



LEA 02	Disclosure: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in internal staff</p>		
Collaborative engagements	<p><input type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>		
Service provider engagements	<p><input type="checkbox"/> To support investment decision-making in & company's material ESG issues</p> <p><input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional or different investments</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage in service provider engagements</p>		

RI TRANSPARENCY REPORT

2014/15

HRL Morrison & Co Ltd

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 2014-15 reporting cycle. 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. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Private							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public							✓
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Private							✓
OA 07	Governance, management structures and RI processes	-	n/a							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	✓	Private							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
LEI 02	Description of ESG incorporation	✓	Private	✓						
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Private	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 09	Types of sustainability thematic funds/mandates	✓	Public	✓						
LEI 10	Description of ESG integration	✓	Private	✓						
LEI 11	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 12	Processes to ensure integration is based on robust analysis	✓	Private	✓						
LEI 13	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 14	ESG issues in index construction	🔒	n/a	✓						
LEI 15	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	-	n/a	✓						
LEI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 18	Disclosure of approach to ESG incorporation	✓	Public		✓				✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 06	Objectives for engagement activities	🔒	n/a		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Private		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 14	Examples of ESG engagements	✓	Private		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	🔒	n/a		✓					
LEA 17	Typical approach to (proxy) voting decisions	🔒	n/a		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	🔒	n/a		✓					
LEA 20	Securities lending programme	🔒	n/a		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	🔒	n/a		✓					
LEA 22	Percentage of (proxy) votes cast	🔒	n/a		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	🔒	n/a		✓					
LEA 24	Shareholder resolutions	🔒	n/a		✓					
LEA 25	Examples of (proxy) voting activities	🔒	n/a		✓					
LEA 26	Disclosing voting activities	🔒	n/a		✓				✓	

Direct - Infrastructure				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
INF 01	Breakdown of investments by equity and debt	✓	Public							✓
INF 02	Breakdown of assets by management	✓	Public							✓
INF 03	Largest infrastructure	✓	Private							✓
INF 04	Description of approach to RI	-	n/a	✓						✓
INF 05	Responsible investment policy for infrastructure	✓	Public	✓						✓
INF 06	Fund placement documents and RI	✓	Public	✓			✓			✓
INF 07	Formal commitments to RI	✓	Private				✓			
INF 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
INF 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
INF 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
INF 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
INF 12	ESG issues impact in selection process	✓	Private	✓						
INF 13	ESG issues in selection, appointment and monitoring of third-party operators	🔒	n/a				✓			
INF 14	ESG issues in post-investment activities	✓	Public		✓					
INF 15	Proportion of assets with ESG performance targets	✓	Public		✓					
INF 16	Proportion of portfolio companies with ESG/sustainability policy	✓	Public		✓					
INF 17	Type and frequency of reports received from investees	-	n/a		✓	✓				
INF 18	Proportion of maintenance projects where ESG issues were considered	✓	Public		✓					
INF 19	Proportion of stakeholders that were engaged with on ESG issues	✓	Private		✓					
INF 20	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
INF 21	Examples of ESG issues that affected your infrastructure investments	-	n/a	✓		✓				
INF 22	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
INF 23	Approach to disclosing ESG incidents	-	n/a							✓

HRL Morrison & Co Ltd

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
-------	-----------	-----------------	---------

OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 01.2 Additional information. [Optional]

See 00 09.1 for further information on H.R.L. Morrison & Co (MCO)

OO 02	Mandatory	Peering	General
-------	-----------	---------	---------

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

New Zealand

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).

FTE

60

OO 03	Mandatory	Descriptive	General
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OO 03.1

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

- Yes
- No

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2014

OO 04.2

Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		7	683	700	000
Currency	NZD				
Assets in USD		6	442	780	279

OO 04.5

Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

OO 06

Mandatory

Descriptive

General

OO 06.1

To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as percentage breakdown
- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	>50%	0
Fixed income – corporate	0	0
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	0

Private equity	0	0
Property	0	0
Infrastructure	10-50%	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Other (1), specify	0	0
Other (2), specify	0	0

○ Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 09	Voluntary	Descriptive	General
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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About H.R.L. Morrison & Co (MCO)

Founded in 1988, MCO is a specialist infrastructure investment manager with a strong track record and a deep commitment to delivering exceptional risk-adjusted returns for its clients. MCO's longest standing client is the NZ\$5.7bn (AUM) NZX/ASX listed infrastructure investment vehicle Infratil (IFT.NZ, IFZ.AX), which was founded by MCO in 1994 and has achieved an annualised total shareholder return of 19% since inception (post tax, fees and expenses). In 2006 MCO was appointed by the New Zealand Superannuation Fund (NZSF) to manage a global infrastructure portfolio and the firm has subsequently expanded its set of IMA relationships to include other SWF/pension funds. MCO has delivered annualised total shareholder returns of 20% in its IMAs over the past nine years (post tax, fees and expenses). MCO has also established a formidable presence in Australasian PPP investment, with two dedicated PPP funds and a team of 10 specialist resources focused on social infrastructure opportunities across Australia and New Zealand.

