




Gateway		Reason for interaction
<p><b>LEA 02</b></p> <p><b>Monetary</b></p> <p><b>Discretionary</b></p> <p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <p><input checked="" type="checkbox"/> To support investment decisionmaking (e.g. company research)</p> <p><input checked="" type="checkbox"/> To enhance corporate transition for clients who need to understand or influence corporate transition</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p> <p><input type="checkbox"/> To support investment decisionmaking (e.g. company research)</p> <p><input type="checkbox"/> To enhance corporate transition for clients who need to understand or influence corporate transition</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p> <p><input type="checkbox"/> To support investment decisionmaking (e.g. company research)</p> <p><input type="checkbox"/> To enhance corporate transition for clients who need to understand or influence corporate transition</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via service providers</p>	

# RI TRANSPARENCY REPORT

2020

Mercer (Fund of Funds Manager)

## 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

Public Transparency Reports are the intellectual property of PRI. Under no circumstances, can this report or any of its contents be sold to third parties.

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 checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

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

- Hedge funds
- Fund of hedge funds

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).

3800

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  
 305,100,000,000 USD  
 305100000000 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

Assets under execution and/or advisory only services  
 15,000,000,000,000 USD  
 15000000000000 USD

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 (%)
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Listed equity	0	51
Fixed income	0	37
Private equity	0	2.5
Property	0	2
Infrastructure	0	1
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	2.5
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	3
Money market instruments	0	0
Other (1), specify	0	1
Other (2), specify	0	0

Externally managed 'Other (1)' description  
Private Debt

00 06 Mandatory Descriptive General

00 06.1 Select how you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

00 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to 00 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

00 07 Mandatory to Report, Voluntary to Disclose Gateway General

Private

00 08 Mandatory to Report, Voluntary to Disclose Peering General

Private

00 09 Mandatory Peering General

00 09.1 Indicate the breakdown of your organisation's AUM by market.



00 10 Mandatory Gateway General

00 10.1 Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

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

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf.

We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

**Fixed income SSA – engagement**

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

**Fixed income Corporate (non-financial) – engagement**

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We require our external managers to engage with companies on ESG factors on our behalf.
- 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 11.2** 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 style="background-color: #0070c0; color: white; padding: 2px;"><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 checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - SSA	<p style="background-color: #0070c0; color: white; padding: 2px;"><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 checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Fixed income - corporate (non-financial)	<p style="background-color: #0070c0; color: white; padding: 2px;"><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 checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Private equity	<p style="background-color: #0070c0; color: white; padding: 2px;"><b>Private equity - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Property	<p style="background-color: #0070c0; color: white; padding: 2px;"><b>Property - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Infrastructure	<p style="background-color: #0070c0; color: white; padding: 2px;"><b>Infrastructure - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>

Fund of hedge funds	<p><b>Fund of hedge funds - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input type="checkbox"/> We do not do ESG incorporation</li> </ul>
Cash	<p><b>Cash - 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 invest only in pooled funds and external manager appointment is not applicable</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>
Other (1)	<p><b>Other (1) - ESG incorporation addressed in your external manager selection, appointment and/or monitoring processes</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager selection process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager appointment process</li> <li><input checked="" type="checkbox"/> We incorporate ESG into our external manager monitoring process</li> <li><input 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.

We do not incorporate ESG factors into cash funds as a high priority

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

Mercer expects its investment managers to assess and reflect ESG risks and opportunities in security or asset selection<sup>[JR1]</sup> and portfolio construction, acknowledging that the degree of relevance or materiality varies between asset classes.

Mercer's global manager research team commenced ESG research in 2008 at a manager level and in 2010 began ratings at a strategy level. Since that time, ESG factors have become integrated into our standard manager research process for all asset classes, with a rating specific to ESG integration process capabilities on an ESG1-4 basis (ESG1 are leaders). This rating reflects the due diligence conducted in desk-based research and in meetings with the sub-investment managers to test their process for identifying and understanding potentially material risks and opportunities relevant to their portfolio. These ratings also captured stewardship, particularly for equities and passive equities, given the opportunity this presents to enhance the value of companies and markets. Therefore, proxy voting and engagement around material ESG issues are incorporated throughout our investment decision making and ownership practices and Mercer has established its own engagement priorities. As at January 2020, Mercer had assigned an ESG rating to more than 4,500 strategies.

Mercer's regional investment teams for the Mercer Funds leverage the global Mercer research network to establish optimal combinations of specialist managers. Selection and monitoring processes for potential and appointed investment managers include Mercer's ESG Ratings and associated commentary from the Manager Research team (see Policy Appendix for further detail). ESG Ratings are reviewed during quarterly monitoring processes, with a more comprehensive review performed annually – which seeks evidence of positive momentum on ESG integration. Expectations are set as ESG3 or above, where practicable and relevant to the strategy, as per the investment team's established guidance by asset class. Comparisons are also made with the appropriate universe of strategies in Mercer's global database.

Mercer also has access to MSCI ESG Research and can utilise their bottom up company level ESG ratings to monitor actual portfolios and use this as an engagement tool with managers to ensure they are actually doing what their process suggests they will be doing. This is being increasingly embedded as standard into the investment team's monitoring metrics during 2020, particularly climate-related metrics as part of a broader decarbonisation project.

