




The image shows two overlapping forms from the PRI LEA (Local Engagement) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed for recording engagement activities and are structured as follows:

Type of engagement	Reason for interaction
Individual/ internal staff engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage via internal staff <input type="checkbox"/> To support investment decision-making in a company's investment <input type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other: specify
Collaborative engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage via collaborative engagements <input type="checkbox"/> To support investment decision-making in a company's investment <input type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other: specify
Service provider engagements	<input checked="" type="checkbox"/> To support investment decision-making in a company's investment <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input checked="" type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage via service providers <input type="checkbox"/> To support investment decision-making in a company's investment <input type="checkbox"/> To enhance corporate transparency or identify the need to enhance corporate <input type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other: specify

RI TRANSPARENCY REPORT

2014/15

Merseyside Pension Fund



UNEP Finance Initiative
Changing finance, financing change



United Nations Global Compact

An investor initiative in partnership with UNEP Finance Initiative and UN Global Compact

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	✓	Public							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
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	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
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	✓	Public	✓						
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	✓	Private							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	-	n/a							✓

Indirect – Manager Selection, Appointment and Monitoring				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SAM 01	Description of RI considerations	-	n/a	✓					✓	
SAM 02	Role of investment consultants	✓	Public				✓			
SAM 03	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 04	Breakdown of passive, active quant and active fundamental	✓	Public							✓
SAM 05	ESG incorporation strategies	✓	Public	✓	✓					
SAM 06	Selection processes (listed assets)	✓	Public	✓					✓	
SAM 07	Appointment considerations (listed assets)	✓	Private				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	🔒	n/a		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	✓	Private	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 16	Disclosure of RI considerations	✓	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	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
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	-	n/a		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Private		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Private		✓					
LEA 24	Shareholder resolutions	✓	Private		✓					
LEA 25	Examples of (proxy) voting activities	-	n/a		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments by equity and debt	✓	Public							✓
PR 02	Breakdown of assets by management	✓	Private							✓
PR 03	Largest property types	✓	Public							✓
PR 04	Description of approach to RI	✓	Private	✓					✓	
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓					✓	
PR 06	Fund placement documents and RI	⚡	n/a	✓			✓		✓	
PR 07	Formal commitments to RI	⚡	n/a				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Private	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Private	✓		✓				
PR 12	ESG issues impact in selection process	✓	Private	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	⚡	n/a		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	⚡	n/a		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Private		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Private	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	✓	Private	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public						✓	

Merseyside Pension Fund

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the category which best represents your primary activity.

- ☒ Non-corporate pension or superannuation or retirement or provident fund or plan
- ☐ Corporate pension or superannuation or retirement or provident fund or plan
- ☐ Insurance company
- ☐ Foundation or endowment
- ☐ Development finance institution
- ☐ Reserve - sovereign or government controlled fund
- ☐ Other, specify

OO 01.2 Additional information. [Optional]

We are a part of the UK's Local Government Pension Scheme, which taken collectively is the largest occupational defined benefit pension scheme in the UK. Merseyside Pension Fund is the 5th largest fund in the LGPS.

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

United Kingdom

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

76

OO 02.4 Additional information. [Optional]

The number of FTE staff directly involved with investment management is 8.

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		6	464	196	000
Currency	GBP				
Assets in USD		10	689	109	937

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 04.6

Additional information. [Optional]

Uncalled commitments have not been included in the AUM total.

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	<10%	10-50%
Fixed income – corporate	0	0
Fixed income – government	0	<10%

Fixed income – other	0	<10%
Private debt	0	0
Private equity	0	<10%
Property	<10%	<10%
Infrastructure	0	<10%
Commodities	0	0
Hedge funds	0	<10%
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	<10%	<10%
Other (1), specify	0	<10%
Other (2), specify	0	0

'Other (1)' specified

The Opportunities portfolio is asset class agnostic and seeks to identify and invest in non-traditional investments with short to medium term liquidity & horizon.

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

OO 07	Mandatory to Report	Voluntary to Disclose	Peering	General
OO 07.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.			

	% of externally managed assets
Segregated mandate(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
Pooled fund(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total externally managed assets</i>	100%

OO 07.2

Indicate the proportion of your externally managed assets in fund-of-funds.

	% of externally managed assets
Fund-of-funds	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

OO 08

Mandatory to Report Voluntary to Disclose

Peering

General

OO 08.1

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

Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

OO 09

Voluntary

Descriptive

General

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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Merseyside Pension Fund is part of the UK's Local Government Pension Scheme (LGPS). It administers the LGPS for eligible participants in the Merseyside region (comprising the municipalities of Liverpool, the Wirral, Sefton, St Helens and Knowsley). The Fund was established by Act of Parliament in 1987, following an extensive reorganisation of local government in the UK. Wirral Council was designated as the Administering Authority for the Fund.

The principal aim of the Fund is to provide secure pensions, effectively and efficiently administered at the lowest cost to contributing employers. This requires the Fund to strike a balance between achieving the most from its investments and the need to exercise prudence and caution in considering its future liability profile. The Fund considers Responsible Investment to be highly relevant on either side of this balance.

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.
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- ☒ 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
- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☐ 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.
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- ☒ Property
- ☐ Cash
- ☐ None of the above

OO 11.2

Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

- ☒ Fixed income – government
- ☐ Fixed Income – other
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Hedge funds
- ☐ Cash
- ☒ Other (1)
- ☐ None of the above

'Other (1)' [as defined in OO 05]

The Opportunities portfolio is asset class agnostic and seeks to identify and invest in non-traditional investments with short to medium term liquidity & horizon.