MCO has been active in the Australian market since 1994, acting as advisor to various state governments regarding infrastructure privatisations and establishing the ASX-listed Infratil Australia. Infratil Australia was subject to a takeover by Hastings Funds Management in 2000, with its assets such as Perth Airport, NT Airports and the Port of Portland becoming the nucleus of Hastings' UTA and AIX portfolios.

In 2010 MCO expanded its Australian presence, opening a new Sydney office. In addition to augmenting Australian origination and asset management capabilities, this has enabled the firm to progress its strategy of building a small portfolio of substantial client relationships with well-aligned pension and sovereign wealth funds.

MCO is active across a broad range of infrastructure and infrastructure-like sub-sectors, and a key differentiator of the firm is its active approach to asset management. A team of over 50 investment professionals includes a mix of financial markets, strategy, and operational backgrounds and it is this breadth and depth of capability which allows it to take a proactive role in delivering value within portfolio companies.

MCO currently manages consolidated infrastructure assets totalling over NZ\$7.6bn across Australia, New Zealand, Europe, North America and Asia. MCO's approach is to focus on delivering excess risk-adjusted returns for its clients. MCO invests across both listed and private markets, with the vast majority of its unlisted assets and origination resources currently focused on Australia and New Zealand. MCO has five offices - New Zealand (2), Australia (2) and Hong Kong.

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1 Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We incorporate ESG issues into investment decisions on our internally managed assets
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1 Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Infrastructure
- None of the above

OO 12	Mandatory	Gateway	General
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OO 12.1 The modules and sections that you will be required to complete are listed below.

This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.

Core modules

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

RI implementation directly or via service providers

Direct - Listed Equity incorporation

Listed Equity incorporation

Direct - Listed Equity active ownership

Engagements

Direct - Other asset classes with dedicated modules

Infrastructure

Closing module

Closing module

HRL Morrison & Co Ltd

Reported Information

Public version

Overarching Approach

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Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1 Indicate if you have a responsible investment policy.

- Yes
 No

OA 01.2 Indicate if you have other guidance documents or more specific policies related to responsible investment.

- Yes
 No

OA 01.3 Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]

MCO believes that strong investment performance must be underpinned by a clear commitment to adhering to best Environmental, Social and Governance (ESG) practices and that ESG issues play a vital role in New Zealand, Australia and globally. MCO endeavours to ensure ESG issues are incorporated into the investment analysis, decision making and ownership policies and practices at both the group and investee company level. MCO's Responsible Investment policy outlines this commitment as well as how ESG issues are considered and monitored at the group and investee company level and uses some sector specific examples.

The full costs and benefits of ESG risks and opportunities are taken into account and understood when considering all investments and revisited on an ongoing basis as factors can change which impact the original assessment. This is managed by strong due diligence pre-acquisition and appropriate governance post acquisition.

The Responsible Investment policy is owned by the MCO Board and CEO. Oversight of the ESG policy is a key item on the monthly MCO Executive agenda.

In March 2010, MCO became a signatory to the UN Principles for Responsible Investment. MCO is committed to the implementation of these Principles in its operations. While some of MCO's mandates are global in nature, investment in countries where political risk and corruption represent material risk are avoided. As a guide MCO uses the OECD Consensus Country Classifications.

Environmental:

MCO considers environmental issues at all stages of the investment process from due diligence through to on-going management and operation of the assets and investee companies.

Each investee company has its own sustainability and ESG policies and practices in place with appropriate disclosure and standardised reporting.

Social:

MCO is a supporter of a number of charities.

MCO is actively involved in contributing to the local communities where its subsidiary businesses and assets operate.

MCO ensures recruitment and promotion policies promote fairness and diversity.

Governance:

MCO operates to high standards of corporate governance in accordance with the Principles for Responsible Investment guidelines.

MCO is committed to regular and transparent reporting to clients at all levels.

