

RI TRANSPARENCY REPORT

2013/14

Australian Catholic Superannuation and Retirement Fund

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 2013-14 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. This results in some Principles not being explicitly highlighted. For instance, Principle 1 and 2 cannot be implemented without implementing Principle 3, but there are cases when Principle 3 is not explicitly 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.

PRI disclaimer

This document is based on information reported by signatories and responses have not been independently audited by the PRI Secretariat, PRI working groups, or any other third party. While this information is believed to be reliable, no representations or warranties are made as to its accuracy and no responsibility or liability can be accepted for any error or omission.

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	✓	n/a							✓
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	🔒	n/a							✓
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	✓	Private							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Private	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	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	-	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Private							✓
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)	✓	Private				✓			
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)	🔒	n/a	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	🔒	n/a	✓					✓	
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						✓	

Australian Catholic Superannuation and Retirement Fund

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

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

- ☒ Non-corporate pension or superannuation or retirement or provident fund or plan
- ☐ Corporate pension or superannuation or retirement or provident fund or plan
- ☐ Insurance company
- ☐ Foundation or endowment
- ☐ Development bank
- ☐ 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.

Australia

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

- ☒ 1
- ☐ 2-5
- ☐ 6-10
- ☐ >10

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

FTE

60

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- ☐ Yes
- ☒ No

OO 04	Mandatory	Gateway/Peering	General
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OO 04.1 Indicate the year end date for your reporting year.

30/06/2013

OO 04.2

Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		5	261	111	793
Currency	AUD				
Assets in USD		4	752	356	269

OO 04.3

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

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

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

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

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

	Internally managed (%)	Externally managed (%)
Listed equity	0	10-50%
Fixed income – corporate	0	10-50%
Fixed income – government	0	0
Fixed income – other	0	0
Private debt	0	<10%
Private equity	0	<10%
Property	0	<10%
Infrastructure	0	<10%
Commodities	0	0
Hedge funds	0	<10%
Forestry	0	0
Farmland	0	<10%

Inclusive finance	0	0
Cash	<10%	10-50%
Other (1), specify	0	<10%
Other (2), specify	0	0

	'Other (1)' specified
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Currency overlay, rebalancing and Global Macro, Opportunistic Funds

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

OO 07	Mandatory to Report	Voluntary to Disclose	Peering	General
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OO 07.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.
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	% of externally managed assets
Segregated mandate(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
Pooled fund(s)	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
<i>Total externally managed assets</i>	<i>100%</i>

OO 07.2	Indicate the proportion of your externally managed assets in fund-of-funds.
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	% of externally managed assets
Fund-of-funds	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %

OO 08	Mandatory to Report	Voluntary to Disclose	Peering	General
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input 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.		

Australian Catholic Superannuation is the largest Catholic super fund in Australia. We are open to anyone eligible for superannuation. Nationally, over 90,000 members and 8,000 participating employers have selected us.

Our vision is to be the superannuation fund of choice for the Australian Catholic community.

Our mission as a profit-for-members superannuation fund reflecting Catholic values, is to maximise retirement benefits for our members by providing them with a portfolio of products that allows a lifetime of investment.

As an industry fund, we exist solely for the benefit of our members.

We undertake all administration for the Fund in-house, meaning that our staff serves only the members of our Fund. This assists us in providing personalised and efficient service to our members and employers.

Australian Catholic Superannuation has maintained close ties with the Catholic community, and in particular the Catholic education community, since the Fund's inception over 30 years ago. In fact, the Fund was initially established as an industry superannuation fund to provide retirement benefits to those who teach or work in Catholic schools and Church Agencies, although we are now open to Australians from all walks of life.

Catholic education is focused on ensuring the literacy of future generations of Australians and that every student has the best possible start in life. This parallels our own focus and approach in providing first-rate information services to empower members in making sound financial decisions as they save and plan for eventual retirement.

The Fund offers 11 investment options utilising over 40 investment managers and has had sound investment performance over its lifetime. In addition, ACSRF has an allocated pension fund, low cost group insurance cover, member education sessions, workplace visits and seminars, financial planning advice on a fee for service basis as well as offering a limited advice service.

Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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OO 10.1	Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.
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- ☒ We address ESG incorporation, engagement and/or (proxy) voting in our external manager selection, appointment and/or monitoring processes
- ☐ We engage with companies on ESG issues via our staff, collaborations or service providers
- ☐ We cast our (proxy) votes directly or via service providers
- ☐ None of the above

OO 11	Mandatory	Gateway	General
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OO 11.1	Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.
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- ☐ Cash
- ☒ None of the above

OO 11.2	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.
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- ☒ Fixed income – corporate
- ☐ Private debt
- ☐ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Hedge funds
- ☒ Farmland
- ☐ Cash
- ☐ Other (1)
- ☐ None of the above

	'Other (1)' [as defined in OO 05]
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Currency overlay, rebalancing and Global Macro, Opportunistic Funds

OO 12	Mandatory	Gateway	General
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OO 12.1	The modules and sections that you will be required to complete are listed below. They are based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. Note, 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. Direct - Fixed Income and Infrastructure are always voluntary.
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Core modules

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

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☐ Fixed Income - Corporate
- ☐ Property
- ☐ Infrastructure
- ☐ Farmland

Closing module

- ☒ Closing module

Note: Please make sure your response to this indicator is complete and confirmed before you progress. Your response will determine which tailored modules and sections you will be presented with.

Australian Catholic Superannuation and Retirement Fund

Reported Information

Public version

Overarching Approach

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Responsible investment policy

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

☒ Yes

☐ No

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

☒ Yes

☐ No

OA 01.3

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

ACSRF is committed to delivering the highest possible return on its investments to its members while assessing and managing foreseeable risk factors as effectively as possible.

ACSRF recognises that environmental, social and corporate governance (ESG) considerations can have a positive influence on the financial performance of companies, particularly over the long term. As superannuation is a long term investment, the ACSRf Trustee recognises that it should consider ESG risks in its investment decision making processes in order to protect and manage its investments for the long term.

The Trustee has appointed external investment managers to manage its investment portfolio.

In selecting its investments and investment managers, ACSRf is cognisant of the general risk characteristics of each asset class and of the investment styles of each of the managers that it appoints. The Trustee encourages each external investment manager to consider ESG factors alongside traditional financial measures when making investment decisions.

ACSRf believes that effective governance structures and processes decrease risk and potentially increase returns because they create stability that assists the development of long term investment strategies. Companies that best manage their governance risks are more financially sustainable in the long term and will generally have a positive influence on long term corporate performance.

Each external manager will, over time, be required to provide details of the manager's ESG policies to the Trustee and report at agreed intervals to the Trustee about how the manager integrates consideration of ESG issues into its investment analysis and decision making processes. Australian listed equities managers are also required to report on their voting activities.

The Trustee has developed a Responsible Investment Policy that outlines the activities that ACSRf will pursue to fulfil its obligations under the UNPRI whilst at the same time maximising the opportunity to achieve better long term investment returns and more sustainable markets using ESG criteria.

Australian Catholic Superannuation offers one investment option that takes into account labour standards and environmental, social and ethical issues. This option is currently invested in the AMP Capital Responsible Investment Leaders Balanced Fund.

The Responsible Investment Leaders Balanced Fund uses a multimanager approach in implementing its Sustainable and Responsible Investment strategy. In selecting managers, consideration and assessment is made from a financial, social and environmental perspective. AMP Capital seeks out managers that are identifying leaders across industries in their approach to ESG issues.

Managers are also required to avoid companies operating within sectors with recognised high negative social impact. This means the underlying funds will avoid exposure to companies with material exposure to the production or manufacture of alcohol, armaments, gambling, pornography, tobacco and uranium. Material exposure is considered to be where a company derives more than 10% of its total revenue from these industries. In addition to the specific negative screens, the underlying managers generally adopt a balanced scorecard approach to determine whether they can invest in a particular company.

OA 02**Mandatory****Core Assessed****PRI 6**

OA 02.1

Indicate if your responsible investment policy is publicly available.

☒ Yes**OA 02.2**

Provide a URL to your responsible investment policy.