OO 12**Mandatory****Gateway****General****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
- ☒ (Proxy) voting

Direct - Other asset classes with dedicated modules

- ☒ Property

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☐ Fixed Income - Government
- ☐ Private Equity
- ☒ Property
- ☒ Infrastructure
- ☒ Other (1)

Closing module

- ☒ Closing module

Merseyside Pension Fund

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.
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- ☒ Yes
☐ No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- ☒ 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]
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MPF's responsible investment policy is contained within our Statement of Investment Principles (SIP). This is the key investment strategy and policy document that we are obliged to produce and periodically review by the LGPS Investment Regulations. The SIP has been prepared with reference to the six 2008 Myners Principles.

The SIP refers to the strategic role played by MPF's long-time and continuing membership and active participation in the Local Authority Pension Fund Forum (LAPFF), in terms of shaping the RI policy. The current Chair of Pensions Committee (PenCom - MPF's governing body) sits on the LAPFF Executive (as have previous PenCom Chairs) and is an active participant in the Forum's work (as frequently are Fund officers). LAPFF is a voluntary association of 64 public sector pension funds based in the UK representing assets under management of over £160 billion. LAPFF undertakes engagement with investee companies on behalf of its members in order to improve long-term performance and reduce actual or perceived risks associated with corporate governance and corporate responsibility practices.

LAPFF has a set of general ESG policies that it applies when engaging with companies and issuing voting alerts. These policies can be viewed at: http://static.lapfforum.org/LAPFF_Policies_Full_Version_Public.pdf

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

OA 02.2	Provide a URL to your responsible investment policy.
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	URL
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<http://mpfmembers.org.uk/content/responsible-investment>

- ☐ 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
Statement of Investment Principles	http://mpfmembers.org.uk/content/statement-investment-principles
UK Stewardship Code	http://mpfmembers.org.uk/content/stewardship-code-institutional-investors
RI Reporting: Asset Owner Expectations	http://www.napf.co.uk/PolicyandResearch/DocumentLibrary/~/_media/Policy/Documents/0424_guideline_to_responsible_investment_reporting_in_public_equity_published.pdf

☐ No

OA 03**Mandatory****Core Assessed****PRI 1,2****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 checked="" type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input 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 type="radio"/> Applicable policies cover all AUM <input checked="" 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.
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☒ Yes

OA 04.2	Describe your policy on managing potential conflicts of interest in the investment process. [Optional]
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The Fund encourages the asset managers it employs to have effective policies addressing potential conflicts of interest, when it comes to matters of stewardship.

The Fund requires all who are directly involved in its management and governance to disclose any interest in any company or entity in which the Fund has an ownership interest.

☐ 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.
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☒ Yes

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

OA 05.4

Additional information. [Optional]

LAPFF sets objectives in its work plan, which is approved annually by the LAPFF Business Meeting in January. Performance against these objectives and progress in company engagements are assessed quarterly in LAPFF's quarterly report, as well as annually.

OA 06

Voluntary

Descriptive

General

OA 06.1

List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

☒ Add responsible investment objective 1

Objective 1	To advance LAPFF's views on IFRS with investors, regulators and companies
Key performance indicators	Media coverage, traction with regulators and politicians, modifications to the UK and international accounting frameworks, and changes in the mandate of the International Accounting Standards
Describe the progress achieved	

☒ Add responsible investment objective 2

Objective 2	To disseminate LAPFF views on human capital management and executive pay; and influence corporate decision-making in this regard
Key performance indicators	Media coverage, positive feedback from company directors, incremental changes in company pay and human capital management practices.
Describe the progress achieved	

☒ Add responsible investment objective 3

Objective 3	To conduct more engagement with companies most widely held by LAPFF members
Key performance indicators	Number of companies in LAPFF's "top ten" UK holdings engaged with in the year
Describe the progress achieved	

OA 06.2

List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.

☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	To advance LAPFF's views on IFRS with investors, regulators and companies
Key performance indicators	Media coverage, traction with regulators and politicians, modifications to the UK and international accounting frameworks, and changes in the mandate of the International Accounting Standards

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	To disseminate LAPFF views on human capital management and executive pay; and influence corporate decision-making in this regard
Key performance indicators	Media coverage, positive feedback from company directors, incremental changes in company pay and human capital management practices.

☒ Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	To conduct more engagement with companies most widely held by LAPFF members
Key performance indicators	Number of companies in LAPFF's "top ten" UK holdings engaged with in the year

OA 06.3

Additional information.

As LAPFF continues to be a primary locus for our Responsible Investment approach, we believe that it is appropriate to report on its activities in this section and elsewhere in this Report.

Governance and human resources

OA 07	Voluntary	Descriptive	General
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PENSIONS COMMITTEE

15 elected Members
 1 employer representative
 3 active, deferred and pensioner member representatives
 (minimum of 5 meetings per annum)

Sets out high-level objectives of Responsible Investment policy. Approves the SIP (containing the RI policy) at least once every three years.

INVESTMENT MONITORING WORKING PARTY GOVERNANCE& RISK WORKING PARTY

Members of Pension Committee Members of Pension Committee
 Strategic Director, T& R Strategic Director, T & R
 The Head of Pension Fund Head of Pension Fund
 Independent advisers Other Officers as Required
 (Minimum of 6 meetings per annum) (2 meetings per annum)

*Receives quarterly reporting (from Fund officers) on implementation of RI policy.
 Annual report from voting and engagement service provider.
 Can make recommendations on RI to the Pensions Committee.*

FUND OPERATING GROUP

Strategic Director, T& R
 Head of Pension Fund
 Principal Pensions Officer
 Senior Investment Manager
 Group Accountant (and deputies)
 (monthly meetings)

HEAD OF PENSION FUND

Leads an in-house investment team comprising at least one officer with specialist RI capability. This officer duties would include managing the relationships with external service providers and collaborative partners in relation to RI, in particular the LAPFF.