MCO always conducts itself to the highest standards of ethical behaviour.

The MCO Board and investee company Boards comprise members from a variety of locations and backgrounds with a diverse range of skills and experience.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1 Indicate if your responsible investment policy is publicly available.

Yes

OA 02.2 Provide a URL to your responsible investment policy.

URL

http://hrlmorrison.com/uploads/pdf/mco_esg_policy.pdf

No

OA 02.3 Indicate if your other policies or guidance documents related to responsible investment are publicly available.

Yes

Yes, all

Yes, some

OA 02.4 List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.

Policy or document name	URL
Policy on ESG Engagements	http://hrlmorrison.com/uploads/pdf/mco_esg_policy.pdf
Screening/Exclusion Policy	http://hrlmorrison.com/uploads/pdf/mco_esg_policy.pdf

No

OA 02.5 Additional information. [Optional]

MCO includes it's policy on engagement/active ownership and it's policy on screening and exclusion as part of it's broader ESG Policy

OA 03	Mandatory	Core Assessed	PRI 1,2
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OA 03.1 Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input type="checkbox"/> Specific guidelines on environmental issues <input type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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OA 04.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
---------	---

Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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MCO has, and complies with, a robust conflicts policy as part of its continuing commitment to best practice and always acts in the best interests of its clients. In summary, the policy procedure includes the following:

The Compliance Manager is responsible for:

1. Assessing reported and potential conflicts
2. Managing conflicts (including avoiding and disclosing)
3. Documenting conflicts

No

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1	Indicate if your organisation sets objectives for its responsible investment activities.
---------	--

Yes

OA 05.2	Indicate how frequently your organisation sets or revises objectives for responsible investment.
---------	--

At least once per year

Less than once per year

OA 05.3

Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed
- No

Governance and human resources

OA 08

Mandatory

Gateway/Core Assessed

General

OA 08.1

Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

Roles present in your organisation

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
Head of Legal

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
- External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

Promoting responsible investment

OA 10

Mandatory

Core Assessed

PRI 4,5

OA 10.1

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.

Select all that apply

- Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced
- Asian Corporate Governance Association

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

- Basic
- Moderate
- Advanced
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify
New Zealand Business Leaders' Health and Safety Forum (aimed at achieving Zero Harm Workplaces)

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

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
International Project Finance Association (IPFA)

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

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
New Zealand Shareholders Association

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

- Basic
- Moderate
- Advanced

Other collaborative organisation/initiative, specify

OA 11

Mandatory

Core Assessed

PRI 4

OA 11.1

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

- Yes
- No

HRL Morrison & Co Ltd

Reported Information

Public version

Direct - Listed Equity Incorporation

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Overview

LEI 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	PRI 1
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LEI 01.1

Provide a breakdown of your internally managed listed equities by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your internally managed listed equities, indicate if you would still like to report your activities.

Strategies

- Passive
- Active – quantitative (quant)
- Active – fundamental and other active strategies

	% of internally managed listed equities
<input type="radio"/>	<10%
<input type="radio"/>	10-50%
<input checked="" type="radio"/>	>50%

ESG incorporation in actively managed listed equities

Implementation processes

LEI 03	Mandatory	Gateway/Core Assessed	PRI 1
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LEI 03.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies.

ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies
- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined

Percentage of actively managed listed equities to which each strategy or combination of strategies is applied - you may (estimate +/- 10%)	%
	100

No incorporation strategies applied

Total actively managed listed equities

100%

LEI 03.2 Describe your primary reasons for choosing a particular ESG incorporation strategy.

A top down screen strategy compliments an in depth bottom up investment research approach including integration strategies. Screening is used to prevent investments in companies in certain geographies and products where clients do not wish to invest (including for ESG related reasons) and that are not part of our investment focus areas (including for ESG related reasons). Integration of ESG screening ensures that ESG factors are assessed as part of the research and stock selection process.

Individual investments are negatively screened at a high level by preventing investments in companies in certain geographies and products where clients do not wish to invest (including for ESG reasons) and that are not part of our investment focus areas (including for ESG related reasons).

MCO in addition also invests in themes and assets specifically related to sustainability (for example renewable energy).

LEI 03.3 Where assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]

Screening is applied to potential investment selection and integration is applied to analysis of both potential investments and for the ongoing assessment of existing portfolio investments. In some cases, these two strategies are applied to a particular sub-sector as part of MCO's thematic investing.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1
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LEI 06.1 Indicate and describe the type of screening you apply to your internally managed active listed equities.

