

Global Fixed Income Manager Request for Proposal

This is an announcement that Shinhan BNP Paribas Asset Management ('SHBNPP' thereafter) seeks proposals from global fixed income managers as stated below. Those wishing to participate in this RFP are recommended to carefully read the following contents and apply accordingly.

1. General Information

	Details
Number of managers	<ul style="list-style-type: none"> 2 managers (One with a runner-up)
Assets Class	<ul style="list-style-type: none"> Asia Dollar Bond <ul style="list-style-type: none"> ➤ Average Credit Rating: Investment Grade ➤ Sovereign & Quasi-Sovereign: Minimum 80% ➤ Corporate: Maximum 20% * Final investment guideline is to be determined after the final selection
Investment Amount	<ul style="list-style-type: none"> KRW 100 Billion (For each manager)
Strategy	<ul style="list-style-type: none"> Absolute Return
Vehicle	<ul style="list-style-type: none"> Separately Managed Account with SHBNPP
Evaluation Process	<ul style="list-style-type: none"> 1st Quantitative and 2nd Qualitative Evaluation(Presentation)

2. Minimum Qualifications

- Proposing Manager must be a (foreign) financial investment entity that obtained authorization or completed registration for engaging in the similar business in its home country. In accordance with the Article 4-4 (2)-9 of the Regulations on Financial Investment Business, the foreign entity must be able to guarantee the acceptance of the audit and inspection request by the domestic inspection authority.
- The Proposed strategy must have a minimum of five years of verifiable track record and must have a minimum of USD 1 billion under management as of 31 Oct 2020.
- The Proposing Manager must have fixed income assets with a minimum of USD 5 billion under management as of 31 Oct 2020.

3. Evaluation process

A. Quantitative Evaluation (1st round, 60%)

- Evaluation period: From Nov.1.2015 to Oct.31.2020
- Criteria for 1st Evaluation

Evaluation items	Points	Assessment
I. Performance	70	
1. Excess return	20	Relative to the benchmark
2. Risk-adjusted return	30	IR(Information Ratio)
3. Worst return	20	Worst return from 5 given periods
II. AUM and Investment horizon	30	
1. AUM	10	AUM of the proposed strategy
2. Investment Horizon	10	Investment horizon of the proposed strategy
3. Management Fee	10	Management fee of the proposed strategy
Total	100	

B. Qualitative Evaluation (2nd round, 40%)

- Candidates who have passed the 1st round (approx. 2candidates for each spot)
- Presentation will be conducted via video conference
- Criteria for 2nd Evaluation

Evaluation items	Points	Assessment
I. Corporate Governance	10	
1. Corporate Governance	10	Company Profile, Competitiveness, Corporate Governance, etc.
II. Investment Strategy	35	
1. Investment Philosophy	5	Investment Philosophy, Ethics Code, Reputation
2. Investment Process	10	Strategic Portfolio Construction: Asset Allocation, Security Selection
3. Portfolio Strategy	20	Feasibility of the proposed strategy under the market circumstance
III. Management Team	25	
1. Portfolio Manager	15	Managers' Experience, Tenure, Reputation
2. Research Capability	10	Research Organization and Capabilities
IV. Risk and Compliance	20	
1. Risk Management	10	Risk Management Process and System
2. Compliance Management	10	Compliance Monitoring System, Code of Conduct
V. Client service	10	
1. Client Service	10	Client Servicing capabilities, Training Program
Total	100	

C. Final Selection

- Candidates who scored the highest points after the weighted summation of 1st and 2nd round
 - If total score is tied, 1) 1st round evaluation and then 2) AUM will be considered

D. Guideline

- Presentation material needs to be approx. 30 pages containing 1st and 2nd round Criteria
 - The proposed strategy must be managed by the Company's own managers. A strategy within other portfolios (sleeve) and a multi-manager fund will not be considered.
- If a serious fault or error is found, the applicant will be automatically excluded in the selection process. This penalty will also apply to the finalist even if such fault or error is found after the selection.
- In case of the above, applicant with the next highest grade may be included on the list of finalists.

4. Schedule

	Due Date
1 st round submission	28 Dec 2020 18:00 (KST)
1 st round assessment and selection	31 Dec 2020
2 nd round submission	15 Jan 2021 18:00 (KST)
2 nd round Presentation	19 ~ 22 Jan 2021
Final Selection	End of January

- Due Diligence will be conducted via video conference
- The schedule above is subject to change

5. Proposal Submission

A. Data and Presentation

- 1st round data and GIPS compliant material: Please refer to the exhibit 1 excel sheet
 - Please use GIPS compliant strategy return
 - Date as of 31 Oct 2020
- 2nd round Presentation(PDF): Applicable to the candidates who have passed 1st round
 - Please do not change the order of evaluation items on the presentation

B. Submission

- To Shinhan BNP Global Investment Division (advisory.bond@shbnppam.com)
- Inquiries will only be received through Email, and the title should start with [SHBNPP RFP]
- Submitted data and files will not be returned