LAPFF is an association of 58 local authority pension fund members that undertakes company engagement on our behalf. LAPFF is governed by an Executive Committee which serves as the main decision-making body responsible for managing the annual research and engagement work programme. The Executive Committee sets LAPFF's strategic goals and ensures the necessary financial and human resources are in place to meet LAPFF's objectives.

The Executive Committee makes recommendations to the membership for discussion and approval at the quarterly Business Meeting. Members are able to raise questions or propose topics for review by the Executive at the Business Meeting.

PIRC Ltd acts as the research and engagement partner to LAPFF. PIRC undertakes the daily engagement activities on behalf of LAPFF. The Executive Committee is responsible for overseeing PIRC's activities and the annual budget.
The Executive Committee assesses PIRC's performance annually.

☐ I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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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.
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	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
- ☒ Other Chief-level staff or head of department, specify
Head of Merseyside Pension Fund

- ☒ 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
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☒ 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
- x2 Independent Advisers**
- ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
 - ☐ Other role, specify

OA 09	Voluntary	Additional Assessed	General
OA 09.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.		

Board members/Board of trustees

- ☒ Responsible investment included in personal development and/or training plan

OA 09.2	Describe any activities undertaken during the reporting year to develop and maintain Board members' skills and knowledge in relation to responsible investment.
---------	---

The Chair of Pensions Committee has undertaken specialist training in company engagement in support of his role on the Executive Committee of the LAPFF.

Attendance by the Chair and other Pensions Committee members at relevant conferences and seminars throughout the year.

Individual members have undergone external training in support of their roles on Committee that contained an element addressing Responsible Investment.

Annual presentation to members from the Fund's voting and corporate governance adviser (who is also the research and engagement partner to LAPFF) describing their role, activities undertaken and other relevant topics.

☐ None of the above

Other C-level staff or head of department

Head of Merseyside Pension Fund

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Investment analysts

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Dedicated responsible investment staff

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☒ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☒ Responsible investment included in personal development and/or training plan
- ☐ None of the above

Other role

x2 Independent Advisers

- ☐ Responsible investment KPIs and/or goals included in objectives
- ☐ Responsible investment included in appraisal process
- ☐ Variable pay linked to responsible investment performance
- ☐ Responsible investment included in personal development and/or training plan
- ☒ None of the above

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

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

Participated in a number of PRI's workstreams. Attended PRI events.

- ☐ Asian Corporate Governance Association
- ☐ Association for Sustainable & Responsible Investment in Asia
- ☐ Australian Council of Superannuation Investors
- ☒ CDP Climate Change

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

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☒ Eumedion

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

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

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

MPF has a relationship with Eumedion via its membership of LAPFF, who they have partnered in a number of engagements during the year.

- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☒ Institutional Investors Group on Climate Change (IIGCC)

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

- ☐ Basic
- ☐ Moderate
- ☒ Advanced

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

Active participant in a number of workstreams, including helping to draft some IIGCC responses to consultations.

- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☒ International Corporate Governance Network (ICGN)

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

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

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

Involvement via LAPFF.

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

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

- ☒ Basic
- ☐ Moderate
- ☐ Advanced

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

Linked in Global Federation through membership of IIGCC.

- ☒ Investor Network on Climate Risk (INCR)/CERES

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

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

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

Linked in Global Federation through membership of IIGCC. Signed up to letter-writing campaign targeting the FTSE Global 350 companies& seeking to address concerns over carbon bubbles and resulting stranded assets.

☒ Local Authority Pension Fund Forum

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

- ☐ Basic
☐ Moderate
☒ Advanced

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

MPF's Chair has served on LAPFF's Executive during the year and has played an active role in setting LAPFF's policy priorities, as well as carrying out 'hands on' company engagement work.

Fund officers attend quarterly business meetings to receive updates on the range of LAPFF's activity, review the work-plan and share best practice examples.

LAPFF Quarterly Engagement reports are included in the quarterly investment report package presented to IMWP.

☒ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

UKSIF

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

- ☐ Basic
☒ Moderate
☐ Advanced

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

The Fund is now represented on the Leadership Committee of UKSIF.

- ☐ Shareholder Association for Research and Education (Share)
☐ United Nations Environmental Program Finance Initiative (UNEP FI)
☐ United Nations Global Compact
☒ Other collaborative organisation/initiative, specify

UK Pension Funds RI Roundtable.

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

- ☐ Basic
☐ Moderate
☒ Advanced

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

Informal group of like-minded pension fund investment officers (mix of corporate & public sector) who meet regularly to swap notes. In the reporting year, our activity stepped up a notch as we began to develop our thinking on what expectations on ESG integrating and reporting we should be communicating to the asset management industry.

- ☒ Other collaborative organisation/initiative, specify

National Association of Pension Funds

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

- ☐ Basic
☐ Moderate
☒ Advanced

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

The Fund is represented on the Stewardship Advisory Group of NAPF.

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

OA 11	Mandatory	Core Assessed	PRI 4
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OA 11.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
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- ☒ Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- ☐ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- ☒ Provided financial support for academic or industry research on responsible investment
- ☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- ☒ Spoke publicly at events and conferences to promote responsible investment
- ☒ Wrote and published in-house research papers on responsible investment
- ☒ Encouraged the adoption of the PRI
- ☒ Other, specify

Referred to our support for PRI in media appearances e.g. press statements following manager/service provider selection processes.

☐ No

ESG issues in asset allocation

OA 14**Voluntary****Descriptive****PRI 1****OA 14.1**

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

☒ Yes

OA 14.2

Indicate the percentage of your total AUM invested in environmental and social themed areas.