Type of screening

Negative/exclusionary screening

Screened by

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

	Description
--	-------------

Individual investments are negatively screened at a high level by preventing investments in companies in certain geographies and products where clients do not wish to invest (including for ESG reasons) and that are not part of our investment focus areas (including for ESG related reasons)

- Positive/best-in-class screening

Screened by

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

	Description
--	-------------

Positive screening is used to include investments that fall within our investment focus and based on individual merit (including positive ESG factors) rather than against a broad set of criteria.

- Norms-based screening

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.		
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Screening criteria is established at a high level by establishing investment focus areas and incorporation of client mandate preferences/exclusions. The review of investment focus areas is ongoing and changes are communicated to clients on an ad-hoc basis, and at sector workshops and quarterly reviews.

LEI 07	Mandatory	Core Assessed	PRI 1
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LEI 07.1

Indicate which processes your organisation uses to ensure that screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

(B) Implementation: Thematic

LEI 09

Mandatory

Descriptive

PRI 1

LEI 09.1

Indicate the type of sustainability thematic funds or mandates that your organisation manages.

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

(C) Implementation: Integration of ESG issues

LEI 11

Mandatory

Core Assessed

PRI 1

LEI 11.1

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

Communication

LEI 18

Mandatory

Core Assessed

PRI 2,6

LEI 18.1

Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.

- We disclose it publicly

Provide URL

http://hrlmorrison.com/uploads/pdf/mco_esg_policy.pdf

LEI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

- Yes

LEI 18.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
 Detailed explanation of ESG incorporation strategy used

LEI 18.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
- Between quarterly and annually
- Less frequently than annually
- Other, specify
- No
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries

HRL Morrison & Co Ltd

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
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LEA 01.1 Provide a brief overview of your organisation's approach to engagement.

MCO actively engages with companies that are currently held in the portfolio and also with prospective listed companies that are not held in the portfolio. Engagement objectives:

- *Encourage high governance and RI standards
- *Identify any material ESG risks as part of the initial and ongoing investment thesis
- *Engage on any material ESG risks and influence ESG practices

Engagements are both proactive and reactive. For listed stakes where MCO has a board seat, engagements will occur at the Board level, as well as between MCO investment team members and company senior management. Engagement for minority listed positions typically occur between MCO's listed team and company senior management.

LEA 02	Mandatory	Gateway	PRI 1,2,3
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LEA 02.1 Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.

Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input checked="" type="checkbox"/> We do not engage via service providers

LEA 02.2 Additional information. [Optional]

MCO consults with external advisors, industry experts and research houses as part of the investment research process and ongoing assessment, however, MCO does not engage with investee companies via these service providers.

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☉ Yes

LEA 03.2 Describe how you identify and prioritise engagements.

MCO is a high conviction investor with a small number of portfolio holdings for each client that is actively monitored and managed daily.

Identification of ESG issues results from ongoing daily assessment of the investee companies, general media relating to those companies, board meetings where MCO has board representation and awareness/guidance from MCO's advisory panel, service providers and clients.

MCO prioritises ESG engagements based on the level of ownership and influence. MCO has a small number of portfolio holdings for each client, however, any material ESG issue that is identified is prioritised.

No

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1	Indicate if you define specific objectives for your engagement activities.
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- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- No

LEA 04.2	Indicate if you monitor the actions that companies take following your engagements.
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- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases

LEA 04.3	Describe how you monitor and evaluate the progress of your engagement activities.
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Where specific tangible action items are required by the company to be carried out, they are monitored/reviewed and subsequently followed up if no action has been taken. Engagements around intangible activities are monitored as part of the ongoing research, valuation and investment decision analysis.

No

General processes for all three groups of engagers

LEA 09	Voluntary	Additional Assessed	PRI 1,2
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LEA 09.1	Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.
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Type of engagement	Insights shared
Individual/Internal staff engagements	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

LEA 10	Mandatory	Gateway/Core Assessed	PRI 2
--------	-----------	-----------------------	-------

LEA 10.1 Indicate if you track the number of engagements your organisation participates in.

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
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LEA 15.1 Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly
- We disclose it to clients and/or beneficiaries only

LEA 15.5 Indicate what engagement information your organisation proactively discloses to clients/beneficiaries.

