

## The Central Church Fund of Finland

## 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	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	-	n/a							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

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	✓	Public	✓					✓	
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)	✓	Public				✓			
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)	✓	Public				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	✓	Public	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public		✓					
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	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
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	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
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	✓	Public		✓					
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	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

# The Central Church Fund of Finland

## Reported Information

## Public version

## Organisational Overview

## PRI disclaimer

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## Basic Information

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

**OO 01.1** Select the 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 02	Mandatory	Peering	General
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**OO 02.1** Select the location of your organisation's headquarters.

Finland

**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

4

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
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**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		1	243	000	000
Currency	EUR				
Assets in USD		1	630	183	531

**OO 04.5**

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

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

**OO 06****Mandatory****Descriptive****General****OO 06.1**

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

- ☒ Publish our asset class mix as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	41.87
Fixed income – corporate	0	19.51
Fixed income – government	0	12.54
Fixed income – other	0	0
Private debt	0	0
Private equity	0	5.76
Property	5.6	7.73
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0

Farmland	0	0
Inclusive finance	0	0
Cash	0	6.55
Other (1), specify	0	0.43
Other (2), specify	0	0

	'Other (1)' specified
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#### Microfinance

- ☐ Publish our asset class mix as broad ranges
- ☐ 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
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OO 07.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.
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	% 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 type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
<i>Total externally managed assets</i>	<i>100%</i>

OO 07.2	Indicate the proportion of your externally managed assets in fund-of-funds.
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	% 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
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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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 type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %

OO 09	Voluntary	Descriptive	General
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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The Central Church Fund of Finland manages the Church Pension Fund assets. The Pension Fund of the Evangelical Lutheran Church of Finland is a buffer fund with the purpose to secure future pensions for church employees. The pension fund gathers its assets from employee pension payments and investment returns.

## 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 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 10.3	Additional information. [Optional]
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Direct voting is conducted for domestic equities only.

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
- ☐ 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.
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- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☒ Private equity
- ☒ Property
- ☒ Cash
- ☒ Other (1)
- ☐ None of the above

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

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below.
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*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 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 - Corporate
- ☒ Fixed Income - Government
- ☒ Private Equity
- ☒ Property
- ☒ Cash
- ☒ Other (1)

**Closing module**

- ☒ Closing module

# The Central Church Fund of Finland

## Reported Information

### Public version

### Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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<b>OA 01.1</b>	Indicate if you have a responsible investment policy.
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- ☒ Yes  
☐ No

<b>OA 01.2</b>	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- ☐ Yes  
☒ No

<b>OA 01.3</b>	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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The Church Pension Fund is committed to responsible investing. We strive to comply with the principles in all our investment activities and asset categories. We see responsible investing as an effective way to ensure a good return on investments and the management of investment risks.

Our guidance is set in the Guidelines for Responsible Investing, approved by the Board of the Church Pension Fund in on 17 June 2014.

The main investment principles are as follows:

- favouring responsible companies as investment objects
- avoiding specific investment objects and sectors
- direct and indirect engagement
- ESG integration and compliance with the responsibility criteria in all investment decisions.

The Church Pension Fund wants to be actively involved in increasing awareness about responsible investing by operating openly, sharing information in various forums and working together with other investors. The guidelines provide practical outline for the Pension Fund's responsible investment activities and clarify our expectations for both asset managers and companies.

We work in close co-operation with our external asset managers in order to develop our responsible investment policies and practices further.

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

<b>OA 02.2</b>	Provide a URL to your responsible investment policy.
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	URL
	<a href="http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/\$FILE/Church%20Pension%20Fund%27s%20Guidelines%20for%20Responsible%20Investing.pdf">http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/\$FILE/Church%20Pension%20Fund%27s%20Guidelines%20for%20Responsible%20Investing.pdf</a>

☐ No

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

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

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

☒ 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.