% of total AUM

1

OA 14.3

Please specify which thematic area(s) you invest in and provide a brief description.

Area

- ☒ Clean technology (including renewable energy)

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - government
- ☒ Private equity
- ☐ Property
- ☒ Infrastructure
- ☐ Other (1)

	Brief description of investment
--	---------------------------------

This has been predominantly in the area of renewable energy generation (although we do have some smaller exposure to grid transmission assets). Mixture of large scale wind/solar/biomass and smaller scale assets (waste-to-energy etc). Some clean-tech venture capital investing also.

☒ Green buildings

	Asset class invested
--	----------------------

- ☐ Listed equity
- ☐ Fixed income - government
- ☒ Private equity
- ☒ Property
- ☐ Infrastructure
- ☐ Other (1)

	Brief description of investment
--	---------------------------------

The efficiencies generated by improving the green profile of secondary assets has continued to be a feature of the asset management strategy in our directly-owned property portfolio.

In the private equity space, we have made a number of successful investments in funds where this is an integral feature of the investment case.

☐ Sustainable forestry

☒ Sustainable agriculture

	Asset class invested
--	----------------------

- ☐ Listed equity
- ☐ Fixed income - government
- ☐ Private equity
- ☐ Property
- ☐ Infrastructure
- ☒ Other (1)

The Opportunities portfolio is asset class agnostic and seeks to identify and invest in non-traditional investments with short to medium term liquidity & horizon.

- ☐ Microfinance
- ☐ SME financing
- ☒ Social enterprise / community investing

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - government
- ☒ Private equity
- ☒ Property
- ☐ Infrastructure
- ☒ Other (1)

The Opportunities portfolio is asset class agnostic and seeks to identify and invest in non-traditional investments with short to medium term liquidity & horizon.

Brief description of investment

In 2014, the Fund made its first investment in social impact bonds.

- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Water
- ☐ Other area, specify

☐ No

Innovation

OA 18	Voluntary	Descriptive	General
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OA 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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- ☐ Yes
- ☒ No

Merseyside Pension Fund

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

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.

Overview

SAM 02	Mandatory	Core Assessed	PRI 4
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SAM 02.1

Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

☒ Yes

SAM 02.2

Indicate how your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. [Optional]

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

Asset class

☒ Listed Equity (LE)

☐ Infrastructure (INF)

☐ Property (PR)

☐ Other asset classes

☐ We use investment consultants in our monitoring of external managers

☐ We use fiduciary managers

SAM 02.3

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

☒ Responsible investment is included in the selection process for investment consultants

☐ Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them

☒ Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring

☐ We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

☐ No

SAM 02.4

Additional information. [Optional]

We have put in place an Investment Manager Selection Framework Agreement. Admittance to the Framework was conditional on achieving a threshold score, assessed via a number of capability-based criteria, including the capability to critically evaluate an investment manager's overall RI capability (both at the level of the firm and the particular strategy proposed).

SAM 03	Mandatory	Gateway	General
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SAM 03.1

Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (1) [as defined in Organisational Overview module]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)

Overview

SAM 04	Mandatory to Report	Voluntary to Disclose	Gateway/Peering	General
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SAM 04.1

Provide a breakdown of your externally managed listed equities, corporate fixed income and government fixed income by passive, active quant, active fundamental and other active strategies.

Listed equity (LE)

Type of strategy	As % of externally managed listed equity
Passive	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - fundamental and other active	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

SAM 05	Mandatory	Gateway	PRI 1,2
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SAM 05.1

Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

Active investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Passive investment strategies

Passive investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

SAM 05.2

Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.

	LE	
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

SAM 05.3

Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.

	LE
We cast our (proxy) votes directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>
We require our external managers to cast our (proxy) votes on our behalf	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 05.4	Additional information. [Optional]
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We direct the voting of our underlying exposures on our UK and North American passively-managed mandates (both are pooled funds). We have three actively-managed pooled fund mandates (all listed equity) where we expect the manager to vote, but in accordance with their own policies (reporting back to us on this activity). We regard this as appropriate given the specific characteristics of the manager strategies concerned, wherein a strong stewardship dynamic is evidently part of the manager's approach.

Selection

SAM 06	Mandatory	Core Assessed	PRI 1-6
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SAM 06.1	Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:
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	General
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	LE		
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>		
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>		
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>		
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>		
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input checked="" type="checkbox"/>		
Other general aspects in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>		
Assess how the manager incentivises brokers to provide ESG research	<input type="checkbox"/>		
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>		
Discuss with managers how ESG issues have impacted specific investment decisions and, where relevant, stock or portfolio performance	<input checked="" type="checkbox"/>		
Evaluate index providers' ESG incorporation when designing the index	<input type="checkbox"/>		
Other ESG incorporation issues in your selection process, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

Engagements

	LE	
Discuss the managers' engagement processes	<input checked="" type="checkbox"/>	
Discuss the role managers have played in influencing companies' ESG practices and performance	<input checked="" type="checkbox"/>	
Discuss how information gained through engagement is incorporated into investment decision-making	<input checked="" type="checkbox"/>	
Other engagement issues in your selection process, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

(Proxy) voting

	LE
Discuss the managers' voting processes	<input type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>

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

We ask a lot of these questions, less to gather information or improve understanding, but more to be able to apply a (admittedly subjective) 'ring of truth' test. Manager selection is an art as much as it is a science.

