



LEA 02	Disclosure: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
<p>LEA 02</p> <p>By providing investors the most up-to-date and relevant information on the status of the engagement, the investor can better understand the company's response to the engagement and the progress of the engagement. This information is essential for investors to make informed decisions on whether to continue to invest in the company.</p> <p>Investors should consider the following factors when evaluating the company's response to the engagement:</p> <ul style="list-style-type: none"> The company's commitment to the engagement The company's progress in addressing the issue The company's transparency in reporting on the engagement The company's willingness to engage with investors 	<p>LEA 02</p> <p>Type of engagement</p> <p>Individual/internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decision-making in & company's response to ESG issues <input checked="" type="checkbox"/> To encourage corporate transition or identify the need for additional action <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff <input type="checkbox"/> To support investment decision-making in & company's response to ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional action <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decision-making in & company's response to ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional action <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider engagements <input type="checkbox"/> To support investment decision-making in & company's response to ESG issues <input type="checkbox"/> To encourage corporate transition or identify the need for additional action <input type="checkbox"/> Other: specify 	

RI TRANSPARENCY REPORT

2014/15

The Pensions Trust

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	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	✓	Public							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	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	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	🔒	n/a	✓						✓
SAM 11	Appointment considerations (non-listed assets)	🔒	n/a				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓						✓
SAM 13	Description of RI considerations in 'other' asset classes	✓	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	✓	Private	✓	✓					
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	🔒	n/a		✓					
LEA 17	Typical approach to (proxy) voting decisions	🔒	n/a		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	🔒	n/a		✓					
LEA 20	Securities lending programme	🔒	n/a		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	🔒	n/a		✓					
LEA 22	Percentage of (proxy) votes cast	🔒	n/a		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	🔒	n/a		✓					
LEA 24	Shareholder resolutions	🔒	n/a		✓					
LEA 25	Examples of (proxy) voting activities	🔒	n/a		✓					
LEA 26	Disclosing voting activities	🔒	n/a		✓				✓	

The Pensions Trust

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

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

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

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

United Kingdom

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

146.5

OO 02.4 Additional information. [Optional]

The Pensions Trust's head office is located in Leeds. There is an Investment Team located in London and a presence in Scotland to service certain clients

OO 03	Mandatory	Descriptive	General
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OO 03.1

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

- Yes
- No

OO 04

Mandatory

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

30/09/2014

OO 04.2

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

	trillions	billions	millions	thousands	hundreds
Total AUM		6	352	959	000
Currency	GBP				
Assets in USD		10	505	169	889

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 broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	0	10-50%
Fixed income – corporate	0	<10%
Fixed income – government	0	10-50%
Fixed income – other	0	<10%
Private debt	0	<10%
Private equity	0	0

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

'Other (1)' specified

Insurance Linked Securities

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

OO 06.2 Additional information. [Optional]

The asset allocation is based on our DB FUM only. DB assets account for 82% of FUM. The remainder constitutes 14% in DC Funds and 4% with a Fiduciary Manager. Currently we are unable to provide a consolidated asset allocation across all three areas of investment. However, we hope we will be able to provide this from 2015 onwards.

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>	100%

OO 07.2

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

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

OO 08

Mandatory to Report Voluntary to Disclose

Peering

General

OO 08.1

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

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

OO 09

Voluntary

Descriptive

General

OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

The Trust is committed to being a responsible investor. The Trust believes that ESG factors can have an impact on financial performance and that by incorporating this information into our investment decisions it can help reduce investor risk and enhance long-term portfolio returns. This view is expressed formally as a statement (number 9) in [The Pension Trust's Investment Beliefs](#).

Climate change policy- The Trust has also adopted a climate change policy as part of its objective to manage ESG risk and improve long-term portfolio returns. The Trust's climate change policy is a strategic part of its approach to being a responsible investor and overtime we aim to embed this into all of our investment activities. For more information on the Trust's [climate change policy please see our climate change statement and roadmap](#).

Codes and industry initiatives -The Trust supports industry wide initiatives to promote Responsible Investment and Stewardship and it is a signatory to both the United Nations Principles for Responsible Investment (UNPRI) and the UK Stewardship Code. We also aim to engage on relevant policy issues alongside other like-minded, responsible investors. To support the Trust's work in this regard we are members of the Institutional Investors Group on Climate Change (IIGCC), the UK Sustainable Investment and Finance (UKSIF) and the NAPFs Stewardship Advisory Group. In 2014, we also joined the Carbon Asset Risk Initiative.

Fund Manager Selection and Monitoring -The Trust's Responsible Investment policy applies to all of its investments although we tailor our expectations according to the different asset classes and the investment style of the manager (e.g active or passive strategies). We regularly discuss the approach of our incumbent managers to stewardship, climate change and ESG risk at our manager update meetings and as of 2014, we formally assess existing managers through our ESG manager rating system. This system allows us to rate and benchmark managers in a more consistent way.