URL

http://www.catholicsuper.com.au/Superannuation/Superannuation_investments/Responsible_investing/☐ 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
Responsible Investment Governance Policy	http://www.catholicsuper.com.au/Superannuation/Superannuation_investments/Responsible_investing/

☐ No**OA 03****Mandatory****Core Assessed****PRI 1,2****OA 03.1**

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

Select all that apply

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

OA 03.2

Comment on any variations or exceptions in the coverage of your responsible investment policy. [Optional]

The policy generally does not cover cash, hedge fund investments.

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

☒ Yes

☐ No

OA 04.3

Additional information. [Optional]

ACSRF has a formal Conflicts Policy in accordance with government regulations. The conflicts policy covers circumstances where one or all of the interests of members are inconsistent with, or diverge from, some or all of the interests of the Trustee or its representatives. In relation to investments in particular, any member of the Investment Committee who has an actual or potential conflict of interest in relation to any item on the agenda must declare that conflict at the start of the meeting. The Committee member must disclose all relevant information about the conflict in such manner and form as determined by the other Committee members.

Where a conflict of interest is declared, the Committee must assess the conflict to determine its materiality and significance to any relevant agenda item and decide what action should be taken i.e. abstention from the relevant part of the meeting, abstention from voting or no action. The details of any declared conflicts and the Committee's decision must be recorded in the minutes and in the conflicts register. The fund maintains a register of duties, financial interests and conflicts. Directors are required to declare any conflict of interests at every Trustee meeting.

The Trustee and Investment Committee (IC) have an Investment Governance Framework which provides guidelines to manage investments to protect the interests, and meet the reasonable expectations, of beneficiaries. It sets out the selection and monitoring process for investment managers. Monitoring is done on a quantitative and qualitative basis. The IC meets regularly with managers to discuss any issues.

Objectives and strategies
OA 05

Mandatory

Gateway/Core Assessed

General

OA 05.1

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

☐ Yes

☒ No

OA 05.4

Additional information. [Optional]

The ACSR Investment team is a small group consisting of the CEO, Chief Investment Officer, Investment Analyst and a recently appointed (January 2014) Investment Officer. As well as performing other duties, one additional staff member assists this team with RI/ESG matters, although this is not a dedicated investment role. There is no dedicated financial analyst resource available. ACSR monitors the activities of its external investment managers and encourages them to report on their engagements.

Governance and human resources
OA 07

Voluntary

Descriptive

General

OA 07.1

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

The ACSRF Trustee Board has overall responsibility for the Fund's responsible investment policies. However, the Investment Committee will oversee these activities. The CEO engages with other organisations through membership of the various industry groups such as ACSI, RIAA and AIST. The CEO, CIO and Asset Consultant consider ESG related issues in the appointment of managers and is included in the due diligence process. The Financial Analyst has day to day responsibility for obtaining external managers' ESG policies and ongoing monitoring of activities.

☐ 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
 - ☒ Oversight/accountability for responsible investment
 - ☐ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☐ Dedicated responsible investment staff
- ☒ External managers or service providers
 - ☒ Oversight/accountability for responsible investment
 - ☒ Implementation of responsible investment
 - ☐ No oversight/accountability or implementation responsibility for responsible investment
- ☒ Other role, specify
Financial Analyst

- ☒ Oversight/accountability for responsible investment
- ☐ Implementation of responsible investment
- ☐ No oversight/accountability or implementation responsibility for responsible investment

☐ Other role, specify

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

	Number
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0

OA 08.3	Additional information. [Optional]
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The ACSRF Investment team is a small group consisting of the CEO, Chief Investment Officer, Investment Analyst and a recently appointed (January 2014) Investment Officer. As well as performing other duties, one additional staff member assists this team with RI/ESG matters, although this is not a dedicated investment role. There is no dedicated financial analyst resource available. ACSRF monitors the activities of its external investment managers and encourages them to report on their engagements.

The small number of resources in the Investment Team has made it difficult to fully cover all aspects of responsible investing. However, there is a business case being developed for extra resources in the next financial year.