Monitoring

SAM 08	Mandatory	Core Assessed	PRI 1
SAM 08.1	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:		
	General		

	LE		
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>		
Highlight examples of good responsible investment practice by other managers	<input type="checkbox"/>		
Review the manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>		
Encourage your managers to consider joining responsible investment initiatives/organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted risk or volatility	<input type="checkbox"/>		
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>		
Other general aspects of your monitoring, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

	LE		
Request information on ESG incorporation in specific investment decisions	<input type="checkbox"/>		
Other ways you monitor ESG incorporation, specify	<input type="checkbox"/>		
None of the above	<input checked="" type="checkbox"/>		

Engagements

	LE	
Review the ESG information relevant to the engagements	<input type="checkbox"/>	
Discuss the number of engagements and their comprehensiveness	<input type="checkbox"/>	
Discuss the type of role played (i.e. leading or supporting)	<input type="checkbox"/>	
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input type="checkbox"/>	
None of the above	<input checked="" type="checkbox"/>	

(Proxy) voting

	LE
Review the number or percentage of votes cast	<input type="checkbox"/>
Request an explanation of reasons for votes cast	<input type="checkbox"/>
Discuss whether companies were informed of the reasons for votes against management recommendations or abstentions/withheld votes	<input type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>

SAM 08.2

Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]

We do not have a formalised process for monitoring the RI activity of our external asset managers, save for on an exceptions or case-by-case basis. We expect to be using the Guide to Responsible Investment Reporting in Public Equities as a basis for meaningful engagement with our managers on this issue. We also expect to commission analysis from third parties of certain of our managers (when a mandate is up for formal review) that will seek to measure the effectiveness of their ESG integration and treat this as a proxy for manager quality.

Private equity (PE), property (PR) and infrastructure (INF) - non-listed assets

Selection

SAM 10	Mandatory	Core Assessed	PRI 1-6
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SAM 10.1

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:

General

	PR	INF
Review the manager's/general partner's responsible investment policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the manager's governance and management of responsible investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>	<input type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the external manager's reporting and how it will help you to monitor that it is acting consistent with the agreed-upon ESG-related policies and practices during the life of the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment disclosure, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PR	INF
Assess the manager's policies, processes and systems for identifying ESG-related value drivers and managing material ESG-related risks pre-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other pre-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PR	INF
Understand if and how the manager influences and supports its portfolio companies'/assets' management of ESG-related risks and pursuit of ESG-related opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss examples of how managers have previously identified and addressed ESG issues in their portfolios on an ongoing basis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess the manager's/general partner's approach to managing and disclosing material incidents at the manager / General Partner and underlying holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other post-investment aspects reviewed in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Monitoring

SAM 12	Mandatory	Core Assessed	PRI 1-6
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SAM 12.1

Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:

General

	PR	INF
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Highlight examples of good responsible investment practice by other managers	<input type="checkbox"/>	<input type="checkbox"/>
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>	<input type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted financial performance	<input type="checkbox"/>	<input type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted ESG performance	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects of your monitoring, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

Investment selection (pre-investment) of underlying holding

	PR	INF
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input type="checkbox"/>	<input type="checkbox"/>
Other ways ESG issues are incorporated in the pre-investment process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Investment monitoring (post-investment) of underlying holding

	PR	INF
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input type="checkbox"/>	<input type="checkbox"/>
Request examples of ESG issues identified within the portfolio and action taken in response	<input type="checkbox"/>	<input type="checkbox"/>
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>	<input type="checkbox"/>
Other ways ESG issues are monitored in the post-investment process, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Outputs and outcomes

SAM 14	Mandatory to Report Voluntary to Disclose	Descriptive	PRI 1-6
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SAM 14.1	Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.
-----------------	--

	%
--	---

95

SAM 14.2	Additional information. [Optional]
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The vast majority of our externally managed assets are now run by PRI signatories, several having signed up in 2014.

Communication

SAM 16	Mandatory	Core Assessed	PRI 6
--------	-----------	---------------	-------

SAM 16.1	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
-----------------	---

- ☐ Yes, we disclose information publicly
- ☐ Yes, we disclose information to clients/beneficiaries only
- ☒ We do not proactively disclose information to the public and/or clients/beneficiaries

Merseyside Pension Fund

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 01.1	Provide a brief overview of your organisation's approach to engagement.
----------	---

We believe that engagement is best carried out on a collaborative basis by like-minded asset owners willing to combine their strength. We do not believe it is something that can necessarily be delegated to asset managers, although asset owners should set our clear expectations of their managers, nevertheless. As such we focus our corporate engagement work through our participation in LAPFF.

LAPFF has more than 20 years of experience engaging with companies on matters of corporate governance and corporate social responsibility. During this time, it has developed an approach to company engagement that is proactive, positive and based on the view that LAPFF and company directors and officers have a shared interest in improving corporate governance and best practice. LAPFF's engagement approach is based on the following core principles:

Company engagement is conducted on the basis of reputational risk and long-term value for shareholders. The Forum does not generally take an ethical stance on issues.

Engagement should seek to improve the performance of laggard companies while also striving to acknowledge and encourage companies that are leaders.

The Forum seeks to understand the company perspective on controversial issues before suggesting opportunities to improve governance or corporate responsibility practices.

All engagement meeting notes and company correspondence are kept strictly confidential in order to protect the company's reputation and allow for open and honest dialogue.

In the interest of transparency and stewardship, the Forum reports on its engagement activities quarterly. Quarterly reporting is general in nature and does not reveal confidential information.

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 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 checked="" type="checkbox"/> Other, specify We seldom engage directly with companies on ESG issues, but if we do it is because of a specific issue with material relevance to MPF. <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 checked="" 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 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 checked="" 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 type="checkbox"/> We do not engage via service providers

Process

Process for engagements conducted via collaborations

LEA 05	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.