We are also starting to mandate our expectations on ESG and climate change more explicitly in the manager selection process. In 2014, we incorporated specific requirements for ESG capabilities into four Investment Management Agreements (IMAs). We are also starting to ask for ESG information in Requests for Proposals (RFPs) and are building it into our operational due diligence of potential investment managers.

Stewardship and Active Ownership -The Trust believes that it should act as a responsible custodian of the assets and markets in which it invests. An important part of this is making sure that we use the rights we have as shareholders in companies to influence corporate strategy through voting and engagement. The Trust delegate primary responsibility for this to its fund managers, but to ensure that its views are taken into account in voting decisions, the Trust requires its investment managers to adhere to its [Voting and Engagement policy](#).

To monitor the decisions taken on behalf of the Trust, we require investment managers to report on their proxy voting and engagement activities on a quarterly basis. This information is regularly presented to the Investment Committee. In 2014, we began publishing the publically available voting and engagement reports of managers on our website. The Investment Team may also become directly involved in collaborative or direct engagements where areas of key investment risk are identified.

Communicating and reporting -The Trust provides regular reporting on its voting and engagement activities via its website. We also write to our managers on a quarterly basis outlining our key concerns and activities in the hope that we can become more aligned over time. The Trust provides regular updates on its Responsible Investment activities via its member reporting and communication and as of 2014, we have been publishing a log of RI activities on our website.

Gateway asset class implementation indicators

OO 10

Mandatory

Gateway

General

OO 10.1

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- None of the above

OO 11

Mandatory

Gateway

General

OO 11.2

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

- Fixed income – corporate
- Fixed income – government
- Fixed Income – other
- Private debt
- Property
- Infrastructure
- Commodities
- Hedge funds
- Cash
- Other (1)
- None of the above

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

Insurance Linked Securities

OO 12

Mandatory

Gateway

General

OO 12.1

The modules and sections that you will be required to complete are listed below.

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

Core modules

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

RI implementation directly or via service providers

Direct - Listed Equity active ownership

- Engagements

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Listed Equities
- Fixed Income - Corporate
- Fixed Income - Government
- Property
- Infrastructure
- Hedge funds
- Cash

Closing module

- Closing module

The Pensions Trust

Reported Information

Public version

Overarching Approach

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Responsible investment policy

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

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- Yes
 No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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The Trust seeks to integrate ESG considerations into investment management decisions and ownership practices. We do this in a number of ways:

- Support of a number of industry-wide initiatives and membership of various collaborative groups, including the Institutional Investors Group on Climate Change and UK Sustainable Investment and Finance
- Incorporation of policy into fund manager selection and monitoring, including the development of an ESG manager rating system and, the inclusion of ESG capabilities into RFPs and in IMAs.
- The Trust seeks to influence corporate strategy through its Voting and Engagement Policy. It requires all its investment managers to adhere to this policy and monitors its managers in this regard.
- In addition the Trust has developed its own engagement programme where engagement is undertaken in the following ways: 1) Engagement with companies by the Trust's investment managers; 2) Direct engagement by the Investment Team when key areas of investment risk are identified; 3) Participation in collaborative engagement, and; 4) Engagements by a service provider. It should be noted that the Trust is in the process of changing engagement service providers due to industry consolidation. In addition, over 2015, we hope to undertake some joint engagements alongside our investment managers. The Trust believes that by having both an asset owner and an investment manager at the table to talk about an issue, significant weight is added to the discussion.
- The Trust is committed to providing regular communications on its RI activities to clients and scheme members.

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

OA 02.2	Provide a URL to your responsible investment policy.
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URL

<http://www.uk.thepensiontrust.org.uk/documents/investments/responsible-investment-policysept2014.pdf>

No

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

Yes

Yes, all

Yes, some

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

Policy or document name	URL
Climate Change policy	http://www.uk.thepensiontrust.org.uk/aboutus/investment/climatechange.aspx
Voting and engagement policy	http://www.thepensiontrust.org.uk/NR/rdonlyres/8F8FDF29-EA19-4EF1-9B68-FC1A97EC4817/0/VotingEngagementPolicyFinal2014.pdf
Investment Beliefs	http://www.thepensiontrust.org.uk/NR/rdonlyres/AFBA804C-16DE-4496-9929-81264FC2C0E6/0/InvestmentBeliefsPosterA20511FINALVERSION.pdf

No

OA 02.5 Additional information. [Optional]

In accordance with UK pensions regulations the Trust is required to have a 'Trustee Statement of Investment Principles'. This document includes a section on the Trust's approach to Voting and Engagement.

OA 03 **Mandatory** **Core Assessed** **PRI 1,2**

OA 03.1 Indicate the components/types and coverage of your responsible investment policy and guidance documents.

Select all that apply

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

OA 03.2	Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]
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The RI policy applies to all our investments, although we tailor our expectations according to the different asset classes and the investment style of the manager.

OA 03.3	Additional information. [Optional]
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While the Trust does not include a screening/exclusion policy in its RI documents, it does provide ethical funds which use screening for members who wish to take this approach.