**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.

<b>Core modules</b>
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Organisational Overview</li> <li><input checked="" type="checkbox"/> Strategy and Governance</li> </ul>
<b>RI implementation via external managers</b>
<b>Indirect - Selection, Appointment and Monitoring of External Managers</b>
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Listed Equities</li> <li><input checked="" type="checkbox"/> Fixed income - SSA</li> <li><input checked="" type="checkbox"/> Fixed income - Corporate (non-financial)</li> <li><input checked="" type="checkbox"/> Private Equity</li> <li><input checked="" type="checkbox"/> Property</li> <li><input checked="" type="checkbox"/> Infrastructure</li> </ul>
<b>Closing module</b>
<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Closing module</li> </ul>

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

Private

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 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
<input checked="" type="checkbox"/> Formalised guidelines on environmental factors	
<input checked="" type="checkbox"/> Formalised guidelines on social factors	
<input checked="" 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 type="checkbox"/> Other, specify (1)	
<input type="checkbox"/> Other, specify(2)	

**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.

Mercer's Global Investment Beliefs underpin our approach to setting investment strategy with our clients. In our view investment beliefs are the starting point for setting effective investment strategy, providing the guiding principles for robust investment decision making.

Mercer's investment beliefs, established in 2014, are articulated within the following six categories, which includes ESG considerations ("sustainability"):

- Client Objectives
- Risk Management
- Active Management
- Operational Efficiency
- Dynamic Asset Allocation
- Sustainability

Full details of our investment beliefs can be found here: <https://www.mercer.com/our-thinking/wealth/mercer-investments-beliefs.html>

**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]

Mercer believes a sustainable investment approach is more likely to create and preserve long-term investment capital and, more specifically, that:

1. ESG factors can have a material impact on long-term risk and return outcomes and these should be integrated into the investment process.
2. Taking a broader and longer-term perspective on risk, including identifying sustainability themes and trends, is likely to lead to improved risk management and new investment opportunities.
3. Climate change poses a systemic risk, and investors should consider the potential financial impacts of both the associated transition to a low-carbon economy and the physical impacts of different climate outcomes.
4. Stewardship (or active ownership) supports the realisation of long-term shareholder value by providing investors with an opportunity to enhance the value of companies and markets.

Consequently, Mercer believes that a sustainable investment approach that considers these risks and opportunities is in the best interests of our investors. The key elements that covers Mercer's investment approach include:

- ESG Integration
- Sustainability Themes
- Climate Change
- Active Ownership – Share voting and Engagement
- Exclusions
- Policy Implementation
- Policy Governance

Further information on this process is available on our website, here: <https://www.mercer.com/our-thinking/wealth/pathway-to-responsible-investing.html>

No

**SG 01.6** Additional information [Optional].

Please note we have regional versions of our sustainable investment policy which are uploaded as attachments as part of this submission.



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.

Policy setting out your overall approach

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input checked="" type="checkbox"/> Attachment (will be made public) Files: link

Formalised guidelines on environmental factors

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment (will be made public)

Formalised guidelines on social factors

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment (will be made public)

Formalised guidelines on corporate governance factors

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</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.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment (will be made public)

Screening / exclusions policy

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment (will be made public)

Engagement policy

(Proxy) voting policy

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

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment
<input checked="" type="checkbox"/> URL <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment.html">https://www.mercer.com/our-thinking/wealth/responsible-investment.html</a>
<input type="checkbox"/> Attachment

ESG incorporation approaches

URL/Attachment

URL  
<https://www.mercerfinancialservices.com/mercer-magazine/sustainability/sustainable-investing-on-the-rise.html>

Attachment

Active ownership approaches

URL/Attachment

URL  
<https://www.mercer.com/our-thinking/wealth/responsible-investment.html>

Attachment

Reporting

URL/Attachment

URL  
<https://www.mercer.com/our-thinking/wealth/responsible-investment.html>

Attachment

Climate change

URL/Attachment

URL  
<https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html>

Attachment  
 236429\_Mercer DS Aust\_TCFD MIAL\_0919FF.pdf

We do not publicly disclose any investment policy components

**SG 02.3** Additional information [Optional].

Please note the policies attached to the first part of SG02.1 apply for all later selections of SG02.1  
 N.B. There are different policies per region - these are all attached as the first part of the question.

<b>SG 03</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>General</b>
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**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.

Mercer's operational guidelines and expectations are set out in our group wide code of conduct - The Greater Good. This can be found at: <http://bit.ly/2mils2a>

No

**SG 03.3** Additional information. [Optional]

At Mercer, integrity is one of our core values and is engrained in our culture. The Greater Good, our code of conduct (the "Code"), sets forth the non-negotiable standards of business ethics and integrity that apply to every employee and helps to ensure that our clients receive top-quality service and consulting advice. Specifically, the Code articulates colleague responsibilities to clients, including acting in the client's best interest, disclosing and managing any conflicts of interest, carefully adhering to all laws and regulations, being honest and professional and protecting client confidentiality and participant privacy. All Mercer employees are required to adhere to The Greater Good.

Mercer's Chief Compliance Officer (CCO) is ultimately responsible for adherence to corporate governance standards within Mercer.

<b>SG 04</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
<i>Private</i>			

<b>SG 05</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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**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]

Each region has an annual work plan that is reviewed at least quarterly amongst RI and Fund of Funds colleagues, overseen by the regional CIO. Regional work plans, ongoing and one off projects are also reviewed every 2-3 months on the Global Delegated Solutions ESG Integration Committee calls.