☒ Yes

LEA 05.2 Describe how you identify and prioritise collaborative engagements.

The LAPFF Executive Committee gathers input from the members and the primary service provider and advises on what engagement collaborations to pursue and prioritise.

☐ No

LEA 06	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 06.1

Indicate if the collaborative engagements in which you are involved have defined objectives.

- ☒ Yes
 - ☐ Yes, for all collaborative engagement activities
 - ☒ Yes, for the majority of collaborative engagement activities
 - ☐ Yes, for a minority of collaborative engagement activities
- ☐ No

LEA 06.2

Indicate if you monitor the actions companies take following your collaborative engagements.

- ☒ Yes
 - ☐ Yes, in all cases
 - ☒ Yes, in the majority of cases
 - ☐ Yes, in the minority of cases

LEA 06.3

Describe how you monitor and evaluate the progress of your collaborative engagement activities.

For LAPFF-initiated engagements, progress is monitored by the service provider and progress reports are provided to members in the form of the Quarterly Engagement Report. Before each engagement meeting LAPFF sets out two or three objectives, then following the meeting we indicate if we achieved each objective and if so how. We then provide an assessment of progress ranging from no progress to substantial improvement.

For other collaborative engagements through organisations like the CDP or INCR, LAPFF will monitor companies for progress where LAPFF has a direct engagement interest or ongoing relationship with that company. For companies where LAPFF does not have a direct relationship, we allow other collaborators to evaluate company progress and report back.

- ☐ No

Process for engagements conducted with/on your behalf by service providers**LEA 07****Mandatory****Core Assessed****PRI 2,4****LEA 07.1**

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

- ☒ Yes

LEA 07.2

Indicate what role you play in engagements that your service provider conducts on your behalf.

- ☒ Specify the issues for the engagement
- ☒ Specify the objectives for the engagement
- ☐ Select the companies to be engaged with
- ☒ Participate directly in the engagements with your service provider
- ☒ Actively monitor and review the activities of the service provider
- ☐ Other, specify

☐ No

LEA 08**Mandatory****Core Assessed****PRI 2,6****LEA 08.1**

Indicate whether you monitor and/or discuss the following information provided to you by your service provider

Please select all that apply

- ☒ The subject (or ESG issue(s)) of engagement
- ☒ The objectives of the engagement
- ☒ The rationale for engagement
- ☐ The frequency/intensity of interactions with companies
- ☒ Progress towards achieving engagement goals
- ☒ Outcomes that have been achieved from the engagement
- ☒ Next steps for engagement activity
- ☐ Other, specify
- ☐ None of the above

LEA 08.2

Additional information. [Optional]

MPF monitors the progress of implementing LAPFF's work-plan by means of the quarterly business meeting.

General processes for all three groups of engagers

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
Collaborative 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
Service provider 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

LEA 10.2 Additional information. [Optional]

LAPFF tracks the number of companies that it engages with directly and reports this quarterly as well as annually. All incoming and outgoing correspondence as well as all meetings and phone calls with companies are saved and recorded, allowing LAPFF to provide accurate and comparable statistics on number and type of engagements year on year.

For collaborative engagements, LAPFF endeavors to track how many company it reaches. However, we do not systematically track the number of companies where the number of companies contacted numbers into the hundreds in a collaborative engagement.

Communication

LEA 15 **Mandatory** **Core Assessed** **PRI 2,6**

LEA 15.1 Indicate whether your organisation proactively discloses information on its engagements.

☒ We disclose it publicly

provide URL

<http://www.lapfforum.org>

provide URL

<http://mpfmembers.org.uk/content/responsible-investment>

LEA 15.2

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

☒ Yes

LEA 15.3

Indicate what engagement information your organisation proactively discloses to clients/beneficiaries and/or the public.

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 15.4

Indicate how frequently you typically report engagements information.

- ☐ Disclosed continuously (prior to and post engagements)
- ☐ Disclosed quarterly
- ☒ Disclosed annually
- ☐ Disclosed every two years or less
- ☐ 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.

(Proxy) voting and shareholder resolutions

Overview

LEA 16**Voluntary****Descriptive****PRI 2****LEA 16.1**

Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).

MPF's voting policy is outlined in our Statement of Investment Principles. For all listed equity mandates (whether internally or externally managed, segregated or pooled) we retain control of our voting rights and aim to fully exercise them in all jurisdictions. We have procured (by public tender) the services of PIRC Ltd to act as our corporate governance advisers and proxy voting agents. As part of this review, it was determined that PIRC's Shareholder Voting Guidelines were closely aligned to our own voting objectives. Therefore, it was decided that MPF would adopt PIRC's voting guidelines as its own voting policy.

We exert control over the voting of our pro rata underlying shareholdings in our pooled passive UK& North American equity mandates.

In addition, we receive periodic voting alerts for companies where LAPFF has identified serious ESG concerns and where attempts to engage with the company have been unsuccessful.

Process			
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LEA 17	Mandatory	Descriptive	PRI 2
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LEA 17.1	Indicate how you typically make your (proxy) voting decisions and what this approach is based on.
----------	---

	Approach
--	----------

- ☐ We use our own research or voting team and make our own voting decisions without the use of service providers.
- ☐ We hire service provider(s) which make voting recommendations or provide research that we use to inform our voting decisions.
- ☐ We hire service provider(s) which make voting decisions on our behalf, except for some pre-defined scenarios for which we review and make voting decisions.
- ☒ We hire service provider(s) which make voting decisions on our behalf.