Engagement information disclosed

- Details of the selections, priorities and specific goals of engagement
- Number of engagements
- Breakdown of engagements by type/topic
- Breakdown of engagements by region
- An assessment of the current status of the engagement
- Outcomes that have been achieved from the engagement
- Other information

LEA 15.6 Indicate how frequently you typically report engagements information

- Disclosed continuously (prior and post engagements)
- Disclosed quarterly
- Disclosed annually
- Disclosed every two years or less
- Other, specify
- We do not proactively disclose it to the public and/or clients/beneficiaries.

MCO is not able to publicly disclose details of engagements as this would have the undesired implication of potentially disclosing MCO's listed positions which would be a breach of client confidentiality.

HRL Morrison & Co Ltd

Reported Information

Public version

Direct - Infrastructure

PRI disclaimer

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Overview

INF 01

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

INF 01.1

Provide a breakdown of your organisation's internally managed infrastructure investments by equity and debt.

Infrastructure investment instruments	Percentage of your internally managed infrastructure investments (in terms of AUM)
Equity investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Debt investments	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total	100%

INF 01.2

Indicate the level of ownership you typically hold in your infrastructure investments.

- a majority stake (>50%)
- a 50% stake
- a significant minority stake (between 10-50%)
- a minority stake (<10%)
- a mix of ownership stakes
- N/A, we hold 100% debt investments

INF 02

Mandatory to Report Voluntary to Disclose

Gateway/Peering

General

INF 02.1

Provide a breakdown of your organisation's infrastructure assets based on who manages the assets.

Infrastructure assets managed by	Breakdown of your infrastructure assets (by number)
Managed directly by your organisation/companies owned by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party operators appointed by your organisation/companies owned by you	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Managed by other investors/their third-party operators	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Total	100%

INF 05	Mandatory	Core Assessed	PRI 1-6
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INF 05.1 Indicate if your organisation has a responsible investment policy for infrastructure.

Yes

INF 05.2 Provide a URL if your policy is publicly available. [Optional]

http://hrlmorrison.com/uploads/pdf/mco_esg_policy.pdf

No

INF 05.3 Additional information. [Optional]

MCO believes that strong investment performance must be underpinned by a clear commitment to adhering to best Environmental, Social and Governance (ESG) practices and endeavors to ensure ESG issues are incorporated into the investment analysis, decision making and ownership policies and practices at both the MCO group and investee company level. MCO's Responsible Investment policy outlines this commitment as well as how ESG issues are considered and monitored at the group and investee company level and provides some sector specific examples.

Fundraising of infrastructure funds

INF 06	Mandatory	Core Assessed	PRI 1,4,6
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INF 06.1

Indicate if your fund placement documents (private placement memorandums (PPMs) or similar) refer to responsible investment aspects of your organisation.

Yes

INF 06.2

Indicate how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Policy and commitment to responsible investment
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in pre-investment processes
 - Always
 - In a majority of cases
 - In a minority of cases
- Approach to ESG issues in post-investment processes

how your fund placement documents (PPMs or similar) refer to the following responsible investment aspects of your organisation:

- Always
- In a majority of cases
- In a minority of cases
- No
- Not applicable as our organisation does not fundraise

Pre-investment (selection)

INF 08

Mandatory

Gateway

PRI 1

INF 08.1

Indicate if your organisation typically incorporates ESG issues when selecting infrastructure investments.

Yes

INF 08.2

Describe your organisation's approach to incorporating ESG issues in infrastructure investment selection. [Optional]

The full costs and benefits of ESG risks and opportunities are taken into account and understood when considering all investments and revisited on an ongoing basis as factors can change which impact the original assessment. This is managed by strong due diligence pre-acquisition and appropriate governance post acquisition. Client mandates determine the incorporation of some ESG issues, for example in screening and exclusion or in the prioritisation of ESG issues.

In addition to the internal investment team's incorporation of ESG issues MCO seeks external advice on ESG issues during the due diligence phase of the investment process. MCO has long standing relationships with third parties recognised as international experts in ESG in the various sectors in which MCO invests.

Relevant investment ESG issues including downside risks and value creation opportunities are incorporated into the financial modelling, strategy and transition planning pre-investment process and considerations are presented to the investment committee and Board for investment approval.