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

OA 04.3	Additional information. [Optional]
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As the Trust uses external managers, it is not considered necessary to have a conflicts of interest policy in its investment process. However, members of the Investment Committee of trustees are required to declare any personal conflicts of interest before making an investment decision.

Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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OA 05.1

Indicate if your organisation sets objectives for its responsible investment activities.

Yes

OA 05.2

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

- At least once per year
- Less than once per year

OA 05.3

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

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

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	To use Responsible Investment Manager Rating System to appoint managers that better reflects the Trust's views on Responsible Investment/ESG
Key performance indicators	Preferred manager to fully integrate ESG into investment research process and portfolio construction. Should also have excellent approach to stewardship.
Describe the progress achieved	We established 4 new funds where clauses were inserted into IMAs to ensure the managers act in accordance with our RI policies.

Add responsible investment objective 2

Objective 2	To develop thinking on Responsible Investment for DC platform.
Key performance indicators	To provide range of investment options in DC which embed the Trust's beliefs on Responsible Investment.
Describe the progress achieved	Investigation into expanding the DC platform to include ethical and responsible investment options continues.

Add responsible investment objective 3

Objective 3	To improve communication with members and beneficiaries on Responsible and ethical investment.
Key performance indicators	Publish information on Responsible Investment on website, in Annual Report, in Scheme specific reporting and through webinars.
Describe the progress achieved	Now a comprehensive section on RI on website. Information on RI added in 2014 Annual Report. Strategic webinar done. Continue RI commentary on scheme reporting.

OA 06.2

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

Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	To use Responsible Investment Manager Rating System to monitor managers and drive improvements in their current Responsible Investment/ESG related activities
Key performance indicators	Improvement in ESG Manager ratings over time.

Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	To develop thinking on Responsible Investment for DC platform.
Key performance indicators	To provide range of investment options in DC which embed the Trust's beliefs on Responsible Investment.

Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	To take the implementation of our Climate Change Policy to the next level.
Key performance indicators	Continue to measure and decrease carbon intensity of equity investments when specific climate change risk is identified.

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 Pensions Trust is a multi-employer pension scheme governed by a corporate trustee. The board members of this company are referred to as the trustees. An Investment Committee comprising certain members of the board plus two co-opted external appointees is delegated to oversee all investment matters. The Investment Committee receives advice from the Trust's investment consultant (a regulatory requirement) and is supported by the Trust's investment team.

The Investment Committee meets quarterly and can take decisions between meetings by electronic vote. Several sub-committees of the Investment Committee have been established to cover various areas including manager monitoring and consideration of new investment ideas - recommendations are made to the Investment Committee.

The investment team provides papers for the Investment Committee, carries out due diligence on new investment managers, monitors the performance of managers and reviews the implementation of investment principles and strategies across the scheme and at the client level.

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

OA 08.1

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

Roles present in your organisation

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

1.5

OA 08.3	Additional information. [Optional]
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The Board of Trustees approves the RI policy and related documents, on the recommendation of the Investment Committee. The Investment Committee monitors the implementation of the policy, including voting and engagement by managers.

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
- 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

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]

- Member of Fixed Income Steering Group.
- Member of Hedge Funds Steering Committee
- Involved in 3 collaborative engagements through the clearing house. We are lead or co-lead on engagements with 5 companies.

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)

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]

- Involved in the Corporate Programme through membership of the Carbon Asset Risk Initiative
- Attended most London based inperson meetings and workshops.

- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

UKSIF

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

- Basic
- Moderate
- Advanced

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

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

NAPF's Shareholders Advisory Group

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]

Participant of NAPF Shareholders Advisory Group

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

OA 10.2	Additional information. [Optional]
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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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The Chair of Trustees, The CIO and Responsible Investment Officer have spoken at the following events:

- Responsible Investor Conference Europe (June 2014)
- Investor Panel at Living Wage Week (October 2014)
- Long Term Infrastructure Investors Association Inaugural Meeting - Paris (October 2014)

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.
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Yes

- Yes, individually
- Yes, in collaboration with others

OA 12.2 Select the methods you have used.

- Endorsed written submissions to governments, regulators or standard-setters developed by others
- Drafted your own written submissions to governments, regulators or standard-setters
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

OA 12.3 Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- Yes, publicly available
- No
- No

OA 12.4 Additional information.

- In September 2014, the Trust added its name to a joint investor letter that was sent to the UK government to encourage the inclusion of a clause on transparency in supply chains in the Modern Slavery Bill that was being discussed in Parliament.
- Also in September, the Trust agreed to support the UN Global Compact 'Call to Action' on anti-corruption. The Call to Action contains five specific appeals encouraging Governments to acknowledge good governance and anti-corruption as essential to economic growth. It will be forwarded to UN Secretary-General Ban Ki-Moon to highlight the efforts of the private sector as well as those of investors in the fight against corruption, and with this underscore the importance of integrating anti-corruption and good governance into the post-2015 development agenda.
- In August 2014, the Trust signed the 2014 Global Investor Statement on Climate Change which calls on governments to develop an ambitious global agreement on climate change by the end of 2015. This will give investors the confidence to support and accelerate investments in low-carbon technologies, in energy efficiency and in climate change adaptation.