- ☒ 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]

Responsible investment objectives are included in the annual investment plan approved by the Board of the Church Pension Fund.

OA 06	Voluntary	Descriptive	General
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**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	Updating our responsible investment policy.
Key performance indicators	A practical, asset class focussed policy including ownership practices and strategies.
Describe the progress achieved	The new policy was approved by the Board of the Church Pension Fund on 17 June 2014.

- ☒ Add responsible investment objective 2

Objective 2	Developing responsible investment related communication.
Key performance indicators	New website for responsible investment.
Describe the progress achieved	Website published in Finnish and Swedish during 2014.

- ☒ Add responsible investment objective 3

Objective 3	Improving monitoring and assessment of responsible investment activities among our external asset managers.
Key performance indicators	Further development of asset manager ESG questionnaire and rating framework.
Describe the progress achieved	ESG questionnaire send out to asset managers in Q4. Updates made in the questionnaire and its ratings.

#### 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	Investor collaboration and networking.
Key performance indicators	Active participation in local investor forums such as Finsif - Finland's Sustainable Investment Forum.

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Improving monitoring and assessment of responsible investment activities among our external asset managers.
Key performance indicators	Further development of asset manager ESG questionnaire and rating framework.

☐ Add responsible investment objective 3 for the next reporting year

## Governance and human resources

OA 07	Voluntary	Descriptive	General
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#### OA 07.1

Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.

The Church Pension Fund has outsourced the analysis and selection of investment objects to external asset managers. We work in co-operation with the asset managers in assessing the responsibility of the investment objects. We strive to assess and advance the knowledge, skills and opportunities related to the responsibility analyses of our asset managers. For this reason, we present our aims and expectations already during the tender phase for investment products. The signing of PRI is a selection criterion.

All investment team members at the Church Pension Fund have responsibility to monitor and develop responsible investment issues in their own field of work. We take ESG issues into consideration in all asset categories. Our responsible investment working group discusses relevant ESG topics during the year and makes suggestions to the investment team.

The Central Church Fund prepares an annual investment plan including objectives for responsible investment activities. The PRI Principles are used as a framework in our annual plan.

We have regular updates on our responsible investment activities at board meetings. Developing responsible investment practices is officially one area of responsibility for the board of the Church Pension Fund since June

2012. The Pension Fund publishes an annual report on responsible investing, where the yearly actions and results can be reviewed. We require transparency and openness from our asset managers and strive to fulfill the same obligations in the communication to our own stakeholders.

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

OA 08.2	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
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	Number
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0.5

OA 09	Voluntary	Additional Assessed	General
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OA 09.1	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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#### 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.
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The development of responsible investment practices is included in the board's responsibilities. Responsible investment is frequently addressed in the board meeting agenda - also with a purpose of introducing new practices and current ESG issues.

- ☐ None of the above

#### Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee

- ☒ 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

#### Portfolio managers

- ☒ 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

### Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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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.
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**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]

Attending PRI seminars and 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

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

Attending and speaking at events.

- ☐ CDP Forests  
☒ CDP Water

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

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☐ Investor Group on Climate Change, Australia/New Zealand (IGCC)
- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☒ Local Authority Pension Fund Forum

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]

TELA: board member and investment steering committee member.

- ☐ Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- ☐ Shareholder Association for Research and Education (Share)
- ☐ United Nations Environmental Program Finance Initiative (UNEP FI)
- ☐ United Nations Global Compact
- ☒ Other collaborative organisation/initiative, specify

Finsif - Finland's Sustainable Investment Forum

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]

Board member and working group participation.

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

☐ No

OA 11.3	Additional information. [Optional]
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We are a member of Finsif. Finsif annually grants scholarships for academic research.

OA 12	Voluntary	Additional Assessed	PRI 4,5,6
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OA 12.1	Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.
---------	---

☐ Yes

☒ No

OA 12.4	Additional information.
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We are a member of Finsif. Finsif is a member organisation of Eurosif, that is involved in public policy work through Brussels and EU.

## ESG issues in asset allocation

OA 13	Voluntary	Descriptive	PRI 1
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<b>OA 13.1</b>	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
----------------	--

☒ Yes

- ☐ Allocation between asset classes
- ☐ Determining fixed income duration
- ☐ Allocation of assets between geographic markets
- ☐ Other, specify

<b>OA 13.2</b>	Describe how you apply ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
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We have made active decisions based on responsibility issues not to participate in specific asset classes, such as agricultural commodities.

☐ No

OA 14	Voluntary	Descriptive	PRI 1
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<b>OA 14.1</b>	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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☒ Yes

<b>OA 14.2</b>	Indicate the percentage of your total AUM invested in environmental and social themed areas.
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	% of total AUM
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4

<b>OA 14.3</b>	Please specify which thematic area(s) you invest in and provide a brief description.
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	Area
--	------

- ☒ Clean technology (including renewable energy)



	Asset class invested
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- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☒ Private equity
- ☐ Property
- ☐ Cash
- ☐ Other (1)

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

Two clean technology funds.

- ☐ Green buildings
- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☒ Microfinance

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

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

**Microfinance**

	Brief description of investment
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One Microfinance Fund.

- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☒ Global health

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

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

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

Healthcare sector/ sustainability focus in two global funds.

- ☐ Water  
☐ Other area, specify

☐ No

### Asset class implementation not reported in other modules

OA 15	Voluntary	Descriptive	General
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OA 15.1	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Property	<p>The Church Pension Fund currently has nine office building (co-)investments in the direct property portfolio. This portfolio is very static and responsible investment is, therefore, mainly focused on managing ESG issues in the existing properties. Our approach include:</p> <ul style="list-style-type: none"> <li>- Mapping the energy efficiency certificates of the properties</li> <li>- Taking energy issues into account in renovations objects</li> <li>- Promoting responsibility among tenants and property companies through board activity</li> <li>- Engaging with the managing directors and partner companies.</li> </ul> <p>For three of our nine property investments we have compiled extensive energy and environmental programs with development targets.</p> <p>Responsible investing criteria is included in our real estate investment strategy. We have included these criteria in the 2014 update of our public responsible investment policy.</p>

### Assurance of responses

OA 19	Voluntary	Additional Assessed	General
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**OA 19.1**

Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

☒ Yes**OA 19.2**

Indicate who has reviewed, validated and/or assured your reported information.

- ☒ Reviewed by Board, CEO, CIO or Investment Committee
- ☐ Validated by internal audit or compliance function
- ☐ Assured by an external independent provider, specify name

**OA 19.3**

Describe the steps you have taken to review, validate and/or assure the content of your reported information.

The Pension Fund's annual report for responsible investment is reviewed by our responsible investment working group and approved by the board. The annual report is also presented to the Church Council Plenum and the Church Synod.

The Pension Fund board meetings regularly review responsible investment practices such as norm-based screening results and engagement activities.

☐ No

# The Central Church Fund of Finland

## 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

<b>SAM 01</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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**SAM 01.1** Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

We address ESG issues in all investment manager selection processes as it is an integrated part of our due diligence and final appointment weightings. We regularly address relevant ESG topics in our manager meetings quarterly or bi-annually. We screen all our equity and corporate bond fund holdings twice a year for information on international norm breaches. In addition, all managers are annually monitored through a comprehensive ESG questionnaire.

<b>SAM 02</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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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

☒ No

<b>SAM 03</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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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"/>
Fixed income - corporate	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - government	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Cash	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other (1) [as defined in Organisational Overview module]	<input checked="" type="checkbox"/>	<input checked="" 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**

**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 checked="" type="radio"/> 0% <input 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%

Fixed income - corporate (FIC)

Type of strategy	As % of externally managed corporate fixed income
Passive	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input checked="" type="radio"/> 0% <input 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%

#### Fixed income - government (FIG)

Type of strategy	As % of externally managed government fixed income
Passive	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input checked="" type="radio"/> 0% <input 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**

**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	FIC	FIG
Screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Thematic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### Passive investment strategies

Passive investment strategies	LE		
Screening	<input checked="" type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input 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	FIC
We engage directly or via service providers on our externally managed assets	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<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.



	<b>LE</b>
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 type="checkbox"/>
None of the above	<input type="checkbox"/>

**SAM 05.4** Additional information. [Optional]

We attend selected AGMs of our Finnish segregate mandate holdings.

## Selection

**SAM 06**

**Mandatory**

**Core Assessed**

**PRI 1-6**

**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:

General

	LE	FIC	FIG
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>	<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"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input checked="" type="checkbox"/>	<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"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ESG incorporation

	LE	FIC	FIG
Evaluate the quality and coverage of ESG research used by managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Assess how the manager incentivises brokers to provide ESG research	<input type="checkbox"/>	n/a	n/a
Assess managers' ESG incorporation strategies and ability to identify and manage ESG issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<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"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Evaluate index providers' ESG incorporation when designing the index	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other ESG incorporation issues in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<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"/>	

## Appointment

SAM 07	Voluntary	Additional Assessed	PRI 4
<b>SAM 07.1</b>	When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:		

## General

	LE	FIC	FIG
Acting in accordance with your organisation's overall investment beliefs or policy on responsible investment and ESG issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general RI considerations in investment management agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## ESG incorporation

	LE	FIC	FIG
Specific requirements relating to the incorporation of ESG issues into investment decision-making	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations relating to ESG incorporation in investment management agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Engagement

	LE	
Specific requirements relating to engagement	<input checked="" type="checkbox"/>	
Other RI considerations relating to engagement in investment management agreements, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

## Reporting

	LE	FIC	FIG
Reporting on the agreed responsible investment activities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting on the ESG characteristics of the portfolio	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting on the impact of ESG issues on financial performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations relating to reporting in investment management agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

#### SAM 07.2

Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for listed assets.

We have these agreements for our three segregated equity mandates.

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

## ESG incorporation

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

## Engagements

	<b>LE</b>	
Review the ESG information relevant to the engagements	<input checked="" type="checkbox"/>	
Discuss the number of engagements and their comprehensiveness	<input checked="" 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 checked="" type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

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

Comprehensive annual ESG questionnaire for all mutual fund managers.

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

### Selection

<b>SAM 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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<b>SAM 10.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager typically do any of the following:
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	General
--	---------

	PE	PR	
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 checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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

	PE	PR	
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



	PE	PR	
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"/>	

## Appointment

SAM 11	Voluntary	Additional Assessed	PRI 4
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<b>SAM 11.1</b>	When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in agreements/fund formation contracts for your non-listed assets:
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	General
--	---------

	PE	PR	
Acting in accordance with your organisation's overall investment beliefs or policy on responsible investment and ESG issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other general RI considerations in your agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	

	Investment selection (pre-investment) of underlying holding
--	---

	PE	PR	
Specific requirements relating to how ESG issues are identified and managed in investment decision-making	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other RI considerations relating to investment selection in your agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	

#### Investment monitoring (post-investment) of underlying holding

	PE	PR	
Specific requirements relating to the manager supporting or influencing the underlying holdings' management of ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other RI considerations relating to investment monitoring in your agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	

#### Reporting

	PE	PR	
Reporting on the agreed ESG implementation activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Reporting on the ESG characteristics of the portfolio	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Reporting on company incidents relating to ESG issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Reporting on the impact of ESG issues on financial performance	<input type="checkbox"/>	<input type="checkbox"/>	
Other RI considerations relating to reporting in your agreements, 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

**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**

	PE	PR	
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 checked="" type="checkbox"/>	<input checked="" 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 checked="" type="checkbox"/>	<input checked="" 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**

