluntary	Descriptive	General
Private			

SG 05	Mandatory	Gateway/Core Assessed	General
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SG 05.1	Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.
<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 basis	
<input type="radio"/> It is not set/reviewed	
SG 05.2	Additional information. [Optional]
DDJ reviews its responsible investment policy on an annual basis and may review it more frequently than annually if necessary.	

SG 06	Voluntary	Descriptive	General
Private			

SG 07	Mandatory	Core Assessed	General
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SG 07.1	Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.
Roles	
<input type="checkbox"/> Board members or trustees	
<input checked="" type="checkbox"/> Internal Roles (triggers other options)	
Select from the below internal roles	
<input checked="" type="checkbox"/> Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee	
<input checked="" type="checkbox"/> Oversight/accountability for responsible investment	

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

Other description (1)

Senior Compliance Analyst

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)

Other description (2)

Portfolio Specialist

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment

External managers or service providers

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

DDJ's management operating committee, which is responsible for overseeing the firm's operations, has tasked the DDJ investment review committee, with input from cross-functional groups, as the internal body responsible for monitoring and reviewing ESG processes, ESG exposures and the scoring of portfolio investments. Such committee comprises five senior members of DDJ's investment team, including each of its portfolio managers, and provides a structured forum to discuss existing holdings, industry news, trends, new investment ideas, and portfolio level risk exposures.

On a quarterly basis, the investment review committee evaluates ESG factors in connection with the top-down risk reports that are produced by the DDJ performance team. Such review covers broad ESG topics, such as ESG coverage and ratings trends, or specific topics, such as carbon intensity.

Finally, DDJ has established an internal ESG working group, which is a cross-functional group tasked with formulating ESG policies, procedures and goals, and working with the third party ESG research provider, and monitoring the quality of data and analysis of the data provided by such third party ESG vendor.

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

0

SG 07.4 Additional information. [Optional]

Not Applicable

SG 07 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
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Private

SG 08	Voluntary	Additional Assessed	General
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Private

SG 09	Mandatory	Core Assessed	PRI 4,5
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SG 09.1 Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

- Principles for Responsible Investment

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]

Not Applicable

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AVCA: Sustainability Committee
- France Invest – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Climate Action 100+
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- HKVCA: ESG Committee
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action in the 21st Century
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

UNPRI Credit Rating Initiative, UNPRI Academy's Foundations in Responsible Investing, TCFD

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

Moderate

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

During the fourth quarter of 2019, a portfolio manager for DDJ's upper tier U.S. high yield strategy together with each of DDJ's research analysts completed UNPRI Academy's "Foundations in Responsible Investing" course online. The Foundations in Responsible Investment course, which is recognized as the international "gold standard for ESG training", features content provided by global ESG experts and provides a comprehensive and structured learning pathway to ESG integration featuring real life and hypothetical case studies, financial modeling, best practice approaches to investment and risk management, and strategies for the practical application of key ESG concepts.

In September 2019, DDJ signed on as a public supporter of the Task Force on Climate-Related Financial Disclosures ("TCFD"). TCFD's mission is to develop voluntary, consistent climate related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders.

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

SG 10

Mandatory

Core Assessed

PRI 4

SG 10.1

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

Yes

SG 10.2

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

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

Description

During the fourth quarter of 2019, a portfolio manager for DDJ's upper tier U.S. high yield strategy together with each of DDJ's research analysts completed UNPRI Academy's "Foundations in Responsible Investing" course online. The Foundations in Responsible Investment course, which is recognized as the international "gold standard for ESG training", features content provided by global ESG experts and provides a comprehensive and structured learning pathway to ESG integration featuring real life and hypothetical case studies, financial modeling, best practice approaches to investment and risk management, and strategies for the practical application of key ESG concepts. In addition, in April 2019, DDJ produced a white paper titled "ESG High Yield: Beginning of a Journey", which describes DDJ's ESG philosophy and process, amongst other ESG-related topics, and is available here: <https://www.ddjcap.com/wp-content/uploads/DDJ-Thought-Piece-ESG-in-High-Yield-Beginning-of-a-Journey-April-2019.pdf> In addition, DDJ completed multiple client or consultant ESG DDQ's during 2019. The information provided in these DDQ's helped to educate the recipients on multiple aspects of DDJ's ESG effort including DDJ's integration approach, detailed engagement activities, and ongoing improvements to internal technological infrastructure to support broader ESG data availability, analysis, and reporting capabilities.