ESG issues in asset allocation

OA 13 Voluntary Descriptive **PRI 1**

OA 13.1 Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

- Yes
- No

OA 13.3 Additional information.

From 2015 onwards, the Responsible Investment Officer will be joining the Portfolio Construction Group where allocation of assets is discussed.

OA 14	Voluntary	Descriptive	PRI 1
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OA 14.1	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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- Yes
- No

Asset class implementation not reported in other modules

OA 16	Voluntary	Descriptive	General
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OA 16.1	Describe how you address ESG issues for externally managed assets 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
Infrastructure	The Trust's two unlisted infrastructure managers provide detailed ESG reports on the underlying assets in their funds. These reports along with the manager's underlying approach to ESG issues are discussed at biannual meetings with the investment team. Both of our infrastructure managers are rated 'A' through the Trust's Responsible Investment Manager Rating System. An 'A' rating is the highest rating possible.
Cash	Surplus cash is swept into money market funds managed by the Trust's custodian, Northern Trust. ESG issues have not been addressed for these funds. However, it is worth noting that Northern Trust is a signatory to UN PRI.

Innovation

OA 18	Voluntary	Descriptive	General
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OA 18.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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- Yes

OA 18.2	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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1. We believe that The Pensions Trust is one of few pension schemes in the UK to have adopted a climate change policy. This is incorporated in the Trust's Statement of Investment Principles and the Voting and Engagement Policy which our managers are expected to comply with.
2. In June 2014 we began a segregated mandate with a Fund of Hedge Funds where we inserted in the IMA a requirement for them to report on equity and debt exposure to the 6 most carbon intensive sectors to help us understand our exposure to climate change risk.
3. Also in June 2014, we allocated a new global equities mandate where we actually selected the manager, in part, due to its alignment with the Trust's Responsible Investment Policy and its strong approach to ESG integration and stewardship activities. The investment manager is a start up which takes ESG

and active ownership practices into the heart of its investment strategy. The Trust is proud to be a seed investor with the organisation alongside two other UK asset owners.

4. Over 2014 we began to write to our managers on a quarterly basis as a way of communicating our ESG priorities, interests and activities in the hope that our organisations can become more aligned over time. The Trust has received very positive feedback from its managers on this initiative.

No

Assurance of responses

OA 19	Voluntary	Additional Assessed	General
OA 19.1	Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.		
<input type="radio"/> Yes <input checked="" type="radio"/> No			
OA 19.5	Additional information.		

All responses have been cross checked and (where necessary) discussed by the investment team.

The Pensions Trust

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Overview

SAM 01	Voluntary	Descriptive	PRI 1-6
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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.

When appointing a new investment manager the Trust includes a number of questions relating to a manager's approach to responsible investment in the initial tender exercise. This attempts to understand their broad approach to responsible investment, as well as determining what bodies or initiatives that they are signed up to or actively support. This information is then used as part of the initial screening process.

During the appointment phase i.e. the due diligence process, we take this further by reviewing how a manager incorporates responsible investment in their investment process (as appropriate), as well as reviewing what internal resource is dedicated to ESG issues. We also try to gauge how active a manager is in relation to responsible investment and try to determine how important it is in the management of the portfolio.

In order to monitor a manager's ongoing commitment to this area we include specific responsible investment questions as part of our ongoing review process, as well as engaging the manager on issues such as their voting record on a more ad hoc basis.

In 2014, we began to formally assess how manager's approach to responsible investment. We developed a bespoke Responsible Investment Manager Rating System. Four areas are scored: Values, Stewardship, ESG Integration and Transparency. The scoring is then translated into an A, B, C or D rating with A being the highest possible rating and D being the lowest. The Trust is committed to working with its investment managers to improve ratings over time.

SAM 02	Mandatory	Core Assessed	PRI 4
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SAM 02.1 Indicate if your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers.

Yes

SAM 02.2 Indicate how your organisation uses investment consultants and/or fiduciary managers in the selection, appointment and/or monitoring of external managers. [Optional]

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

Asset class

- Listed Equity (LE)
- Fixed income - corporate (FIC)
- Fixed income - government (FIG)
- Property (PR)
- Other asset classes

We use investment consultants in our monitoring of external managers

Asset class

- Listed Equity (LE)
- Fixed income - corporate (FIC)
- Fixed income - government (FIG)
- Property (PR)
- Other asset classes
- We use fiduciary managers

SAM 02.3	Indicate if your organisation considers responsible investment in the selection, appointment and/or review processes for investment consultants and/or fiduciary managers.
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- Responsible investment is included in the selection process for investment consultants
- Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them
- Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring
- We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

No

SAM 03	Mandatory	Gateway	General
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SAM 03.1	Indicate for which of the following externally managed asset classes your organisation, and/or your investment consultants, consider responsible investment factors in investment manager: (a) Selection, (b) Appointment (investment management agreements/contracts), and (c) Monitoring
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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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hedge funds	<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 04.1

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 type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" 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 checked="" type="radio"/> 10-50% <input type="radio"/> >50%

SAM 04.2 Additional information. [Optional]

Our corporate bond managers employ fundamental analysis in selecting securities. Government bonds consist of Emerging Markets Debt which is managed actively and a range of physical bonds (gilts) and Liability Driven Investment (LDI) funds which are all managed on a passive basis.