<b>SG 06</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
<i>Private</i>			

<b>SG 07</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>General</b>
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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 checked="" type="checkbox"/>	Board members or trustees
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<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
<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 Chief-level staff or head of department, specify
	President Wealth, Head of Research
<input checked="" type="checkbox"/>	Oversight/accountability for responsible investment
<input type="checkbox"/>	Implementation of responsible investment
<input type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input checked="" type="checkbox"/>	Portfolio managers
<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
<input checked="" type="checkbox"/>	Investment analysts
<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
<input checked="" type="checkbox"/>	Dedicated responsible investment staff
<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"/>	Investor relations
<input type="checkbox"/>	Oversight/accountability for responsible investment
<input type="checkbox"/>	Implementation of responsible investment
<input checked="" type="checkbox"/>	No oversight/accountability or implementation responsibility for responsible investment
<input type="checkbox"/>	Other role, specify (1)
<input type="checkbox"/>	Other role, specify (2)
<input checked="" type="checkbox"/>	External managers or service providers
<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

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

The execution aim is integration. That RI activities become one part of everyone's role. This is standard in many cases – it's evolving and improving in others as people get asked questions and build their experience. In summary, the key responsibilities sit with the regional Chief Investment Officers, together with the dedicated Responsible Investment staff, who coordinate the work plans along with primarily the equity portfolio management team members as a priority – other asset class portfolio managers and the risk/analytics teams are brought in on specific projects and to maintain data integration. Each regional CIO, with support from their team, ensure senior management and the Board are kept abreast of RI activities and developments at regular meetings and the broader team and client facing staff at quarterly internal briefings. Kylie Willment, the Pacific CIO, is responsible for being the conduit updates from the Global Delegated Solutions ESG Integration Committee into the Global CIO Group meetings.

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

17

**SG 07.4** Additional information. [Optional]

Mercer has advised investors on all aspects of RI since 2004, when Mercer was the first global investment consultant firm, by more than a decade, to set up a dedicated team in responsible investment in London and Sydney.

The practice has been an integral part of our investment consultancy business for over 15 years and has evolved in parallel with the mounting demand for investors to invest more responsibly. The team has grown to a global team of 17 members, supported by a network of regional RI 'champions' and the 11 Global ESG Integration Committee representatives

The team has earned an international and national reputation and has been recognised in industry awards. For example, in the 2017 and 2018 Independent Research in Responsible Investment (IRRI) survey administered by SRI-CONNECT and Extel, Mercer was voted both as the top RI consultant as an

organisation, as well as receiving top placings in the individual consultant category.

SG 07 CC	Mandatory to Report, Voluntary to Disclose	Descriptive	General
Private			
SG 08	Voluntary	Additional Assessed	General
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			
<input type="text" value="Advanced"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="text" value="Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]"/>			
Mercer is a signatory to the PRI, as a founding signatory since 27 April 2006, having been selected by the United Nations as the consultant to contribute and facilitate the development of the principles themselves in 2005/2006.			
<input checked="" type="checkbox"/> Asian Corporate Governance Association			
<input type="text" value="Moderate"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="checkbox"/> Australian Council of Superannuation Investors <input type="checkbox"/> AVCA: Sustainability Committee <input type="checkbox"/> France Invest – La Commission ESG <input type="checkbox"/> BVCA – Responsible Investment Advisory Board <input checked="" type="checkbox"/> CDP Climate Change			
<input type="text" value="Moderate"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="checkbox"/> CDP Forests <input type="checkbox"/> CDP Water <input type="checkbox"/> CFA Institute Centre for Financial Market Integrity <input checked="" type="checkbox"/> Climate Action 100+			
<input type="text" value="Moderate"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="text" value="Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]"/>			
Mercer has recently joined global climate change collaborative engagement initiative			
<input type="checkbox"/> Code for Responsible Investment in SA (CRISA) <input checked="" type="checkbox"/> Council of Institutional Investors (CII)			
<input type="text" value="Moderate"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="checkbox"/> Eumedion <input type="checkbox"/> Extractive Industries Transparency Initiative (EITI) <input type="checkbox"/> ESG Research Australia <input type="checkbox"/> Invest Europe Responsible Investment Roundtable <input type="checkbox"/> Global Investors Governance Network (GIGN) <input checked="" type="checkbox"/> Global Impact Investing Network (GIIN)			
<input type="text" value="Basic"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input checked="" type="checkbox"/> Global Real Estate Sustainability Benchmark (GRESB)			
<input type="text" value="Basic"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="checkbox"/> Green Bond Principles <input type="checkbox"/> HKVCA: ESG Committee <input checked="" type="checkbox"/> Institutional Investors Group on Climate Change (IIGCC)			
<input type="text" value="Moderate"/>		Your organisation's role in the initiative during the reporting period (see definitions)	
<input type="checkbox"/> Interfaith Center on Corporate Responsibility (ICCR) <input type="checkbox"/> International Corporate Governance Network (ICGN)			

- Investor Group on Climate Change, Australia/New Zealand (IGCC)

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

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]
Helga Birgden, our Global Responsible Investment leader is the Deputy Chair.

- 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  
UKSIF, Eurosif, RIAA (in ANZ)

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

- 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  
Task Force on Climate-related Financial Disclosures

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]
Mercer has a public disclosure and statement of support. Mercer was represented on the 32 person Task Force until Sept 2018.