Frequency of contribution

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

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

Description

MBA Women in Investing Conference

Frequency of contribution

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

- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
- Wrote and published articles on responsible investment in the media
- A member of PRI advisory committees/ working groups, specify

Description

DDJ is a member of the UNPRI ESG in Credit Ratings Statement, thereby committing to incorporate ESG into credit ratings and analysis in a systematic and transparent manner.

Frequency of contribution

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

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

specify description

Sponsoring the MBA Women in Investing Conference and the Women in Business undergraduate program in 2019

Description

Not Applicable

	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		
	<input type="radio"/> 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]		
	<p>DDJ began the process of creating a "paper ESG portfolio", which will be managed by DDJ as a portfolio with specific ESG-related objectives. DDJ is still in the early stages of developing this paper ESG portfolio; however, DDJ would be happy to communicate ongoing progress on such effort with MN.</p> <p>DDJ began developing data enhancements, including the addition of ESG into DDJ's order management system, Everest. Such enhancements will include the addition of over 50 ESG data fields into Everest and will allow portfolio managers to see the "real time" impact of a potential trade on numerous portfolio-level ESG characteristics, such as carbon footprint, water stress, and labor management score. DDJ believes that these upgrades are critical for DDJ to continue improving its ESG efforts</p> <p>DDJ sponsored the MBA Women in Investing Conference in November 2019, which is a conference designed to educate MBA women about career opportunities within the investment management field. Several DDJ investment professionals participated in the event, which DDJ believes promotes equality and diversity in a field that is still largely dominated by men. In addition, at this conference, DDJ's Chief Investment Officer spoke publicly about responsible investing, as well as how DDJ both examines ESG risk factors in the context of fundamental analysis of investments and generates new investment ideas.</p> <p>In addition, in April 2019, DDJ produced a white paper titled "ESG High Yield: Beginning of a Journey", which describes DDJ's ESG philosophy and process, amongst other ESG-related topics, and is available here: https://www.ddjcap.com/wp-content/uploads/DDJ-Thought-Piece-ESG-in-High-Yield-Beginning-of-a-Journey-April-2019.pdf</p>		
SG 11	Voluntary	Additional Assessed	PRI 4,5,6
	Private		
SG 12	Mandatory	Core Assessed	PRI 4
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 12.7	Additional information [Optional].		
	Not Applicable		
SG 13	Mandatory	Descriptive	PRI 1
SG 13.1	Indicate whether the organisation carries out scenario analysis and/or modelling, and if it does, provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).		
	<input type="checkbox"/> Yes, in order to assess future ESG factors <input type="checkbox"/> Yes, in order to assess future climate-related risks and opportunities <input checked="" type="checkbox"/> No, our organisation does not currently carry out scenario analysis and/or modelling		
SG 13.3	Additional information. [OPTIONAL]		
	Not Applicable		
SG 14	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1
	Private		
SG 14 CC	Voluntary		General
	Private		
SG 15	Mandatory to Report, Voluntary to Disclose	Descriptive	PRI 1
	Private		
SG 18	Voluntary	Descriptive	General
	Private		
SG 19	Mandatory	Core Assessed	PRI 2, 6
SG 19.1	Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.		
	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	
Disclosure to public and URL	
Disclosure to public and URL	
<input type="radio"/> Broad approach to RI incorporation <input checked="" type="radio"/> Detailed explanation of RI incorporation strategy used	
Annually	
https://www.ddjcap.com/wp-content/uploads/Responsible-Investment-Policy-April-2019.pdf	

SG 19.2	Additional information [Optional]
Not Applicable	

SG Checks		Checks
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If there are any messages below, please review them before continuing. If there are no messages below, please save this page and continue.