No

INF 10	Mandatory	Core Assessed	PRI 1,3
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INF 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the investment selection process and list up to three typical examples per issue.
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ESG issues

Environmental

List up to three typical examples of environmental issues

Climate change exposure

Landscape

Air Pollution

Social

List up to three typical examples of social issues

Workplace Health & Safety

Human capital management

Relations with local communities

Governance

List up to three typical examples of governance issues

Executive benefits and compensation

Risk management

Stakeholder dialogue

Post-investment (monitoring and active ownership)

Overview

INF 14	Mandatory	Gateway	PRI 2
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INF 14.1	Indicate if your organisation, and/or operators, consider ESG issues in post-investment activities relating to your infrastructure assets.
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Yes

INF 14.2

Indicate how your organisation, and/or operators, considers ESG issues in the following post-investment activities relating to your infrastructure assets.

- We consider ESG issues in the monitoring and operation of infrastructure
- We consider ESG issues in infrastructure maintenance
- We consider ESG issues in stakeholder engagements related to our infrastructure
- We consider ESG issues in other post-investment activities, specify
Capital expenditure projects/reinvestment

No

Infrastructure monitoring and operations

INF 15

Mandatory

Core Assessed

PRI 2

INF 15.1

Indicate the proportion of infrastructure assets where your organisation, and/or operators, included ESG performance in investment monitoring during the reporting year.

- >90% of infrastructure assets
- 51-90% of infrastructure assets
- 10-50% of infrastructure assets
- <10% of infrastructure assets

(in terms of number of infrastructure assets)

INF 15.2

Indicate ESG issues for which your organisation, and/or operators, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

- Environmental

List up to three example targets per issue

Compliance with all environmental laws and encourage regulator standards to be lifted

Implementation of Euro 5+ emission busses and fire engines

Adoption of a holistic Enterprise Risk Management system that enables MCO to assess the relative impact across the Quadruple Bottom Line (economic, environmental, social, cultural)

- Social

List up to three example targets per issue

'Zero Harm' approach to Health and Safety, monitoring and evaluating injury prevention and injury management performance in the workplace

Noise treatment objectives and measures including removal dwellings, noise mitigation package and stricter rules on subdivisions within noise boundaries including improved noise insulation

Identify, assess and control all existing and new hazards in the workplace, to which employees and others are or may be exposed

- Governance

List up to three example targets per issue

Establish formal engagements between key stakeholders and business strategy implementation

Remuneration packages to align management objectives with shareholder objectives

Promote shareholder rights/benefits beyond legal with the objective to maintain good shareholder relations and be a reputable and preferred investment partner

We do not set and/or monitor against targets

INF 15.3

Additional information. [Optional]

MCO's approach with its businesses is to ensure they comply with both word and spirit of the law so that MCO is recognised as being both a reliable and suitable owner and operator of infrastructure and is seen to act in a manner which promotes standards of moral behaviour and transparency.

INF 16

Mandatory

Additional Assessed

PRI 2

INF 16.1

Indicate if you track the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).

Yes

INF 16.2

Indicate the proportion of your infrastructure investees that have an ESG/sustainability-related policy (or similar guidelines).

- >90% of infrastructure investees
- 51-90% of infrastructure investees
- 10-50% of infrastructure investees
- <10% of infrastructure investees
- 0% of infrastructure investees

(in terms of number of infrastructure investees)

No

Infrastructure maintenance

INF 18

Mandatory

Core Assessed

PRI 2

INF 18.1

Indicate the proportion of active infrastructure maintenance projects where ESG issues have been considered.

- >90% of active maintenance projects
- 51-90% of active maintenance projects
- 10-50% of active maintenance projects
- <10% of active maintenance projects
- N/A, no maintenance projects of infrastructure assets are active

(in terms of number of active maintenance projects)

Communication

INF 22

Mandatory

Core Assessed

PRI 6

INF 22.1

Indicate if your organisation proactively discloses ESG information on your infrastructure investments.

- Disclose publicly
- Disclose to clients/beneficiaries only

INF 22.5

Indicate the type of ESG information that your organisation proactively discloses to your clients/beneficiaries.

- ESG information on how you select infrastructure investments
- ESG information on how you monitor and manage infrastructure investments
- Information on your infrastructure investments' ESG performance
- Other; specify

INF 22.6

Indicate your organisation's typical frequency of disclosing ESG information to the your clients/beneficiaries.

- Quarterly or more frequently
- Semi annually
- Annually
- Every two years or less frequently
- Ad-hoc; specify

INF 22.7

Describe the ESG information and how your organisation proactively discloses it to your clients/beneficiaries. [Optional]

ESG information is disclosed as requested by the client, when there is a material ESG issue identified and periodically in quarterly meetings and reports and annual reports

- No proactive disclosure to the public or to clients/beneficiaries