Promoting responsible investment

OA 10	Mandatory	Core Assessed	PRI 4,5
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OA 10.1	Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.
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☒ Yes

OA 10.2	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

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

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]
--

**Provided general support for the initiative in a non-public way.
Monitored ACSI activities and engagements.**

- ☐ CDP Climate Change
- ☐ CDP Forests
- ☐ CDP Water
- ☐ CFA Institute Centre for Financial Market Integrity
- ☐ Council of Institutional Investors (CII)
- ☐ Eumedion
- ☐ Extractive Industries Transparency Initiative (EITI)
- ☐ Global Investors Governance Network (GIGN)
- ☐ Global Real Estate Sustainability Benchmark (GRESB)
- ☐ Institutional Investors Group on Climate Change (IIGCC)
- ☐ Interfaith Center on Corporate Responsibility (ICCR)
- ☐ International Corporate Governance Network (ICGN)
- ☒ Investor Group on Climate Change, Australia/New Zealand (IGCC)

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]
--

Provided general support for the initiative in a non-public way

- ☐ Investor Network on Climate Risk (INCR)/CERES
- ☐ Local Authority Pension Fund Forum
- ☒ 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]
--

Provided general support for the initiative in a non-public way

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

RIAA

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]
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Provided general support for the initiative in a non-public way

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

☐ No

OA 10.3	Additional information. [Optional]
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ACSRF supports these organisation's activities, but our participation has been limited due to the small number of resources in the investment team. Resource issues are being addressed in the 2014/2015 financial year budget.

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.

☒ Yes**OA 11.2**

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

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

See 11.3

☐ No**OA 11.3**

Additional information. [Optional]

As part of the monitoring process, ACSRF has ongoing dialogue with its external investment managers which includes discussions on ESG issues. The CEO is on the AIST board, The Private Capital Group board and is a member of the investor group for the AMP Responsible Investment Leaders fund.

ESG issues in asset allocation**OA 14****Voluntary****Descriptive****PRI 1****OA 14.1**

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

☒ Yes**OA 14.2**

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

% of total AUM

1

OA 14.3

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

Area

☒ Clean technology

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Property
- ☒ Infrastructure
- ☐ Farmland

Brief description of investment

This is actually a private equity investment in the Generation Climate Solutions Fund.

They invest in private equity, restricted public equity and unrestricted public equity. This strategy is focused exclusively on deploying capital into companies that are part of the transition from a high-carbon to a low-carbon economy. Generation has prioritized four initial areas of focus for the Climate Solutions product: Renewable Energy Generation and Distribution, Energy Efficiency and Demand Destruction, Carbon Markets and Climate-Related Financial Services Solutions for the Biomass Economy.

ACSRF also invests in an Energy Infrastructure Trust which has investments in wind farms among other energy assets.

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

Asset class invested

- ☐ Listed equity
- ☐ Fixed income - corporate
- ☐ Property
- ☐ Infrastructure
- ☒ Farmland

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

The Sustainable Agriculture Fund (SAF) is an unlisted investment fund which owns and operates farms throughout Australia. The investment strategy is to farm sustainably and diversify investments:

- by sector - core investments, cropping, livestock
- by location - throughout Australia
- by water source

- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☐ Other area, specify

☐ No

OA 14.4	Additional information.
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ACSRF has a number of property investments that are best of breed for 'green buildings', but these are not dedicated themed investments.

Assurance of responses

OA 19	Voluntary	Additional Assessed	General
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OA 19.1	Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.
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☒ Yes

OA 19.2	Indicate who has reviewed, validated and/or assured your reported information.
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- ☒ Reviewed by Board, CEO, CIO or Investment Committee
- ☐ Validated by internal audit or compliance function
- ☐ Assured by an external independent provider, specify name

OA 19.3

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

Discussed in detail and reviewed relevant policies.

☐ No

Australian Catholic Superannuation and Retirement Fund

Reported Information

Public version

Indirect – Manager Selection, Appointment and Monitoring

PRI disclaimer

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

Overview

SAM 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.
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ACSRF assesses the capabilities of external investment managers to incorporate ESG issues:

- ESG issues are factored into investment manager due diligence
- The ACSRf Investment Consultant, Towers Watson, incorporates ESG data with manager holdings data to inform manager selection and provide transparency on a manager's ESG exposure.
- ACSRf obtains and monitors investment manager ESG policies.
- ACSRf obtains and monitors manager voting.
- ACSRf discusses ESG issues with managers on a face to face basis.

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

	Asset class
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- ☒ Listed Equity (LE)
- ☒ Fixed income - corporate (FIC)
- ☒ Private equity (PE)
- ☒ Infrastructure (INF)
- ☒ Property (PR)
- ☐ Other asset classes

☒ We use investment consultants in our monitoring of external managers

Asset class

- ☒ Listed Equity (LE)
☒ Fixed income - corporate (FIC)
☒ Private equity (PE)
☒ Infrastructure (INF)
☒ 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 02.4	Additional information. [Optional]
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RI is not considered for the Cash sector or hedge funds

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"/>

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

Overview

SAM 04	Mandatory to Report Voluntary to Disclose	Gateway/Peering	General
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SAM 04.1	Provide a breakdown of your externally managed listed equities, corporate fixed income and government fixed income by passive, active quant, active fundamental and other active strategies.
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	Listed equity (LE)
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Type of strategy	As % of externally managed listed equity
Passive	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" 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)
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Type of strategy	As % of externally managed corporatefixed income
Passive	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - quantitative (quant)	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Active - fundamental and other active	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

SAM 05	Mandatory	Gateway	PRI 1,2
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SAM 05.1	Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:
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	Active investment strategies
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Active investment strategies	LE		
Screening	<input type="checkbox"/>		
Thematic	<input type="checkbox"/>		
Integration	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

SAM 05.2	Indicate if - on your externally managed assets - you engage directly, via service providers, or via your external manager.
-----------------	---

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

SAM 05.3	Indicate if - on your externally managed listed equities - you cast your (proxy) votes directly, via service providers, or via your external manager.
-----------------	---

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

SAM 05.4	Additional information. [Optional]
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External managers are provided with our RI and RI Governance Policies. The policies provide proxy voting guidelines and our RI expectations.

Selection

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

ESG incorporation

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

Engagements

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

(Proxy) voting

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

Monitoring

SAM 08

Mandatory

Core Assessed

PRI 1

SAM 08.1

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

General

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

ESG incorporation

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

Engagements

	LE		
Review the ESG information relevant to the engagements	<input checked="" type="checkbox"/>		
Discuss the number of engagements and their comprehensiveness	<input type="checkbox"/>		
Discuss the type of role played (i.e. leading or supporting)	<input type="checkbox"/>		
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input type="checkbox"/>		
Other ways you monitor engagement activities, specify	<input type="checkbox"/>		
None of the above	<input 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 type="checkbox"/>
Review the number of resolutions on ESG issues filed or co-filed	<input type="checkbox"/>
Discuss the changes in company practice (outcomes) that have been achieved from voting activities	<input type="checkbox"/>
Other ways you monitor (proxy) voting activities, specify	<input type="checkbox"/>
None of the above	<input 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.
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- ☐ We track or collect this information
☒ We do not track or collect this information

SAM 09.2	Additional information. [Optional]
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We have not tracked the total number of possible votes , but we do track how many votes the managers have done, with for, against and abstain details. We will request managers to provide the total number (including description of motions) of votes that they could have cast and not just the results of the votes they have cast.

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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	%
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50

34

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.
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☒ Add Example 1

Topic or issue	Appointment of new international equities manager
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
Scope and process	For example, interviewed and discussed proposed manager's exposure to tobacco and armaments.
Outcomes	The manager's holdings did not suit the profile of the Fund and the manager was not appointed.

☐ Add Example 2

☐ Add Example 3

☐ Add Example 4

☐ Add Example 5

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
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http://www.catholicsuper.com.au/Superannuation/Superannuation_investments/Responsible_investing/

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.
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☒ 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

Details of the Socially Responsible Balanced option which is made up of the AMP Responsible Investment Leaders fund.

☐ No

☐ Yes, we disclose information to clients/beneficiaries only

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

**SAM
16.4**

Additional information. [Optional]

Our RI policy and RI Governance policies are available on the website. An annual RI report is also available on the website. Proxy voting activities are available on request.

The quarterly report from the AMP Responsible Investment Leaders fund is also on the website. This fund is the basis of the Socially Responsible Balanced option.