- 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
Private			

SG 10	Mandatory	Core Assessed	PRI 4
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SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- 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.
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- 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
RI training for both clients and internal investment consultants and staff

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 type="radio"/> Ad hoc <input checked="" type="checkbox"/> Other

specify
Ad hoc or annually for clients Biannually for consultants

- 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

Description
We encourage our sub investment managers to improve their RI related investment practices

Frequency of contribution
---------------------------

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

Spoke publicly at events and conferences to promote responsible investment

Description
Our RI team and consultants frequently speak in public forums on RI related matters

Frequency of contribution
<ul style="list-style-type: none"> <li><input checked="" type="radio"/> Quarterly or more frequently</li> <li><input type="radio"/> Biannually</li> <li><input type="radio"/> Annually</li> <li><input type="radio"/> Less frequently than annually</li> <li><input type="radio"/> Ad hoc</li> <li><input type="radio"/> Other</li> </ul>

Wrote and published in-house research papers on responsible investment

Description
The below papers are examples of this sort of work. - Assessing the prospective investment impacts of a low carbon economic transition (see: <a href="https://www.mercer.com/our-thinking/assessing-the-prospective-investment-impacts-of-a-low-carbon-economic-transition.html">https://www.mercer.com/our-thinking/assessing-the-prospective-investment-impacts-of-a-low-carbon-economic-transition.html</a> ) - Exploring the environmental risks within real assets (real estate, infrastructure and natural resources sector). (see: <a href="https://www.mercer.com/our-thinking/real-assets-real-environmental-risk.html">https://www.mercer.com/our-thinking/real-assets-real-environmental-risk.html</a> ) - An introduction to low carbon and fossil free passive equity. (see: <a href="https://www.mercer.com/our-thinking/an-introduction-to-low-carbon-and-fossil-free-passive-equity.html">https://www.mercer.com/our-thinking/an-introduction-to-low-carbon-and-fossil-free-passive-equity.html</a> ) - Responsible Investment in Fixed Income ( <a href="https://www.mercer.com/our-thinking/wealth/responsible-investment-in-fixed-income.html">https://www.mercer.com/our-thinking/wealth/responsible-investment-in-fixed-income.html</a> )

Frequency of contribution
<ul style="list-style-type: none"> <li><input type="radio"/> Quarterly or more frequently</li> <li><input type="radio"/> Biannually</li> <li><input type="radio"/> Annually</li> <li><input type="radio"/> Less frequently than annually</li> <li><input checked="" type="radio"/> Ad hoc</li> <li><input type="radio"/> Other</li> </ul>

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

Description
We contribute material to Responsible Investor magazine as well as other media publications, as well as social media

Frequency of contribution
<ul style="list-style-type: none"> <li><input type="radio"/> Quarterly or more frequently</li> <li><input type="radio"/> Biannually</li> <li><input type="radio"/> Annually</li> <li><input type="radio"/> Less frequently than annually</li> <li><input checked="" type="radio"/> Ad hoc</li> <li><input type="radio"/> Other</li> </ul>

A member of PRI advisory committees/ working groups, specify

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

Other, specify

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]

Mercer is an active promoter and advocate of responsible investment; this covers internal RI integration, client[JR1] [MR2] advice and external initiatives on an ongoing and regular basis. Mercer is involved in a number of other industry initiatives committed to promoting responsible investment practice, for example:

Supporting the Australian Sustainable Finance Initiative both with advice and office space (latest Key themes report in 2019 can be found at: <https://static1.squarespace.com/static/5c982bfaa5682794a1f08aa3/t/5df2e164eeaf93748a20a4af/1576198520302/ASFI+Progress+Report+%28Final%29.pdf>);

Contributing to the RIAA human rights working group; and

Participation in three working groups on the IIGCC Paris Alignment initiative.

Furthermore we are also involved in the following industry initiatives outlined in SG09.1.

SG 11	Voluntary	Additional Assessed	PRI 4,5,6
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Private

**SG 12.1** Indicate whether your organisation uses investment consultants.

Yes, we use investment consultants

**SG 12.2** Indicate how your organisation uses investment consultants in the selection, appointment and/or monitoring of external managers.

- We use investment consultants in our selection and appointment of external managers
- We use investment consultants in our monitoring of external managers

**Asset class**

- Listed Equity (LE)
- Fixed income - SSA
- Fixed income - Corporate (non-financial)
- Private equity (PE)
- Infrastructure (INF)
- Property (PR)
- Other asset classes

We do not use investment consultants for selection, appointment and monitoring of external managers.

**SG 12.3** Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants.

- Responsible investment is considered when evaluating investment consultants' investment beliefs, strategies and policies in the selection process.
- Responsible investment is considered when evaluating investment consultants' public commitment to, and promotion of, responsible investment in the selection process.
- Responsible investment is considered when reviewing investment consultants' approach to investment manager ratings, research and recommendations in the monitoring process.
- Consultants' responsibilities in terms of responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with the investment consultants.
- We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

**SG 12.4** Indicate whether you use investment consultants for any the following services. Describe the responsible investment components of these services.

Custodial services

**Describe how responsible investment is incorporated**

Our in house specialist team (Sentinel) research Custodial Services and due diligence

Investment policy development

**Describe how responsible investment is incorporated**

The Responsible Investment team worked with the fund of funds business to develop a Sustainable Investment Policy

Strategic asset allocation

**Describe how responsible investment is incorporated**

As outlined SG01 we use our climate modelling tool as a basis for including a strategic allocation to sustainability focussed asset classes, as well as monitor the climate impact across different scenarios.

Investment research

**Describe how responsible investment is incorporated**

We apply ESG ratings to over 4,000 of the investment strategies we research as well as publish Responsible Investment focussed intellectual capital

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

No, we do not use investment consultants.

**SG 12.7** Additional information [Optional].

As a fiduciary management and investment consulting business ourselves, we do not delegate any further external consultants or fiduciary managers as part of our investment process.