	PE	PR	
Discuss how the analysis of ESG issues affected investment decisions during the reporting period	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	

**Investment monitoring (post-investment) of underlying holding**

	PE	PR	
Request reports on the ESG characteristics of the manager's underlying holdings and discuss related developments that may impact holdings in the fund	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Request details of how ESG factors were considered when preparing to exit from investments	<input checked="" type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	

### Other asset classes

SAM 13	Voluntary	Descriptive	PRI 1-6
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<b>SAM 13.1</b>	Describe how your organisation, and/or your investment consultants, address responsible investment factors in manager selection, appointment and/or monitoring process for the following asset classes:
-----------------	---

Asset Class	Description
Cash	Our money market fund manager is a PRI signatory. We value true short-term money market strategies and transparency. Money market funds are included in our bi-annual norm-based screening process.
Other (1) [as defined in Organisational Overview module]	

### Outputs and outcomes

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

	%
--	---

98

SAM 15	Voluntary	Descriptive	PRI 2
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**SAM 15.1**

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

☒ Add Example 1

Topic or issue	Selection of new US equity fund manager with high ESG conviction level.
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate bonds <input type="checkbox"/> Fixed income – government bonds <input type="checkbox"/> Private equity <input type="checkbox"/> Property <input type="checkbox"/> Cash <input type="checkbox"/> Other (1)
Scope and process	New fund manager search and appointment process.
Outcomes	In our experience the level of ESG commitment for US fund managers is generally lower than for other markets. We selected an ESG forerunner manager for our new US SMID allocation, challenging our other US equity managers in a positive way.

☒ Add Example 2

Topic or issue	Influencing responsible investment policy process of our fund manager.
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input checked="" type="checkbox"/> Fixed income – corporate bonds <input type="checkbox"/> Fixed income – government bonds <input type="checkbox"/> Private equity <input type="checkbox"/> Property <input type="checkbox"/> Cash <input type="checkbox"/> Other (1)
Scope and process	Organising a responsible investment workshop with the fund manager. The only non-PRI signatory for our listed equity and fixed income portfolio.
Outcomes	The responsible investment policy will be developed and published during 2015. Signing PRI is one of the key targets.

☒ Add Example 3

Topic or issue	New impact investment in microfinance.
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate bonds <input type="checkbox"/> Fixed income – government bonds <input type="checkbox"/> Private equity <input type="checkbox"/> Property <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Other (1)
Scope and process	Search for microfinance manager, including a deeper study of the microfinance sector.
Outcomes	Selection of fund manager with comprehensive resources, experience and commitment to make microfinance investments and develop reporting.

☐ Add Example 4

☐ Add Example 5

## 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

provide URL

[http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/\\$FILE/Church%20Pension%20Fund%27s%20Guidelines%20for%20Responsible%20Investing.pdf](http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/$FILE/Church%20Pension%20Fund%27s%20Guidelines%20for%20Responsible%20Investing.pdf)

provide URL

[http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/\\$FILE/Kirkon%20el%E4kerahaston%20vastuullisen%20sijoittamisen%20toimintakertomus%202014.pdf](http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/$FILE/Kirkon%20el%E4kerahaston%20vastuullisen%20sijoittamisen%20toimintakertomus%202014.pdf)

**SAM 16.2**

Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.

☒ Yes

**SAM 16.3**

Indicate what type of information your organisation proactively discloses to the public and clients and/or beneficiaries about your indirect investments.

- ☒ How responsible investment considerations are included in manager selection, appointment and monitoring processes
- ☒ Details of the responsible investment activities carried out by managers on your behalf
- ☒ E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
- ☐ Other, specify

☐ No

☐ Yes, we disclose information to clients/beneficiaries only

☐ We do not proactively disclose information to the public and/or clients/beneficiaries

**SAM 16.4**

Additional information. [Optional]

We have information both in our RI policy, our RI annual report and on our website for responsible investment.

# The Central Church Fund of Finland

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## 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.



## Engagement

### Overview

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

LEA 01.1	Provide a brief overview of your organisation's approach to engagement.
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The Church Pension Fund' active ownership and engagement policy is included in the Guidelines for responsible investment approved by the Pension Fund Board in 2014.

The Church Pension Fund conducts both direct and indirect engagement. In direct engagement, a representative of the Pension Fund participate in the annual general meetings of domestic companies or enter dialogue with company representatives. The organising of various company and investor gatherings and seminars is also a central part of direct engagement activities.

On the indirect engagement side, the Church Pension Fund co-operates with Ethix SRI Advisors Ab, a research-based consulting firm specialising in corporate responsibility analyses. With the help of Ethix's screening service the Pension Fund is able to identify the international norm breaches within its own investment portfolio and to survey sectors that require closer monitoring. Based on the screening results Ethix conducts engagement dialogue with the companies on the behalf of the Church Pension Fund.

In addition to this, the asset managers of the Pension Fund engage with companies according to their policies or joint agreements.

The Church Pension Fund also participates in investor initiatives. The Pension Fund has made a long-term commitment to the Carbon Disclosure Project (CDP) and the Water Disclosure (WDP) initiative.

LEA 02	Mandatory	Gateway	PRI 1,2,3
--------	-----------	---------	-----------

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
<b>Individual/Internal staff engagements</b>	<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 checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
<b>Collaborative engagements</b>	<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 checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via collaborative engagements
<b>Service provider engagements</b>	<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 checked="" 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 run internally

LEA 03	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

#### LEA 03.1

Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

☒ Yes

#### LEA 03.2

Describe how you identify and prioritise engagements.

In advance of the Annual General Meeting season we meet with the asset managers of our segregated Finnish equity mandates to discuss the upcoming agendas and themes - and if there is a special need to attend some AGMs. We strive to attend the AGMs of all our largest investments.

We follow closely the current debate by our stakeholders such as media and NGOs. In order to gather more information on the topic we can invite experts in the field to internal or open seminars, where we also invite our asset managers and other investors.

☐ No

LEA 04	Mandatory	Core Assessed	PRI 2
--------	-----------	---------------	-------

**LEA 04.1** Indicate if you define specific objectives for your engagement activities.

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

**LEA 04.2** Indicate if you monitor the actions that companies take following your engagements.

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

**LEA 04.3** Describe how you monitor and evaluate the progress of your engagement activities.

We follow-up the outcomes from all events: annual meetings, seminars and investor initiatives. We make a summary with our asset managers on the AGM season outcomes, put the information to practice from lessons learnt at the seminars and study the progress made in investor initiatives by company responses etc.

- ☐ No

**Process for engagements conducted via collaborations**

<b>LEA 05</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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**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 Ethix pooled engagement service is a continuous collaboration with other investors. Our investor initiative participation (CDP and CDP Water) is focused on long-term themes such as climate change and water issues, where the commitment is ongoing. On a case basis, we can participate in more ad-hoc engagements via the PRI Clearinghouse or others.

- ☐ No

<b>LEA 06</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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**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.

The Carbon Disclosure Project and Water Disclosure Project target a broader set of companies every year. We follow the result through the annual reports and signatory events.

- ☐ 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

### General processes for all three groups of engagers

**LEA 09****Voluntary****Additional Assessed****PRI 1,2****LEA 09.1**

Indicate if the insights gained from your engagements are shared with your internal or external investment managers as input for consideration in investment decisions.