	Based primarily on
--	--------------------

- ☒ the service provider voting policy signed off by us
- ☐ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain

LEA 20	Voluntary	Additional Assessed	PRI 2
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LEA 20.1	Indicate if your organisation has a securities lending programme.
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- ☒ Yes

LEA 20.2	Indicate how voting is addressed in securities lending programme.
----------	---

Please select one of the following

- ☐ We recall most securities for voting on all ballot items
- ☒ We recall some securities for voting on some ballot items on a systematic basis in line with specified criteria
- ☐ We occasionally recall some securities for voting on some ballot items on an ad-hoc basis
- ☐ We empower our securities lending agent to decide when to recall securities for voting purposes
- ☐ We do not recall our shares for voting purposes
- ☐ Other (please specify)
- ☐ No

LEA 20.3	Additional information. [Optional]
----------	------------------------------------

LAPFF has a representative on the International Securities Lending Association (ISLA), which reports back periodically on developments in securities lending.

LEA 21	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
----------	---

- ☒ Yes, in most cases
- ☐ Sometimes, in the following cases:
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
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LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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- ☐ We do track or collect this information
- ☒ We do not track or collect this information

LEA 22.3	Additional information. [Optional]
----------	------------------------------------

In theory, the answer to this question is 100%, in line with our voting policy i.e. that we will exercise all voting rights, including those identified pro rata in pooled index-tracking vehicles, excepting active mandates run in pooled vehicles wherein voting is regarded as part of the active manager's discretion. We do not have a formal mechanism in place to verify this and generally monitor on an exceptions basis e.g. we may be informed of inability to exercise voting rights on a particular holding due to lack of valid documentation registered with the relevant market authority, which may then be noted or acted upon.

In terms of high level voting data, we voted on 13999 resolutions during the reporting period, of which 2525 resolutions we opposed.

Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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LEA 26.1	Indicate if your organisation proactively discloses information on your voting activities.
----------	--

- ☒ We disclose it publicly

provide URL

<http://mpfmembers.org.uk/content/voting-activity>

provide URL

<http://www.pirc.co.uk>

LEA 26.2

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

☒ Yes

LEA 26.3

Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.

Indicate how much of your voting record you disclose

- ☒ All voting decisions
- ☐ Some voting decisions
- ☐ Only abstentions and opposing vote decisions
- ☐ Summary of votes only

Indicate what level of explanation you provide

- ☐ Explain all voting decisions
- ☒ Explain some voting decisions
- ☐ Only explain abstentions and votes against management
- ☐ No explanations provided

LEA 26.4

Indicate how frequently you typically report voting information.

- ☐ Continuously (primarily before meetings)
- ☐ Continuously (soon after votes are cast)
- ☐ Quarterly or more frequently
- ☐ Between quarterly and annually
- ☒ Less frequently than annually
- ☐ Other, specify
- ☐ No
- ☐ We disclose it to clients/beneficiaries only
- ☐ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

While we have no problem in disclosing our voting activity, we do think there needs to be greater clarity on the format of such disclosure

Merseyside Pension Fund

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	General
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PR 01.1

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

Property investments instruments

☒ Equity investments

Property investment instruments	Percentage of your internally managed property investments (in terms of AUM)
Equity investments	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10%

PR 01.2

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

- ☒ a majority stake (>50%)
☐ a 50% stake
☐ a significant minority stake (between 10-50%)
☐ a limited minority stake (<10%)
☐ a mix of ownership stakes

☐ Debt investments

Total 100%

☐ N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity or debt in property on their behalf

PR 03	Voluntary	Descriptive	General
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PR 03.1

Indicate up to three of your largest property types by AUM.

Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input checked="" type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
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- ☐ Yes
☒ No

PR 05.3	Additional information. [Optional]
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As explained earlier, we do not have a Responsible Property Investment policy but our Property Managers are mandated with improving the environmental efficiency of our properties and work towards principles of ISO14001 Accreditation

Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
----------------	--

☒ Yes

PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection. [Optional]
----------------	--

As the strategic adviser, CBRE Investors would typically present formal purchase/dispose recommendations to MPF's Property Strategy Group. These recommendations would include consideration of environmental factors which could prove material to valuation. As MPF's property strategy is to carry out active asset management on the portfolio as a driver of return, it is necessary to take a view at the outset on the sustainability profile of a building. EPC ratings are part of the purchase evaluation.

☐ No

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

ESG issues

☒ Environmental

	List up to three typical examples of environmental issues
--	---

- ☐ BREEAM Rating : used with office properties to assess the environmental performance of a property in the wider sense taking into account the building
- ☐ General Assessment : when purchasing a property consideration would be given to circumstances e.g. avoiding a property that would be prone to flooding, coastal
- ☐ EPC Rating : Energy Performance Certificates are produced for buildings and available accommodation. A score is provided by an independent assessor and the accommodation

☒ Social

	List up to three typical examples of social issues
--	--

Occupier/tenant relations & covenant strength. We seek to accommodate tenants who are going through difficult trading environment by rescheduling rent and maintenance charges where justified

When purchasing properties, some are held in tax-efficient, offshore structures and we assess the appropriateness of these arrangements as a public fund, generally redomiciling.

☒ Governance

	List up to three typical examples of governance issues
--	--

When coinvesting in a club deal, we are cognisant of the governance arrangements and reputation of those investors with whom we coinvest.

Selection, appointment and monitoring third-party property managers

PR 13	Mandatory	Core Assessed	PRI 4
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PR 13.1

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.