**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.).

- Yes, in order to assess future ESG factors
- Yes, in order to assess future climate-related risks and opportunities

**Describe**

Please see response to SG01

No, our organisation does not currently carry out scenario analysis and/or modelling

**SG 13.2** Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.

**We do the following**

- Allocation between asset classes
- Determining fixed income duration
- Allocation of assets between geographic markets
- Sector weightings
- Other, specify
- We do not consider ESG issues in strategic asset allocation

**SG 13 CC** Mandatory to Report, Voluntary to Disclose Descriptive General  
Private

**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 17** Mandatory Descriptive General

**SG 17.1** Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Hedge funds - DDQ (Fund of Hedge Funds)	<p>Select whether you use the PRI Hedge Fund DDQ</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p>
Fund of hedge funds	<p>ESG Ratings are integrated in our research process and provide an additional data point in the manager selection process. Mercer assigns an ESG rating to every strategy it researches, reflecting our view on the extent to which the investment process integrates a consideration of ESG factors across idea generation, portfolio construction and overall business management. This rating process reflects the due diligence conducted in desk based research and in meetings with the sub-investment managers to test their process for identifying and understanding potential risks and opportunities relevant to their portfolio.</p> <p>Each Investment Due Diligence report that is presented to our Investment Committees, includes a section on ESG and active ownership and each strategy is assigned an ESG Rating. Our ESG Rating process allows us to review a manager's processes and approach toward environmental, social and corporate governance factors. The ESG 1 – 4 ratings represent the manager's capability tendency to integrate ESG issues as a method of adding value to the portfolio.</p>
Other (1) [as defined in Organisational Overview module]	<p>Private Debt</p> <p>ESG Ratings are integrated in our research process and provide an additional data point in the manager selection process. Mercer assigns an ESG rating to every strategy it researches, reflecting our view on the extent to which the investment process integrates a consideration of ESG factors across idea generation, portfolio construction and overall business management. This rating process reflects the due diligence conducted in desk based research and in meetings with the sub-investment managers to test their process for identifying and understanding potential risks and opportunities relevant to their portfolio.</p> <p>Each Investment Due Diligence report that is presented to our Investment Committees, includes a section on ESG and active ownership and each strategy is assigned an ESG Rating. Our ESG Rating process allows us to review a manager's processes and approach toward environmental, social and corporate governance factors. The ESG 1 – 4 ratings represent the manager's capability tendency to integrate ESG issues as a method of adding value to the portfolio.</p>

**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.

**Selection, Appointment and Monitoring**

**Do you disclose?**

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

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No



Disclosure to public and URL		Disclosure to clients/beneficiaries	
<input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes <input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf <input type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership <input type="checkbox"/> Other		<input checked="" type="checkbox"/> How responsible investment considerations are included in manager selection, appointment and monitoring processes <input checked="" type="checkbox"/> Details of the responsible investment activities carried out by managers on your behalf <input checked="" type="checkbox"/> E, S and/or G impacts and outcomes that have resulted from your managers' investments and/or active ownership <input type="checkbox"/> Other	
Annually		Quarterly or more frequently	
<a href="https://www.mercer.com/our-thinking/wealth/mercer-investments-beliefs.html">https://www.mercer.com/our-thinking/wealth/mercer-investments-beliefs.html</a>			

**SG 19.2 Additional information [Optional]**

Please also refer to regional policies for public disclosure in Pacific.

**SG Checks Checks**

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

**SAM 01.1** Indicate which of the following ESG incorporation strategies you require your external manager(s) to implement on your behalf for all your listed equity and/or fixed income assets:

Active investment strategies			
Active investment strategies	Listed Equity	FI - SSA	FI - Corporate (non-financial)
Screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Thematic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

  

Passive investment strategies			
Passive investment strategies	Listed Equity	FI - SSA	FI - Corporate (non-financial)
Screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Thematic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SAM 01.2** Additional information. [Optional]

ESG Integration is considered as part of the ongoing monitoring and appropriateness of every sub-investment manager.

We exclude controversial weapons and tobacco from all active equity and fixed income strategies in Europe and the Pacific, with all regions screening for UN Global Compact breaches (engagement not exclusion in the first instance for UNGC breaches).

Thematic strategies are in place in equities and private markets in Europe and the Pacific.

**SAM 02.1** Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Your organisation's investment strategy and how ESG objectives relate to it	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG incorporation requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG reporting requirements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
No RI information covered in the selection documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

You selected an 'Other' option in table SAM 02.1 above, please specify

We use our proprietary ESG ratings in the selection process

**SAM 02.2** Explain how your organisation evaluates the investment manager's ability to align between your investment strategy and their investment approach

Strategy						
	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Assess the time horizon of the investment manager's offering vs. your/beneficiaries' requirements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the quality of investment policy and its reference to ESG	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the investment approach and how ESG objectives are implemented in the investment process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's firm-level vs. product-level approach to RI	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the ESG definitions to be used	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

  

ESG people/oversight						
	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure

Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the oversight and responsibilities of ESG implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review how is ESG implementation enforced /ensured	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's RI-promotion efforts and engagement with the industry	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Process/portfolio construction/investment valuation**

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
Review the process for ensuring the quality of the ESG data used	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review and agree the use of ESG data in the investment decision making process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree the impact of ESG analysis on investment decisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG objectives (e.g. risk reduction, return seeking, real-world impact)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree manager's ESG risk framework	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review and agree ESG risk limits at the portfolio level (portfolio construction) and other ESG objectives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review how ESG materiality is evaluated by the manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review process for defining and communicating on ESG incidents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review and agree ESG reporting frequency and detail	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**If you select any 'Other' option(s), specify**