FI 01	Mandatory	Gateway	PRI 1
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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.

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

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

DDJ employs the integration approach, whereby ESG considerations and risk factors are incorporated into DDJ's fundamental, bottom-up investment process. DDJ endeavors to identify material ESG factors that may contribute to financial downside (in particular, significant event risks that can affect an issuer's creditworthiness), as well as positive ESG factors or improving ESG trends that can create long-term value and assess whether or not market pricing adequately reflects such factors with respect to any proposed investment. If DDJ believes that an identified ESG-related factor will have a material impact on the business that may disproportionately change the risk/reward profile of such investment, DDJ will factor that assessment into its investment decision-making process.

DDJ believes that integrating ESG factors into its investment process in this manner allows for deeper insight into critical risk factors, including exogenous factors not typically exposed in a traditional business analysis model, ultimately resulting in sounder investment decisions on behalf of its clients. Upon request for selected client mandates, DDJ also employs exclusionary screening with respect to certain investments in particular issuers or industries. When ESG considerations are taken into account in the investment decision making process, DDJ compares ESG factors on an industry relative, not absolute, basis.

FI 01.3 Additional information [Optional].

Not Applicable

FI 14	Mandatory to Report, Voluntary to Disclose	Core Assessed	PRI 2
Private			
FI 15	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1,2
Private			
FI 16	Mandatory to Report, Voluntary to Disclose	Additional Assessed	PRI 1,2
Private			
FI 17	Mandatory to Report, Voluntary to Disclose	Additional Assessed	General
Private			
FI 18	Voluntary	Descriptive	PRI 1,2
Private			

CM1 01	Mandatory	Additional 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 correct implementation of RI processes (that have been reported to the PRI this year) <input type="checkbox"/> Internal audit of the correct implementation of RI processes and/or accuracy of 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"> <input checked="" type="checkbox"/> Whole PRI Transparency Report has been internally verified <input type="checkbox"/> Selected data has been internally verified <input type="checkbox"/> Other, specify <input type="checkbox"/> None of the above							
CM1 02	Mandatory	Descriptive	General				
CM1 02.1	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="radio"/> We did not assure last year's PRI Transparency report <input type="radio"/> None of the above, we were in our preparation year and did not report last year.							
CM1 02.3	Additional information [OPTIONAL]						
Not Applicable							
CM1 03	Mandatory	Descriptive	General				
CM1 03.1	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 type="checkbox"/> Other, specify <input checked="" type="checkbox"/> None of the above							
CM1 03.5	Additional information [OPTIONAL]						
Not Applicable							
CM1 04	Mandatory	Descriptive	General				
CM1 04.1	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="radio"/> We do not plan to assure this year's PRI Transparency report							
CM1 07	Mandatory	Descriptive	General				
CM1 07.1	Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed						
<input checked="" type="checkbox"/> CEO or other Chief-Level staff <table border="1" style="margin-left: 20px;"> <tr> <td>Sign-off or review of responses</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses </td> </tr> </table> <input type="checkbox"/> The Board <input checked="" type="checkbox"/> Investment Committee <table border="1" style="margin-left: 20px;"> <tr> <td>Sign-off or review of responses</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses </td> </tr> </table> <input checked="" type="checkbox"/> Compliance Function <input checked="" type="checkbox"/> RI/ESG Team <input type="checkbox"/> Investment Teams <input type="checkbox"/> Legal Department				Sign-off or review of responses	<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses	Sign-off or review of responses	<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses
Sign-off or review of responses							
<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses							
Sign-off or review of responses							
<input checked="" type="checkbox"/> Sign-off <input checked="" type="checkbox"/> Review of responses							

Other (specify)

CM1 07.2

Additional information [OPTIONAL]

Not Applicable