☒ Yes

PR 13.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

- ☒ Selection process of property managers incorporated ESG issues
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers
- ☒ Contractual requirements when appointing property managers includes ESG issues
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers
- ☒ Monitoring of property managers covers ESG responsibilities and implementation
 - ☒ For all third party property managers
 - ☐ For a majority of property managers
 - ☐ For a minority of property managers

PR 13.4

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

Excerpt from CBRE Liverpool's Environmental Report 2015 to Merseyside Pension Fund:

Within the Fund's multi-let managed properties, 7 of which have site staff, there are measures in place to monitor and reduce energy consumption. Those buildings with staff are able to take a more proactive approach. In each case we:-

- Review buildings:-
 - Utility readings are taken and measured each month
 - Spot readings are taken of daily use (to view spikes in a day)
 - Information is plotted onto a graph
 - Review meetings are held with occupiers as to their own measures and potential means of reducing energy use
 - We seek to widen biodiversity
 - Investigate opportunities to use photo voltaic cells, voltage optimisation, etc to reduce power consumption
 - We work towards principles of ISO14001 Accreditation which requires:-
 - Continual improvement in reducing carbon usage
 - Record keeping
 - Drawings
 - Knowledge of use and control measures
 - We specify and use sustainable products in refurbishments, repair and redecoration e.g.:
 - Only biodegradable carpets and wall coverings are used.

- Avoid use of wall coverings where surfaces can be decorated with paint.
- Encourage use of water based paint finishes
 - We install PIR's to common areas e.g. car parks, staircases, lobbies, W.C.& shower facilities and reception areas.
- LED lighting is introduced where appropriate.
- Long life low energy light fittings are provided wherever possible
- We seek to optimise heating provisions via controls e.g. control via a Building Management System and use of TRV's.
- We do not permit chemicals containing solvents to be used in cleaning processes.
- Building Managers receive training on areas that identify use and waste of energy (refer to "A Guide to Everyday Environmental Improvements"
 - Reduce water consumption i.e. proccussion taps, and use of "hippos" in W.C. cisterns
 - There is active recycling of waste with measures to minimise refuse take into landfill.
 - PC's and printers
- Print double sided
- Automatic switch off
- Recycle of cartridges
 - We review travel plan potential initiatives at each site
 - Targets are set for building managers by CBRE's Environmental Director

A number of our buildings (including an office and a shopping centre) have maintained ISO 14001 accreditation since 2008. During 2013, MPF won an 'International Hero' Green Apple award for a composting scheme at the Cunard Building in Liverpool. MPF also won a Green Apple award for the energy consumption scheme in effect in 43 Castle Street (also the Fund's HQ). In 2013, Cunard Building and Castle Chambers organised and participated in an environmental awareness day in Liverpool. Over 500 members of the public attended over the course of the day where the focus was on encouraging green travel.

☐ No

Post-investment (monitoring and active ownership)

Overview

PR 14	Mandatory	Gateway	PRI 2
PR 14.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.		

☒ Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- ☒ We consider ESG issues in property monitoring and management
- ☒ We consider ESG issues in property developments and refurbishments
- ☐ We consider ESG issues in property occupier engagements
- ☒ We consider ESG issues in community engagements related to our properties
- ☐ We consider ESG issues in other post-investment activities, specify

☐ No

Property monitoring and management

PR 15**Mandatory****Core Assessed****PRI 2,3****PR 15.1**

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- ☐ >90% of property assets
- ☒ 51-90% of property assets
- ☐ 10-50% of property assets
- ☐ <10% of property assets

(in terms of number of property assets)

PR 15.2

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

ESG issues

- ☐ Environmental
- ☐ Social
- ☐ Governance
- ☒ We do not set and/or monitor against targets

PR 16**Voluntary****Descriptive****PRI 2****PR 16.1**

Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks

- ☐ Yes
- ☒ No

PR 16.3

Additional information.

We don't use certification schemes to benchmark.

We work towards principles of ISO14001 Accreditation which requires:-

Continual improvement in reducing carbon usage

Record keeping

Drawings
Knowledge of use and control measures

Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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PR 17.1

Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.

- ☐ >90% of active developments and refurbishments
- ☒ 51-90% of active developments and refurbishments
- ☐ 10-50% of active developments and refurbishments
- ☐ <10% of active developments and refurbishments
- ☐ N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2

Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.

- ☒ Minimum environmental site selection requirements
- ☒ Minimum environmental site development requirements
- ☐ Sustainable construction materials
- ☒ Minimum water efficiency requirements
- ☒ Minimum energy efficiency requirements
- ☒ Energy generation from on-site renewable sources
- ☒ Waste management plans at sites
- ☒ Health and safety management systems at sites
- ☒ Construction contractors comply with sustainability guidelines
- ☒ Other, specify

Green travel plan requirements considered e.g. installing electric vehicle charging points.

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1

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

- ☒ Disclose publicly

provide URL

<http://www.castlechambers.co.uk/>

PR 23.2

Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- ☐ Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- ☒ Other property reporting standards, specify
DECs & EPCs
- ☐ No property specific reporting standards are used

PR 23.3

Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

- ☐ Yes
- ☒ No

PR 23.4

Indicate the type of ESG information that your organisation proactively discloses to the public.

- ☐ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☐ Information on your property investments' ESG performance
- ☐ Other, specify

PR 23.5

Indicate your organisation's typical frequency of disclosing ESG information to the public.

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☐ Annually
- ☒ Every two years or less frequently
- ☐ Ad-hoc, specify

PR 23.6

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

- ☐ ESG information on how you select property investments
- ☒ ESG information on how you monitor and manage property investments
- ☒ Information on your property investments' ESG performance
- ☐ Other, specify

PR 23.7

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

- ☐ Quarterly or more frequently
- ☐ Semi annually
- ☐ Annually
- ☒ Every two years or less frequently
- ☐ Ad-hoc, specify

PR 23.8

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

ESG information is published on our website but this does not include property-related ESG information.

- ☐ Disclose to clients/beneficiaries only
- ☐ No proactive disclosure to the public or to clients/beneficiaries