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Thematic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Passive investment strategies

Passive investment strategies	LE		FIG
Screening	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Thematic	<input type="checkbox"/>		<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>		<input type="checkbox"/>
None of the above	<input type="checkbox"/>		<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 type="checkbox"/>
We require our external managers to engage on our behalf	<input checked="" type="checkbox"/>	<input checked="" 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.

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

SAM 05.4 Additional information. [Optional]

The contract with our engagement service provided ceased in March 2014 due to consolidation in the industry. The Trust is currently in the process of reviewing the services of other engagement service providers.

Selection

SAM 06	Mandatory	Core Assessed	PRI 1-6
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SAM 06.1

Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

	LE	FIC	
Review the manager's responsible investment policies	<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"/>	
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 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"/>	
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Discuss the type of ESG reporting you expect	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>	<input type="checkbox"/>	
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	

ESG incorporation

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

Engagements

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

(Proxy) voting

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

Appointment

SAM 07	Voluntary	Additional Assessed	PRI 4
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SAM 07.1	When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:
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	General
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	LE	FIC	
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 investment management agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	

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

Engagement

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

(Proxy) voting

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

Reporting

	LE	FIC	
Reporting on the agreed responsible investment activities	<input type="checkbox"/>	<input type="checkbox"/>	
Reporting on the ESG characteristics of the portfolio	<input type="checkbox"/>	<input 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 investment management agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	
None of the above	<input checked="" type="checkbox"/>	<input checked="" 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.

During the reporting period, the Trust agreed four new mandates where RI related clauses were inserted into the Investment Management Agreements during the reporting period.

It is our intention that the Trust's expectations on Responsible Investment/ESG and stewardship are set out clearly in future IMAs.

The Trust also developed a Responsible Investment Rating System (RI Rating System) in January 2013 to help benchmark existing managers and assess the merits of prospective managers from this perspective.

It should also be noted that requests are made of managers in other forums such as meetings. For example, we have requested that our listed equity managers focus their engagement reporting on the Trust's largest holdings so that we can ensure that engagement is being undertaken on significantly sized holdings.

Monitoring

SAM 08	Mandatory	Core Assessed	PRI 1
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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:
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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 type="checkbox"/>	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
Request information on whether your manager's approach to ESG issues has impacted risk or volatility	<input type="checkbox"/>	<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"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>
Other ways you monitor ESG incorporation, 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	FIC
Review the ESG information relevant to the engagements	<input type="checkbox"/>	<input type="checkbox"/>
Discuss the number of engagements and their comprehensiveness	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Discuss the type of role played (i.e. leading or supporting)	<input type="checkbox"/>	<input type="checkbox"/>
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input type="checkbox"/>	<input type="checkbox"/>
Other ways you monitor engagement activities, specify	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>

(Proxy) voting

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

SAM 09	Mandatory	Core Assessed	PRI 2
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SAM 09.1 For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.

We track or collect this information

Votes cast (to the nearest 5%)

%

95

Specify the basis on which this percentage is calculated

- Of the total number of ballot items on which they could have issued instructions
 - Of the total number of company meetings at which they could have voted
 - Of the total value of your listed equity holdings on which they could have voted
- We do not track or collect this information

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

Monitoring

SAM 12	Mandatory	Core Assessed	PRI 1-6
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SAM 12.1

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

General

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

Investment selection (pre-investment) of underlying holding

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

Investment monitoring (post-investment) of underlying holding

		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"/>	
Request examples of ESG issues identified within the portfolio and action taken in response	<input checked="" type="checkbox"/>	
Request details of how ESG factors were considered when preparing to exit from investments	<input type="checkbox"/>	
Other ways ESG issues are monitored in the post-investment process, specify	<input type="checkbox"/>	
None of the above	<input type="checkbox"/>	

Other asset classes

SAM 13	Voluntary	Descriptive	PRI 1-6
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SAM 13.1	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:
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Asset Class	Description
Hedge funds	In 2014, we moved from being in a pooled fund of hedge funds to a 'Single Investor Fund'. Hedge funds have traditionally offered very low levels of transparency on the underlying holdings of their portfolios. However we were able to find a manager willing to work with us on improving this situation in alignment with our Climate Change Policy. We inserted a requirement (amongst other responsible investment requirements) into the Investment Management Agreement that the manager will use best efforts to report quarterly on the Fund's long (physical and derivative) exposure in the equity or debt of companies held that fall within carbon intensive sectors. This enables us to understand our exposure to climate change risk.