We use our proprietary ESG ratings in the selection process

**SAM 02.3 Indicate the selection process and its ESG/RI components**

- Review ESG/RI responses to RfP, RfI, DDQ etc.
- Review responses to PRI's Limited Partners' Responsible Investment Due Diligence Questionnaire (LP DDQ)
- Review publicly available information on ESG/RI
- Review assurance process on ESG/RI data and processes
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers covering ESG/RI themes
- Site visits to potential managers offices
- Other, specify

**SAM 02.4 When selecting external managers does your organisation set any of the following:**

	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG performance development targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**You selected an 'Other' option in table SAM 02.4 above, please specify**

We use our proprietary ESG ratings in the selection process

**SAM 02.5 Describe how the ESG information reviewed and discussed affects the selection decision making process.[OPTIONAL]**

We build our portfolios selecting managers with a higher ESG rating where possible. Our manager research team assign a separate ESG rating for investment manager strategies. We currently have over 4,500 strategies that we have assigned ESG ratings. Mercer ESG ratings are separate from the "alpha" investment rating and form a core element in our capability to recognise ESG leadership and to integrate ESG into our strategy selection. The RI manager research framework, which results in an ESG rating 1 (the highest rated strategies) to 4 (the lowest rated strategies) and narrative profile, utilises Mercer's robust four-factor rating framework to align the ESG ratings with investment ratings. For passive ratings the overall framework is similar, but the focus is primarily on manager's stewardship activities.

SAM 03.1	Indicate how your organisation typically evaluates the manager's active ownership practices in the majority of the manager selection process.
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Engagement			
	LE	FI - SSA	FI - Corporate (non-financial)
Review the manager's engagement policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's engagement process (with examples and outcomes)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ensure whether engagement outcomes feed back into the investment decision-making process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other engagement issues in your selection process specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

  

(Proxy) voting	
	LE
Review the manager's voting policy	<input checked="" type="checkbox"/> Review the manager's voting policy - LE
Review the manager's ability to align voting activities with clients' specific voting policies	<input type="checkbox"/> Review the manager's ability to align voting activities with clients' specific voting policies - LE
Review the manager's process for informing clients about voting decisions	<input checked="" type="checkbox"/> Review the manager's process for informing clients about voting decisions - LE
Ensure whether voting outcomes feed back into the investment decision-making process	<input checked="" type="checkbox"/> Ensure that voting outcomes feed back into the investment decision-making process - LE
Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale	<input checked="" type="checkbox"/> Review the number of votes cast as a percentage of ballots/AGMs or holdings and available rationale - LE
Other active ownership voting issues in your selection process; specify	<input type="checkbox"/> Other active ownership voting issues in your selection process; specify - LE

SAM 03.2	Describe how you assess if the manager's engagement approach is effective.
----------	--

- Impact on investment decisions
- Financial impact on target company or asset class
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- Other, specify
- None of the above

SAM 03.3	Describe how you assess if the manager's voting approach is effective/appropriate
----------	---

- Impact on investment decisions
- Impact on ESG profile of company or the portfolio
- Evidence of changes in corporate practices(i.e. ESG policies and implementation activities)
- Other, specify
- None of the above

SAM 03.4	Additional information [OPTIONAL]
----------	-----------------------------------

The approach to stewardship reviews varies by region, with Europe and the Pacific taking the strongest position to date, although all regions will soon have quality reporting in 2020 to then assess their managers more closely and a more active approach to the most sensitive votes in each region. In Europe, for example, there is an Annual Stewardship Policy Review and Annual Voting and Engagement Review: Mercer seeks disclosure from sub-investment managers on two annual stewardship information requests, namely a policy and voting and engagement activity review. The policy review examines sub-investment managers approach to the principles of the UK Stewardship Code. The voting and engagement activity review covers areas relating to voting execution, rationale behind voting decisions (e.g. votes against management, abstentions and no votes) and engagements (e.g. manager engagements with companies including number of companies engaged, engagement examples by topic, outcomes of engagements and engagements that are collaborative). A heat map summarises Mercer's qualitative assessment of the voting and engagement activity of each manager for each equity fund, which is communicated to clients and the investment team. The portfolio management team utilise this in their manager monitoring and engagement processes. In Australia, for example, there has been centralised vote execution in 2019 (changing in 2020) and an active approach to 'super votes' on the most sensitive votes, which has involved significant interaction with managers to understand how effective/appropriate their voting approach is.

SAM 04.1	Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment and/or commitment process
----------	--

- Sets standard benchmarks or ESG benchmarks
- Defines ESG objectives and/ or ESG related exclusions/restrictions
- Sets incentives and controls linked to the ESG objectives
- Requires reporting on ESG objectives
- Requires the investment manager to adhere to ESG guidelines, regulations, principles or standards
- Other, specify (1)

	specify
--	---------

We have a preference for managers with a higher ESG rating (in line with our manager research team's proprietary framework)