Type of engagement	Insights shared
<b>Individual/Internal staff engagements</b>	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
<b>Collaborative engagements</b>	<input type="radio"/> Yes, systematically <input checked="" type="radio"/> Yes, occasionally <input type="radio"/> No
<b>Service provider engagements</b>	<input checked="" type="radio"/> Yes, systematically <input type="radio"/> Yes, occasionally <input type="radio"/> No

**LEA 10****Mandatory****Gateway/Core Assessed****PRI 2****LEA 10.1**

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

Type of engagement	Tracking engagements
<b>Individual / Internal staff engagements</b>	<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
<b>Collaborative engagements</b>	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" 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
<b>Service provider engagements</b>	<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

## Outputs and outcomes

<b>LEA 11</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 11.1</b>	Indicate the number of companies with which your organisation engaged during the reporting year.
-----------------	--

	<b>Number of companies engaged</b> (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	0
Collaborative engagements	0
Service provider engagements	111

<b>LEA 11.2</b>	Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]
-----------------	---

Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Service provider engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None

**LEA 11.3**

Indicate what percentage of your collaborative engagements you were a leading organisation on during the reporting year. [Optional]

Type of engagement	% Leading role
Collaborative engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None

**LEA 11.4**

Indicate for which part of your service provider engagements you were highly involved during the reporting year. [Optional]

Type of engagement	% High involvement
Service provider engagements	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> None

**LEA 12**

**Voluntary**

**Additional Assessed**

**PRI 2**

**LEA 12.1**

Indicate if your engagements in the reporting year covered E, S and/or G issues.

Type of engagement	Coverage
Individual / Internal staff engagements	<input type="checkbox"/> Environmental <input type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative engagements	<input checked="" type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Service provider engagements	<input checked="" type="checkbox"/> Environmental <input checked="" type="checkbox"/> Social <input checked="" type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information

#### LEA 12.2

Provide an estimated breakdown by E, S and/or G issues.

#### Individual / Internal staff engagements

% Corporate Governance only

100

100%

#### Collaborative engagements

% Environmental only

100

100%

#### Service provider engagements

% Environmental only

23

% Social only

60



	% Corporate Governance only
--	-----------------------------

4

	% Overlapping ESG issues
--	--------------------------

13

100%

LEA 13	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 13.1	Indicate whether you have a reliable estimate of the number of cases during the reporting year where a company has changed its practices, or made a commitment to do so, following your organisation's and/or your service provider's engagement activities.
----------	--

☒ Yes

LEA 13.2	Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.
----------	--

	Number of company changes or commitments to change
Individual / Internal staff engagements	
Collaborative engagements	
Service provider engagements	10

☐ No

LEA 14	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
----------	---

☒ Add Example 1

Topic or ESG issue	Bribery
Conducted by	<input type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	<p>Allegations concerning bribery in China.</p> <p>In its extensive reply, the Company clarified that, contrary to media reports, the allegations of bribery were made against some subsidiaries, not the company itself, and that they only covered a small number of contracts among the thousands that the Company deals with annually.</p>
Scope and Process	The Company cooperated with the authorities and conducted its own investigations, which identified six individuals suspected of bribery. Only one was convicted.
Outcomes	<p>The Company added that following the period of alleged bribery, the company had taken steps to strengthen its anticorruption programme and further formalise its compliance systems. The Company created documented procedures, and an in-house monitoring process of compliance. Furthermore, the Company stated that the monitoring was supplemented with an annual third-party audit. The improved processes include the education of employees. Compliance is supported by a protected whistleblower system, and stated discipline for violation of policy.</p> <p>Engagement was completed as the Company has demonstrated a good understanding of the risks of corruption and presented a compelling anticorruption procedure.</p>

- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

## Communication

LEA 15	Mandatory	Core Assessed	PRI 2,6
LEA 15.1	Indicate whether your organisation proactively discloses information on its engagements.		
<input checked="" type="radio"/> We disclose it publicly			

	provide URL
--	-------------

<http://sakasti.evl.fi/sakasti.nsf/sp2?open&cid=Content54FE91>

<b>LEA 15.2</b>	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
-----------------	---

☒ Yes

<b>LEA 15.3</b>	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

<b>LEA 15.4</b>	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

<b>LEA 16</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 16.1</b>	Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).
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The Church Pension Fund participates in the Annual General Meetings of Finnish listed companies in co-operation with our external asset managers. We have addressed these active ownership practices in the asset management agreements. In addition, we register and report the AGM participations of our external mutual fund managers.

## Process

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

	<b>Approach</b>
--	-----------------

☒ We use our own research or voting team and make our own voting decisions without the use of service providers.

	<b>Based primarily on</b>
--	---------------------------

- ☒ our own voting policy
- ☐ our clients requests or policy
- ☐ other, explain
- ☐ 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.

<b>LEA 17.2</b>	Additional information.[Optional]
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We participate in the AGMs in co-operation with our external asset managers for Finnish equities. We discuss the agenda and possible voting situations with our managers in advance of the meeting.

<b>LEA 19</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 19.1</b>	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
-----------------	---

- ☐ Obtain confirmation that votes have been received by the company:
- ☐ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☒ None of the above

LEA 19.2	Provide additional information on your organisation's vote confirmation efforts.
----------	--

We attend the AGMs and vote at this event if there is a voting situation.

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

- ☐ Yes
- ☒ No

LEA 21	Mandatory	Core Assessed	PRI 2
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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

LEA 21.2	Additional information. [Optional]
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We are not a significant shareholder in any company and these kind of voting situations are very uncommon in Finland. If this was the case, however, our investments staff or external asset manager would be in dialogue with the company.

## 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.
----------	---

- ☒ We do track or collect this information

	Votes cast (to the nearest 1%)
--	--------------------------------

	%
--	---

50

	Specify the basis on which this percentage is calculated
--	--

- ☐ of the total number of ballot items on which you could have issued instructions
- ☐ of the total number of company meetings at which you could have voted
- ☒ of the total value of your listed equity holdings on which you could have voted

<b>LEA 22.2</b>	If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]
-----------------	--

We attend the AGMs of our largest Finnish holdings.

- ☐ We do not track or collect this information

<b>LEA 23</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 23.1</b>	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
-----------------	--

- ☐ Yes, we track this information
- ☒ No, we do not track this information

<b>LEA 23.4</b>	Additional information.
-----------------	-------------------------

We track the AGM participations of our external mutual fund managers and publically report these numbers in our annual report for responsible investing.

<b>LEA 24</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 24.1</b>	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
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- ☐ Yes
- ☒ No

<b>LEA 25</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>LEA 25.1</b>	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
-----------------	---

- ☐ Add Example 1
- ☐ Add Example 2
- ☐ Add Example 3
- ☐ Add Example 4
- ☐ Add Example 5
- ☐ Add Example 6
- ☐ Add Example 7
- ☐ Add Example 8
- ☐ Add Example 9
- ☐ Add Example 10

<b>LEA 25.2</b>	Additional information.
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The Church Pension Fund attended 13 AGMs in Finland in 2014. There was a voting situation in only one of these meetings, and there we voted in favor of the Board proposal. Our listed equity mutual fund managers attended 550 AGMs globally during 2014. Our listed equity index provider voted 90 % of global AGMs during 2014.

## Communication

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

- ☒ We disclose it publicly

	provide URL
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[http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/\\$FILE/Kirkon%20el%E4kerahaston%20vastuullisen%20sijoittamisen%20toimintakertomus%202014.pdf](http://sakasti.evl.fi/sakasti.nsf/0/BA2E746EBD084035C2257D030034066D/$FILE/Kirkon%20el%E4kerahaston%20vastuullisen%20sijoittamisen%20toimintakertomus%202014.pdf)

<b>LEA 26.2</b>	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
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- ☒ Yes

<b>LEA 26.3</b>	Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.
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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

**LEA 26.8**

Additional information. [Optional]

We disclose the names of the Finnish AGMs we attend and describe the voting statistics. There are voting situations only occasionally. We also collect and disclose information on how many AGMs our listed equity mutual fund managers have attended.