Outputs and outcomes

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

80

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	Appointed a new Global Equities Mandate where the manager was selected, in part, due to its alignment with the Trust's Responsible Investment Policies.
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
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"/> Property <input type="checkbox"/> Hedge funds
Scope and process	Thorough due diligence was undertaken.
Outcomes	We expect that this appointment will significantly decrease the carbon intensity of the Trust's investment portfolio. This appointment will also enable us to directly measure the impact of ESG integration and engagement activities.

Add Example 2

Topic or issue	A new property mandate requests the manager report to the Investment Committee if investment is made in a property with EPC rating E or lower.
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
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 checked="" type="checkbox"/> Property <input type="checkbox"/> Hedge funds
Scope and process	This request was made to ensure that the property investments will meet planned UK legislation for 2018.
Outcomes	This will ensure that no additional costs are needed to meet UK legislation coming in 2018. It also ensures that the trust is not investing in property units that have poor environmental performance.

Add Example 3

Topic or issue	A new inflation linked growth fund mandate was designed. We specifically asked the manager to consider/ investments which have a positive social or environmental outcome
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
Asset class	<input checked="" 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"/> Property <input type="checkbox"/> Hedge funds
Scope and process	The fund will only invest in assets with a contract that links them to inflation. For example, property, infrastructure, bonds.
Outcomes	The fund will provide exposure to some sustainability related themes.

Add Example 4

Topic or issue	Responsible investment is a standard part of the agenda for all manager meetings.
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
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"/> Property <input type="checkbox"/> Hedge funds
Scope and process	This is now standard procedure.
Outcomes	We are becoming much better at monitoring the RI practices of our managers. Over 2013 we spent a lot of time understanding their different approaches to RI. And in 2014 we have started to move from the 'understanding phase' to a more 'demanding' phase. We are now able to articulate our expectations to managers - such as reporting on adherence to our RI policies and reporting stewardship activities that relate to our largest investments. We expect to have people in our manager review meetings that can answer our RI related questions. We expect them to talk about mandate specific activities, not just their organisations approach to RI. We also write to them twice a year asking for information on their activities which we then compile into a report for the Investment Committee.

Add Example 5

SAM 15.2	Additional information.
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Communication

SAM 16	Mandatory	Core Assessed	PRI 6
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SAM 16.1	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
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Yes, we disclose information publicly

provide URL

<http://www.uk.thepensiontrust.org.uk/aboutus/investment/responsibleinvestment.aspx>

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

The Pensions Trust

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
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LEA 01.1	Provide a brief overview of your organisation's approach to engagement.
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The Trust delegates primary responsibility for its corporate engagement activities to its investment managers. The Trust believes that investment managers are normally best placed to engage with invested companies on ESG matters, given their knowledge of the company and the level of access they have to company management. It is also more pragmatic because of the number of stocks owned by the Trust, and the amount of time corporate entities have available to single investors. The Trust asks its investment managers to report back on their engagement activities on a periodic basis. The Trust expects its managers to engage on environmental, social and/or governance matters where they are considered material and relevant to the investment case. It also expects its managers to have regard of its climate change policy in this respect.

In addition to the corporate engagement carried out by its managers The Trust has developed an internal engagement programme where engagement is undertaken in the following ways: 1) Direct engagement by the Investment Team when key areas of investment risk are identified; 2) Participation in collaborative engagement, and; 3) Engagements by a service provider. It should be noted that the Trust is in the process of changing engagement service providers due to industry consolidation. In addition, over 2015, we hope to undertake some joint engagements alongside our investment managers. The Trust believes that by having both an asset owner and an investment manager at the table to talk about an issue, significant weight is added to the discussion.

The Pensions Trust engagement activities include written, oral and electronic communication and personal meetings with a company's senior executives.

The Trust recognises that as a responsible asset owner, it should, wherever practicable given time and resources, support initiatives which aim to improve the regulatory environment for all investors. As part of this The Trust participates in a number of collaborative engagements which it sees as furthering the aims and objectives of its investment beliefs and voting and engagement policy.

LEA 02	Mandatory	Gateway	PRI 1,2,3
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LEA 02.1	Indicate your reasons for interacting with companies on ESG issues and indicate who carries out these interactions.
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Type of engagement	Reason for interaction
Individual/Internal staff engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input 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
Service provider engagements	<input type="checkbox"/> To support investment decision-making (e.g. company research) <input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved ESG disclosure <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not engage via service providers

LEA 02.2	Additional information. [Optional]
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Individual engagements are primarily delegated to our investment managers.

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.
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Yes

LEA 03.2	Describe how you identify and prioritise engagements.
-----------------	---

Step 1: Set and periodically review engagement objectives. The Trust's engagement objectives include:

- Objective 1: To gather information on how a company is managing risks and opportunities associated with ESG factors in order to help inform investment and voting decisions.
- Objective 2: To mitigate downside risks to portfolios by engaging with companies on environmental, social and governance topics.