- Other, specify (2)
- None of the above

**SAM 04.2** Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class																													
<input checked="" type="checkbox"/> Listed equity (LE)	<table border="1"><thead><tr><th>Benchmark</th></tr></thead><tbody><tr><td><input checked="" type="checkbox"/> Standard benchmark</td></tr><tr><td><input type="checkbox"/> ESG benchmark, specify</td></tr></tbody></table> <table border="1"><thead><tr><th>ESG Objectives</th></tr></thead><tbody><tr><td><input type="checkbox"/> ESG related strategy, specify</td></tr><tr><td><input type="checkbox"/> ESG related investment restrictions, specify</td></tr><tr><td><input checked="" type="checkbox"/> ESG integration, specify</td></tr><tr><td>Full review of a manager's ESG credentials, reflected in Mercer's proprietary ESG Rating</td></tr><tr><td><input checked="" type="checkbox"/> Engagement, specify</td></tr><tr><td>Engagement topics are discussed with managers on an annual basis. Mercer's RI team recommends topics for engagement for the coming year. Engagement with companies failing the UN Global Compact is mandatory if held in the portfolio.</td></tr><tr><td><input checked="" type="checkbox"/> Voting, specify</td></tr><tr><td>Voting on all proposals is mandatory and is tracked by Mercer. Voting results and patterns are discussed with managers on an annual basis. Development of managers' own voting policies is encouraged. Mercer reserves the right to over-ride a manager's voting intention</td></tr><tr><td><input type="checkbox"/> Promoting responsible investment</td></tr><tr><td><input type="checkbox"/> ESG specific improvements</td></tr><tr><td><input type="checkbox"/> Other, specify</td></tr><tr><td><input checked="" type="checkbox"/> ESG guidelines/regulation, principles/standards, specify</td></tr><tr><td>For all active equity and fixed income strategies we exclude tobacco, controversial weapons and (semi) automatic civilian firearms in Europe and Pacific.</td></tr></tbody></table> <table border="1"><thead><tr><th>Incentives and controls</th></tr></thead><tbody><tr><td><input type="checkbox"/> Fee based incentive</td></tr><tr><td><input checked="" type="checkbox"/> Communication and remedy of breaches</td></tr><tr><td><input type="checkbox"/> Termination</td></tr><tr><td><input type="checkbox"/> No fee/ breach of contract</td></tr></tbody></table> <table border="1"><thead><tr><th>Reporting requirements</th></tr></thead><tbody><tr><td><input type="radio"/> Monthly</td></tr><tr><td><input type="radio"/> Quarterly</td></tr><tr><td><input type="radio"/> Bi-annually</td></tr><tr><td><input checked="" type="radio"/> Annually</td></tr><tr><td><input type="radio"/> Ad-hoc/when requested</td></tr></tbody></table>	Benchmark	<input checked="" type="checkbox"/> Standard benchmark	<input type="checkbox"/> ESG benchmark, specify	ESG Objectives	<input type="checkbox"/> ESG related strategy, specify	<input type="checkbox"/> ESG related investment restrictions, specify	<input checked="" type="checkbox"/> ESG integration, specify	Full review of a manager's ESG credentials, reflected in Mercer's proprietary ESG Rating	<input checked="" type="checkbox"/> Engagement, specify	Engagement topics are discussed with managers on an annual basis. Mercer's RI team recommends topics for engagement for the coming year. Engagement with companies failing the UN Global Compact is mandatory if held in the portfolio.	<input checked="" type="checkbox"/> Voting, specify	Voting on all proposals is mandatory and is tracked by Mercer. Voting results and patterns are discussed with managers on an annual basis. Development of managers' own voting policies is encouraged. Mercer reserves the right to over-ride a manager's voting intention	<input type="checkbox"/> Promoting responsible investment	<input type="checkbox"/> ESG specific improvements	<input type="checkbox"/> Other, specify	<input checked="" type="checkbox"/> ESG guidelines/regulation, principles/standards, specify	For all active equity and fixed income strategies we exclude tobacco, controversial weapons and (semi) automatic civilian firearms in Europe and Pacific.	Incentives and controls	<input type="checkbox"/> Fee based incentive	<input checked="" type="checkbox"/> Communication and remedy of breaches	<input type="checkbox"/> Termination	<input type="checkbox"/> No fee/ breach of contract	Reporting requirements	<input type="radio"/> Monthly	<input type="radio"/> Quarterly	<input type="radio"/> Bi-annually	<input checked="" type="radio"/> Annually	<input type="radio"/> Ad-hoc/when requested
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<input type="checkbox"/> Fee based incentive <input checked="" type="checkbox"/> Communication and remedy of breaches <input type="checkbox"/> Termination <input type="checkbox"/> No fee/ breach of contract

Reporting requirements
<input type="radio"/> Ad-hoc/when requested <input checked="" type="radio"/> Annually <input type="radio"/> Bi-annually <input type="radio"/> Quarterly <input type="radio"/> Monthly
<input checked="" type="checkbox"/> Fixed income - Corporate (non-financial)

Benchmark
<input checked="" type="checkbox"/> Standard benchmark, specify Corresponding corporate bond benchmark <input type="checkbox"/> ESG benchmark, specify

ESG Objectives
<input type="checkbox"/> Other, specify <input type="checkbox"/> ESG related strategy, specify <input type="checkbox"/> ESG related investment restrictions, specify <input checked="" type="checkbox"/> ESG integration, specify Mercer ESG Rating is reviewed <input type="checkbox"/> Engagement, specify <input type="checkbox"/> Voting, specify <input type="checkbox"/> Promoting responsible investment <input type="checkbox"/> ESG specific improvements <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> ESG guidelines/regulation, principles/standards, specify For all active equity and fixed income strategies we exclude tobacco and controversial weapons

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Reporting requirements
<input type="radio"/> Ad-hoc/when requested <input checked="" type="radio"/> Annually <input type="radio"/> Bi-annually <input type="radio"/> Quarterly <input type="radio"/> Monthly

- Private equity
- Property
- Infrastructure

**SAM 04.3** Indicate which of these actions your organisation might take if any of the requirements are not met

- Discuss requirements not met and set project plan to rectify
  - Place investment manager on a "watch list"
  - Track and investigate reason for non-compliance
  - Re-negotiate fees
  - Failing all actions, terminate contract with the manager
  - Other, specify
- Many of our ESG requirements are covered in IMAs with managers, making them a contractual agreement.
- No actions are taken if any of the ESG requirements are not met

**SAM 04.4** Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL]

The vast majority of appointments are for segregated mandates, where the IMA includes ESG requirements directly as a contractual agreement to follow the sustainable investment policy expectations.

SAM 05.1	When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates					
	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG objectives linked to investment strategy (with examples)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Evidence on how the ESG incorporation strategy(ies) affected the investment decisions and financial / ESG performance of the portfolio/fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Compliance with investment restrictions and any controversial investment decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG portfolio characteristics	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
How ESG materiality has been evaluated by the manager in the monitored period	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Information on any ESG incidents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Metrics on the real economy influence of the investments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRI Transparency Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
PRI Assessment Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RI-promotion and engagement with the industry to enhance RI implementation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Changes to the oversight and responsibilities of ESG implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general RI considerations in investment management agreements; specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 05.2	When monitoring external managers, does your organisation set any of the following to measure compliance/progress					
	LE	FI - SSA	FI - Corporate (non-financial)	Private equity	Property	Infrastructure
ESG score	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
ESG weight	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG performance minimum threshold	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Real world economy targets	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SAM 06.1	When monitoring managers, indicate which of the following active ownership information your organisation typically reviews and evaluates from the investment manager in meetings/calls	
(Proxy) voting		
	LE	
Report on voting undertaken (with outcomes and examples)	<input checked="" type="checkbox"/> Report on voting undertaken (with outcomes and examples) - LE	
Report on voting decisions taken	<input checked="" type="checkbox"/> Report on voting decisions taken - LE	
Adherence with the agreed upon voting policy	<input checked="" type="checkbox"/> Adherence with the agreed upon voting policy - LE	
Other RI considerations relating to (proxy) voting in investment management agreements; specify	<input type="checkbox"/> Other RI considerations relating to (proxy) voting in investment management agreements; specify - LE	
None of the above	<input type="checkbox"/> None of the above - LE	

SAM 07.1	For the listed equities for which you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
<input checked="" type="checkbox"/>	Votes cast (to the nearest 5%) 95%
	Specify the basis on which this percentage is calculated.
<input checked="" type="checkbox"/>	Of the total number of ballot items on which they could have issued instructions
<input type="checkbox"/>	Of the total number of company meetings at which they could have voted
<input type="checkbox"/>	Of the total value of your listed equity holdings on which they could have voted

We do not collect this information.

**SAM 07.2** For the listed equities for which you have given your external managers a mandate to engage on your behalf, indicate the approximate percentage (+/- 5%) of companies that were engaged with during the reporting year.

Proportion (to the nearest 5%)

**SAM 07.3** Additional information [OPTIONAL]

We review managers engagement activities with companies including; number of companies engaged, examples of engagements by topic, outcomes of engagements and examples of engagements that are collaborative. Despite providing guidance on our disclosure requirements the level of disclosure from managers is often not in line with our requirements. We have chosen not to report on SAM 07.2 as the data we have from managers is not comprehensive enough to provide an accurate response.

**SAM 08** Mandatory to Report, Voluntary to Disclose Descriptive PRI 1

Private

**SAM 09** Mandatory Additional Assessed PRI 1,6

**SAM 09.1** Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.

Add Example 1

Topic or issue	Fund Manager ESG rating Downgrade
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	Completed a universe review to search for similar managers with better ESG practises
Outcomes	Appointed new managers in Sustainable Global Equity fund with higher ESG ratings.

Add Example 2

Topic or issue	UNGC Breaches
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	We screen portfolios to check if any managers hold stocks in breach of the United Nations Global Compact
Outcomes	We engaged with all active equity managers holding these stocks as at end December 2019.

Add Example 3

Topic or issue	Portfolio Construction
Conducted by	Internal staff
Asset class	Fixed income – corporate (non financial)
Scope and process	With two like for like managers, we have a preference for better rated ESG managers rather than lower rated managers
Outcomes	Better ESG rated portfolios

Add Example 4

Topic or issue	Emissions
Conducted by	Internal staff
Asset class	Listed Equity
Scope and process	We regularly review absolute (vs previous) and relative (vs benchmark) CO2 emission levels of manager portfolios
Outcomes	We have engaged with systematic equity managers with portfolios with higher than benchmark emission levels – in several cases these managers can reduce emissions without any significant effect on expected portfolio returns

Add Example 5

Add Example 6

Add Example 7

We are not able to provide examples

**SAM Checks** Checks

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

**Confirmation required:**

You reported in OO 10.1 that your organisation requires its external managers to engage with companies on ESG factors on your behalf for a given asset. While you provided details as part of manager selection (SAM 03.1), you reported "none of the above" as part of monitoring in SAM 06 for that given asset. If you are





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 type="checkbox"/> Internal verification of responses before submission to the PRI (e.g. by the CEO or the board) <input type="checkbox"/> Other, specify <input checked="" 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 type="radio"/> We did not assure last year's PRI Transparency report <input checked="" type="checkbox"/> None of the above, we were in our preparation year and did not report last year.			
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 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="checkbox"/> We do not plan to assure this year's PRI Transparency report			