- Objective 3: To support companies and legislators with the development and implementation of strong ESG related policies and regulation, helping the Trust to fulfil its stewardship duties.
- Objective 4: To help the Trust fulfil its duties as a responsible investor and meet the expectations of its beneficiaries.

Step 2: Develop a way of prioritising areas of engagement. The Trust does this by:

5. Gaining an understanding of where material ESG risk lies in the Global Equity Portfolio. The Trust hired a service provider to run a screen on where material ESG risk lies in September 2014.
6. Understand what our beneficiaries care about. Through various surveys, discussions and consultations, the Trust has a good understanding of our beneficiaries concerns when it comes to ESG issues associated with their pension funds. The main areas of concern are: Environment and climate change
7. Health and safety
8. Human rights
9. Labour standards in supply chains
10. Corporate governance themes: Sustainability, audit, remuneration and board independence
- 11.

Step 3: Review the engagement activities being undertaken by equity and debt managers.

Step 4: Propose annual activity for managers, internal staff and service providers.

No

LEA 04	Mandatory	Core Assessed	PRI 2
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LEA 04.1 Indicate if you define specific objectives for your engagement activities.

- 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.

For engagements undertaken by internal staff, objectives for engagements are set and the practices of companies are monitored to see if any the engagement results in the desired change.

For engagements undertaken by managers, alongside the provision of quarterly reports on their engagement activities, the Trust has requested that they discuss any engagements they have undertaken with stocks in our top 20 holdings in manager review meetings.

For engagements undertaken by service providers, we expect regular updates on the progress of engagements.

The Trust plans to develop an annual report that describes its engagement activities and outcomes from September 2015.

No

Process for engagements conducted via collaborations

LEA 05

Mandatory

Core Assessed

PRI 2

LEA 05.1

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

Yes

LEA 05.2

Describe how you identify and prioritise collaborative engagements.

The process for identifying and prioritising collaborative engagements is the same as described in LEA 01. A further filter is added which assesses capacity to be involved.

No

LEA 06

Mandatory

Core Assessed

PRI 2

LEA 06.1

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

Yes

- Yes, for all collaborative engagement activities
- Yes, for the majority of collaborative engagement activities
- Yes, for a minority of collaborative engagement activities

No

LEA 06.2

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

Yes

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

LEA 06.3

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

Most of the collaborative engagements we are involved in are very well organised with objectives and milestones set at the outset of the engagements along with ways to measure success. In the majority of cases, the organisation coordinating the collaborative engagement will provide regular updates on progress.

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 07.3

Additional information. [Optional]

The Trust participated in a number of the company meetings either in person or by conference call.

It should be noted that the Trust's engagement service provider ceased to operate in early 2014 due to industry consolidation. We are currently in the process of reviewing the services of other engagement providers.

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 10.1	Indicate if you track the number of engagements your organisation participates in.
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Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements
Service provider engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

Outputs and outcomes

LEA 11.1	Indicate the number of companies with which your organisation engaged during the reporting year.
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	Number of companies engaged (avoid double counting, see explanatory notes)
Individual / Internal staff engagements	0
Collaborative engagements	6
Service provider engagements	17

LEA 11.2	Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]
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Type of engagement	% Comprehensive engagements
Individual / Internal staff engagements	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> None
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Service provider engagements	<input type="radio"/> >50% <input checked="" 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 checked="" type="radio"/> 10-50% <input 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 11.5 Additional information. [Optional]

LEA 12	Voluntary	Additional Assessed	PRI 2
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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 type="checkbox"/> Corporate Governance <input type="checkbox"/> We do not track this information
Collaborative 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
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

100%

Collaborative engagements

% Environmental only

18

% Social only

61

% Corporate Governance only

17

% Overlapping ESG issues

0

100%

	Service provider engagements
--	------------------------------

	% Environmental only
--	----------------------

24

	% Social only
--	---------------

53

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

17

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

6

100%

LEA 12.3	Additional information.
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Note that collaborative engagement figures on based on the number of collaborative engagements that TPT is involved with - not the number of companies engaged within each collaborative engagement.

LEA 13	Voluntary	Descriptive	PRI 2
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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
- No

LEA 13.3	Additional information.
-----------------	-------------------------

This is something we hope to do going forward.

LEA 14	Voluntary	Descriptive	PRI 2
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LEA 14.1	Provide examples of the engagements that your organisation carried out during the reporting year.
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- Add Example 1

Topic or ESG issue	Living wage campaign
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	Campaign for the FTSE 100 companies to commit to becoming accredited living wage employers.
Scope and Process	Sarah Smart (Trustee Chair) attended the AGM for British Land on 18 July and Stephen Duckworth (Investment Committee member) attended the AGM for Babcock International on 21 July. Both Sarah and Stephen raised questions regarding the respective company's stance on the Living Wage thereby bringing awareness of the issue to board level and highlighting that it is a matter of concern to shareholders.
Outcomes	This is a campaign that is being run by ShareAction. As at the end of August, 91 companies had been contacted and 9 had become accredited. A total of 13 of the FTSE 100 companies have become accredited since ShareAction launched the campaign in 2011. Responding to Sarah and Stephen's questions, both British Land and Babcock International were fairly supportive of the Living Wage campaign though they highlighted real industry challenges when trying to implement it. The insights gained were fed back to staff at ShareAction and The Living Wage Campaign in the hope that, over time, ways around these challenges can be found.

Add Example 2

Topic or ESG issue	Conflict minerals and child labour
Conducted by	<input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	<ul style="list-style-type: none"> • Encourage the company to disclose a full policy on preventing child labour. • In particular, encourage the company to provide details of its system for auditing suppliers' compliance with child labour laws and principles. • Understand the extent and nature of the illegal practices that the company has identified among its Chinese suppliers and the steps the company plans to take to address them. • Encourage the company to disclose details of its conflict mineral use monitoring system.
Scope and Process	<ul style="list-style-type: none"> • Engagement letter sent to company in September 2013. • The company responded with a detailed memo on the topics of labour standards and conflict minerals. They expressed willingness to hold a call. • Held call with the company in October 2013 on the topic of supply chain labour standards, including Chinese suppliers and child labour • Call in February 2014 with the company on the topic of monitoring conflict mineral use in the supply chain.
Outcomes	<p>The company is providing more detail on these issues in its annual sustainability report. The Trust will keep monitoring this and suggesting ways for the company to improve disclosure.</p> <p>Over 2014, the company worked hard to get its suppliers to commit to its code of conduct that commits the company to banning useage of conflict minerals. By April 2014, the company stated that 97% of their suppliers could now provide evidence that they are not using conflict minerals.</p>

Add Example 3

Topic or ESG issue	Labour standards in supply chains
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	To improve issues which are prevalent in agricultural supply chains, including child labour, health and safety and bonded labour.
Scope and Process	The Trust is part of a group of 36 global investors with over US\$ 2.2 trillion assets under management who are engaging 35 large global food and beverage companies, including producers, processors and retailers with the aim to improve labour conditions in the companies' agricultural supply chains. The trust is a leading investor (alongside RobecoSam) for the engagement with Compass Group, WM Morrisons and Associated British Foods. Meetings were held with all 3 companies over the period under review.
Outcomes	Interim valuations were submitted to the PRI comparing the information gained from the meetings with initial assessments of how the companies manage issues in their supply chains. The engagement will continue for another year. It is planned to do another evaluation of the company in mid 2015. It is hoped that we will be able to present results of the collaborative engagement towards the end of 2015.

Add Example 4

Topic or ESG issue	Anti-corruption
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	The Trust is part of a group of 34 global investors with US\$ 2.7 trillion assets under management who are engaging with 45 companies across sectors and regions that face their bribery and corruption risks. The aim of the engagement is to better understand the identified company's ability to manage and reduce those risks, and their capacity to improve practices and transparency. We are the lead investor for the engagement with Teva.
Scope and Process	An initial letter was sent to Teva requesting their involvement in the collaborative engagement in November 2013. The company did not reply and a follow up email was sent in June 2014. The company has still nnot replied and the Trust is planning to send one last attempt to engage the comany in early 2015. The Trust has also requested that an investment manager helps to co-lead with this engagement. As we are an asset owner and our name does not appear on the shareholder registry, we are wondering if this is a barrier to the company engaging with us.
Outcomes	None to date

Add Example 5

Topic or ESG issue	Labour standards
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	
Scope and Process	<p>The Trust added its name to a collaborative engagement letter that was sent to Charoen Pokphand (CP) Foods, Thailand's largest agribusiness firm, which was found to have forced labour in its seafood supply chain. The letter asked for a dialogue on the issues and CP Foods' practices and strategies for eliminating forced labour from its supply chain. Walmart, Costco, Tesco, Aldi, Morrisons, the Co-operative, Iceland are all customers of CP Foods.</p> <p>A meeting was held with the company in August 2014. The company is actually doing a significant amount to manage these issues. The group of investors wanted to speak to some additional people to get a better insight on the realities of the Thai fishing industry before coming up with some suggestions for CP foods to improve their risk management strategy for labour standard issues.</p>
Outcomes	None yet.

- 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.

- We disclose it publicly

provide URL

http://www.uk.thepensiontrust.org.uk/documents/investments/riactivities/14q3_ri%20log%20of%20activities%201114%20-%20final%20version.pdf

LEA 15.2

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

- Yes

LEA 15.3

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

Engagement information disclosed

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

LEA 15.4

Indicate how frequently you typically report engagements information.

- Disclosed continuously (prior to and post engagements)
 - Disclosed quarterly
 - Disclosed annually
 - Disclosed every two years or less
 - Other, specify
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries.