



LEA 02	Disclosures Monetary	Reason for Interaction	Principle PRI 1,2,3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company relevant ESG areas</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive disclosures</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company relevant ESG areas</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive disclosures</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p>	
Collaborative engagements	<p><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company relevant ESG areas</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive disclosures</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via collaborative engagements</p>		
Service provider engagements	<p><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company relevant ESG areas</p> <p><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive disclosures</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage via service providers</p>		

# RI TRANSPARENCY REPORT

## 2013/14

StatewideSuper

## 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

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# 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	✓	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)	🔒	n/a	✓						✓
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	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	✓	Public		✓		✓			
LEA 08	Monitor / discuss service provider information	✓	Public		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagements on E, S and/or G issues	✓	Public		✓					
LEA 13	Companies changing practices / behaviour following engagement	✓	Public		✓					
LEA 14	Examples of ESG engagements	✓	Public		✓					
LEA 15	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 16	Description of approach to (proxy) voting	🔒	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		✓				✓	

# StatewideSuper

## 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

101

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

- Yes
- No

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

31/12/2013

**OO 04.2** Indicate your total AUM at the end of your reporting year.

	trillions	billions	millions	thousands	hundreds
Total AUM		5	261	000	000
Currency	AUD				
Assets in USD		4	752	255	286

**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 broad ranges

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



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

'Other (1)' specified

AMP Responsible Investment Leaders Balanced Fund supporting Sustainable Diversified Investment option.

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.

	% 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.

	% 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.

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
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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StatewideSuper has a diverse range of beneficiaries in age, socio-economic status and professions. Responsible investment is therefore treated predominantly as one means of assessing investments and external investment managers. StatewideSuper offers a Sustainable Diversified Investment option as an alternative for members that may be concerned about the sustainability aspects of companies in which their funds are invested.

### 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.
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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 10.3** Additional information. [Optional]

StatewideSuper's approach to ESG investing in its listed equity portfolio is entirely through selected external investment managers. The organisation also engages with companies through the Australian Council of Super Investors, of which StatewideSuper is a member.

ESG requirements are included in StatewideSuper's Investment Policy and standalone ESG Investment and Proxy Voting Policy. These are referred to in Investment Manager Agreements and during regular discussions with our managers.

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.

- Cash
- None of the above

**OO 11.2** Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.

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

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

Other refers to the AMP Responsible Investment Leaders Balanced Fund supporting StatewideSuper's Sustainable Investment option.

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.

**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
- Property
- Other (1)

**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.

# StatewideSuper

## 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]

StatewideSuper's ESG Investment and Proxy Voting Policy sets out its approach to responsible investment, specifically that it sees responsible investment as a fiduciary duty. In particular StatewideSuper views RI as an active means of reducing investment risk and an aspect of the fund's long-term obligation to its members.

StatewideSuper believes that a collaborative approach to ESG within the investment industry is beneficial to creating synergy and increasing the impact of otherwise individual actions. As a result, where collective action is beneficial to the outcomes of StatewideSuper's position on ESG, StatewideSuper is committed to engaging with outside institutions and frameworks.

The policy also sets out StatewideSuper's ESG implementation strategy for each asset class, its reporting on progress intentions, its position on screened investments and its proxy voting policy.

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

- Yes

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

URL

[http://www.statewidesuper.com.au/investments/responsible\\_investing](http://www.statewidesuper.com.au/investments/responsible_investing)

No

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

Select all that apply

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

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

Yes

No

## Objectives and strategies

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

Yes

No

## 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.

Responsible investment at StatewideSuper is incorporated into our processes. As such responsibility for it at an employee level sits within the Investment Team reporting to the CEO. The Investment Committee oversees investment governance reporting to the Board of Trustees.

A key feature of StatewideSuper's approach to RI is to incorporate discussions on ESG issues into meetings with external managers. We also request comprehensive annual reports from them to keep us informed of their ESG policies and practices and engagement activities with companies.

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

OA 08	Mandatory	Gateway/Core Assessed	General
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**OA 08.1** Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.

**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
- 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



<b>OA 08.2</b>	Indicate the number of dedicated responsible investment staff your organisation has. [Optional]
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Number
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0

<b>OA 09</b>	Voluntary	Additional Assessed	General
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<b>OA 09.1</b>	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

**Promoting responsible investment**

<b>OA 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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<b>OA 10.1</b>	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

<b>OA 10.2</b>	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

CDP Climate Change

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

- Basic
- Moderate
- Advanced

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

StatewideSuper has been a signatory to the CDP for many years.

CDP Forests

CDP Water

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]

StatewideSuper has been a signatory to CDP Water for many years

- 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]

StatewideSuper has been a member of the IGCC for many years and regularly participates in monthly member meetings.

- 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]

StatewideSuper has been a signatory to the UNPRI since 2007 and has, at times, taken an active role in the Small Funds Initiative.

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

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

- Basic
- Moderate
- Advanced

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

No

<b>OA 11</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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**OA 11.1** Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes
- No

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

- Yes
  - 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

provide URL

<http://acsi.org.au/acsi-guidelines23/policy-submissions.html>

- No

## ESG issues in asset allocation

OA 13	Voluntary	Descriptive	PRI 1
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**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 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.

- 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.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Property	StatewideSuper has selected property funds with a strong focus on sustainable development and energy efficiency, with all core managers being PRI signatories.

**OA 16.2** Additional information.

StatewideSuper has a Sustainable Diversified Investment Option that is wholly invested in the AMP Responsible Investment Leaders Balanced Fund to give members an option with a specific ESG focus. AMP seeks out managers who take ESG, Ethical and Labour Standard considerations into account and avoids companies operating within sectors with recognised high negative social impact.

## Assurance of responses

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

Yes

**OA 19.2** Indicate who has reviewed, validated and/or assured your reported information.

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

**OA 19.3** Describe the steps you have taken to review, validate and/or assure the content of your reported information.

The information reported in this PRI Survey has been reviewed by the CIO and other members of management.

No

# StatewideSuper

## Reported Information

### Public version

#### Indirect – Manager Selection, Appointment and Monitoring

## PRI disclaimer

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

## Overview

<b>SAM 01</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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**SAM 01.1**

Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.

StatewideSuper has been including RI in the selection of investment managers for several years now and its process for doing this was included as a case study in the PRI publication ESG Implementation in Small and Resource Constrained Funds, June 2011.

ESG capability and style is incorporated into manager RFPs and managers are assessed on those criteria during the selection process.

On appointment mandatory ESG requirements are included in Investment Manager Agreements, especially on proxy voting and reporting.

Regular meetings are held with all of StatewideSuper's investment managers, by our asset consultant and by our internal investment team; these regularly feature discussions on ESG issues and incorporation. We also seek managers' views on ESG and its contribution to performance.

<b>SAM 02</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4</b>
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**SAM 02.1**

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

Yes

**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)
- 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)
- Fixed income - government (FIG)
- Private equity (PE)
- Infrastructure (INF)
- Property (PR)
- Other asset classes

We use fiduciary managers

<b>SAM 02.3</b>	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

<b>SAM 02.4</b>	Additional information. [Optional]
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Whilst RI is included in our asset consultant's selection and monitoring of managers, our internal investment team also includes this in its own assessment of managers. An evaluation and recording spreadsheet is maintained on an ongoing basis for all of our managers' approaches to RI. This helps us to evaluate and monitor their progress, as well as complete RI surveys such as this.

Our investment consultant seeks to understand how RI considerations are factored into the investment process for all investment managers to the extent that they are relevant. Their approach to selection and monitoring is consistent across all asset classes

The investment consultant seeks to understand a manager's approach to RI during the initial research and selection process. An assessment of a manager's approach to ESG is an element of their formal manager evaluation process. They discuss RI issues on a regular basis in their 6-weekly meetings with managers. RI is most commonly discussed in relation to a specific investment decision rather than in general terms/in isolation. We feel this is the best way to determine how integrated a managers' ESG approach is.

The investment consultant also meets with specific ESG personnel and conduct meetings solely focusing on ESG where it considers it relevant. They seek to understand how a manager thinks about RI issues irrespective of the language they use to describe what they do. In our experience some investment managers consider ESG factors but do not necessarily label their approach as ESG. This is particularly the case outside of listed equity markets where the terms are less socialised.

<b>SAM 03</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>SAM 03.1</b>	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

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

<b>Listed equity (LE), fixed income corporate (FIC) and fixed income government (FIG)</b>
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<b>Overview</b>
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<b>SAM 04.1</b>	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)
--	--------------------------------

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

SAM 05	Mandatory	Gateway	PRI 1,2
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**SAM 05.1** Indicate which of the following ESG incorporation strategies you encourage or require your external manager(s) to implement on your behalf:

Active investment strategies

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

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

	<b>LE</b>	
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.

	<b>LE</b>
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"/>

**Selection**

**SAM 06** Mandatory Core Assessed PRI 1-6

**SAM 06.1** Indicate whether your organisation, and/or your investment consultant, in the manager selection process for listed assets, typically do any of the following:

General

	LE		
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>		
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>		
Meet staff with responsible investment responsibilities to assess their skills and competence	<input checked="" type="checkbox"/>		
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>		
Discuss the role managers have played in collaborative initiatives	<input 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 type="checkbox"/>		
Assign specific weighting to ESG factors in your manager evaluation	<input checked="" type="checkbox"/>		
Other general aspects in your selection process, specify	<input checked="" type="checkbox"/>		
None of the above	<input type="checkbox"/>		

ESG incorporation

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

### Engagements

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

### (Proxy) voting

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

<b>SAM 06.2</b>	Provide additional information relevant to your organisation's selection approach for listed assets. [Optional]
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In manager selection, StatewideSuper and its investment consultants request information from external managers on their approach to the inclusion of ESG factors in their investment decision-making and monitoring. We do not however specify minimum ESG activity or assess the skills and capabilities of external managers. Rather managers are selected based on their investment styles and focus, of which ESG is one aspect.

Whilst the approach to ESG is rated (not weighted) in manager selection, we do not seek to influence it by being prescriptive. We do however question external managers on their ESG activities and seek examples of how they approach it. The responses provide a comparison between managers which is viewed relative to their investment style, e.g. passive or active. We see this strategy in itself as an active means of promoting and engaging managers on ESG.

In terms of the level of engagement, our investment consultants enquire as to whether managers are PRI signatories and on occasion, discuss collaborative activities, although this is not necessarily a regular activity.

On integration, StatewideSuper investment consultants do not generally discuss brokerage fees for ESG research but they are generally aware of the type of research managers are obtaining and how they integrate it into their stock analysis.

StatewideSuper has a comprehensive ESG Investment and Proxy Voting Policy which specifies that external managers must vote on its behalf. Manager proxy voting policies are reviewed during selection and queries raised if there is a concern.

## Appointment

<b>SAM 07</b>	Voluntary	Additional Assessed	PRI 4
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<b>SAM 07.1</b>	When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:
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General			
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	LE		
Acting in accordance with your organisation's overall investment beliefs or policy on responsible investment and ESG issues	<input checked="" type="checkbox"/>		
Other general RI considerations in investment management agreements, specify	<input type="checkbox"/>		
None of the above	<input type="checkbox"/>		

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

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

(Proxy) voting			
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	<b>LE</b>
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**

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

**SAM 07.2** Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for listed assets.

StatewideSuper engages some of its managers under Investment Management Agreements (IMA). Where IMAs are issued responsible investment practices are referred to, including the mandatory requirement to vote on StatewideSuper's behalf.

**Monitoring**

<b>SAM 08</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1</b>
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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:

**General**

	LE		
Include responsible investment as a standard agenda item at performance review meetings	<input 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 type="checkbox"/>		
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input checked="" 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 checked="" 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 checked="" type="checkbox"/>	
Discuss the type of role played (i.e. leading or supporting)	<input checked="" type="checkbox"/>	
Review the progress of ongoing engagements and/or outcomes of completed engagements	<input checked="" type="checkbox"/>	
Other ways you monitor engagement activities, specify	<input 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 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 checked="" type="checkbox"/>	
None of the above	<input type="checkbox"/>	

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

StatewideSuper has a comprehensive ESG Investment and Proxy Voting Policy. As part of this it reviews managers' 'Against' votes and looks for trends or irregularities in voting between managers. Reporting is provided on this and other aspects of proxy voting to StatewideSuper's Investment Committee on an annual basis.

**SAM 08.2** Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]

Neither StatewideSuper's internal investment team nor its investment consultants have a standard agenda that is used for our regular manager review meetings. However, we discuss RI issues where relevant (for example, when discussing newly purchased stocks, voting behaviour etc). In addition, we do not consider it appropriate to discuss the practice of one manager with another. We are of the view that much of what managers tell us is proprietary and should be considered confidential.

**SAM 09** **Mandatory** **Core Assessed** **PRI 2**

**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%)

%

98

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

**SAM 09.2** Additional information. [Optional]

External managers provide us with proxy voting information at least annually.

## Other asset classes

<b>SAM 13</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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<b>SAM 13.1</b>	Describe how your organisation, and/or your investment consultants, address responsible investment factors in manager selection, appointment and/or monitoring process for the following asset classes:
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Asset Class	Description
Other (1) [as defined in Organisational Overview module]	For StatewideSuper's Sustainable Investment option, the manager selection, appointment and monitoring process of our investment consultant follows the same approach as for other asset classes. The AMP Responsible Investment Leaders Balanced Fund that underpins this option continues to be rated as a Certified Responsible Investment by the RIAA.

<b>SAM 13.2</b>	Additional information.
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StatewideSuper's investment consultant seeks to understand how RI considerations are factored into the investment process for all investment managers to the extent that they are relevant. Our approach to selection and monitoring is consistent across all asset classes. We seek to understand a manager's approach to RI during the initial research and selection process.

## Outputs and outcomes

<b>SAM 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Descriptive</b>	<b>PRI 1-6</b>
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<b>SAM 14.1</b>	Indicate approximately what percentage (+/- 10%) of your externally managed assets are managed by PRI signatories.
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	%
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60

<b>SAM 15</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>PRI 2</b>
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<b>SAM 15.1</b>	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	Manager selection
Conducted by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Investment consultants
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity <input type="checkbox"/> Other (1)
Scope and process	All managers are assigned a rating on their approach to ESG during the selection process.
Outcomes	The assigned ESG rating is combined with other selection criteria to assist in selecting managers that meet with StatewideSuper's asset allocation strategy.

Add Example 2

Topic or issue	Monitoring
Conducted by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Investment consultants
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity <input type="checkbox"/> Other (1)
Scope and process	Managers are continually assessed on their ESG investment approach during 6-weekly meetings with StatewideSuper's investment consultant, for example voting behaviour is discussed and RI policies and reports are reviewed.
Outcomes	This ongoing assessment contributes towards an overall picture of a manager's investment style and internal governance.

Add Example 3

Add Example 4

Add Example 5

## Communication

SAM 16

Mandatory

Core Assessed

PRI 6

**SAM  
16.1**

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

- Yes, we disclose information publicly

provide URL

[http://www.statewidesuper.com.au/investments/responsible\\_investing](http://www.statewidesuper.com.au/investments/responsible_investing)

provide URL

[http://www.statewidesuper.com.au/investments/responsible\\_investing/active\\_ownership](http://www.statewidesuper.com.au/investments/responsible_investing/active_ownership)

**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

Proxy voting and collaborations are detailed on the website.

- No
- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries



# StatewideSuper

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

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## Engagement

### Overview

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

StatewideSuper's engagement with listed companies is performed through its external investment managers and via its membership of the Australian Council for Super Investors (ACSI).

ACSI is a collaborative membership organization of 38 superannuation funds, representing more than AUD\$400 billion in assets under management. It conducts engagement on its members' behalf via an explicit mandate. Engagement is undertaken by ACSI's ESG analysts directly with the Boards of ASX200 companies on a range of ESG investment risks.

StatewideSuper receives annual reports from its external managers which include information on engagement activities and their outcomes.

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

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

<b>LEA 02.2</b>	Additional information. [Optional]
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StatewideSuper is a signatory to various collaborative initiatives in addition to the PRI and its membership of ACSI. These include the Carbon Disclosure Project and Investor Group on Climate Change.

## Process

### Process for engagements conducted via collaborations

<b>LEA 05</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 05.1</b>	Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements.
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- Yes
- No

<b>LEA 05.3</b>	Additional information.[Optional]
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ACSI's company engagement is prioritised based on particular ESG issues that are topical and which are considered to have an impact on investment performance. As a member of ACSI, StatewideSuper does not provide input to the engagement topics or schedule.

<b>LEA 06</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>LEA 06.1</b>	Indicate if the collaborative engagements in which you are involved have defined objectives.
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- Yes
  - Yes, for all collaborative engagement activities
  - Yes, for the majority of collaborative engagement activities
  - Yes, for a minority of collaborative engagement activities
- No

<b>LEA 06.2</b>	Indicate if you monitor the actions companies take following your collaborative engagements.
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- Yes
  - Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases

<b>LEA 06.3</b>	Describe how you monitor and evaluate the progress of your collaborative engagement activities.
-----------------	---

For the purpose of this question, StatewideSuper's collaborative engagement activities are primarily through member or signatory based initiatives including IGCC and CDP. StatewideSuper keeps abreast of the activities of these organisations but does not monitor specific actions itself.

- No

<b>LEA 06.4</b>	Additional information. [Optional]
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As a relatively small investor and one which does not have pockets of members with specific RI interests, StatewideSuper signs up to collaborative engagement activities, so creating a powerful group that will be listened to in the market and by companies.

Collaborative engagements, undertaken by member or signatory based initiatives, that StatewideSuper participates in always have strategic objectives for the actions they perform, whether it be in relation to influencing policy or company specific on an ESG issue. StatewideSuper does not have an active involvement in these initiatives, rather relying on the dedicated resources that run these initiatives.

### Process for engagements conducted with/on your behalf by service providers

<b>LEA 07</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,4</b>
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<b>LEA 07.1</b>	Indicate if you play a role in the engagement process that your service provider conducts on your behalf.
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- Yes
- No

<b>LEA 08</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2,6</b>
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<b>LEA 08.1</b>	Indicate whether you monitor and/or discuss the following information provided to you by your service provider
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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

<b>LEA 08.2</b>	Additional information. [Optional]
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StatewideSuper relies on the expertise within ACSI to perform its engagement role. StatewideSuper does not have the desire or the resources to monitor this activity.

### General processes for all three groups of engagers

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

<b>LEA 09.2</b>	Additional information.
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StatewideSuper's internal staff have, during 2013, made external investment managers aware of collaborative engagement activities that they may wish to refer to in their company engagement. For example, the Forest Footprint Disclosure Project (FFD) (now part of CDP) company engagement activities were highlighted to managers with IMAs in case they wished to raise these with the companies that were 'non-responding' to the FFD's requests for disclosure.

<b>LEA 10</b>	Mandatory	Gateway/Core Assessed	PRI 2
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<b>LEA 10.1</b>	Indicate if you track the number of companies you engage with.
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Type of engagement	Tracking engagements
<b>Collaborative engagements</b>	<input 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 checked="" type="radio"/> No, we do not track and cannot estimate our engagements
<b>Service provider engagements</b>	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> No, we do not track our engagements but can provide a reasonable estimate of our engagement numbers <input type="radio"/> No, we do not track and cannot estimate our engagements

## Outputs and outcomes

LEA 11

Mandatory to Report Voluntary to Disclose

Core Assessed

PRI 2

LEA 11.1

Indicate the number of companies with which your organisation engaged during the reporting year.

	Number of companies engaged (avoid double counting, see explanatory notes)
Service provider engagements	192

LEA 11.2

Indicate what percentage of your engagements were comprehensive during the reporting year. [Optional]

Type of engagement	% Comprehensive engagements
Service provider 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 type="radio"/> <10% <input checked="" type="radio"/> None

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
Collaborative engagements	<input type="checkbox"/> Environmental <input type="checkbox"/> Social <input type="checkbox"/> Corporate Governance <input checked="" 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.

Collaborative engagements

100%

Service provider engagements

% Environmental only

0

% Social only

0

% Corporate Governance only

41



	% Overlapping ESG issues
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59

**100%**

<b>LEA 13</b>	Voluntary	Descriptive	PRI 2
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<b>LEA 13.1</b>	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.
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Yes

<b>LEA 13.2</b>	Indicate the number of companies that changed or committed to change in the reporting year following your organisation's and/or your service provider's engagement activities.
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	Number of company changes or commitments to change
Collaborative engagements	
Service provider engagements	107

No

<b>LEA 13.3</b>	Additional information.
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This response relates purely to the activities of ACSI, our service provider.

<b>LEA 14</b>	Voluntary	Descriptive	PRI 2
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<b>LEA 14.1</b>	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	Corporate Governance
Conducted by	<input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	<p>Improve specific company practices in governance of</p> <p>(a) Executive remuneration</p> <p>(b) Directors and board composition; and</p> <p>(c) Capital raising practices</p>
Scope and Process	<p>ACSI engaged with around 25 priority companies on one or more of these three governance issues. Typically, letters were written to the companies with the majority of these becoming catalysts for face to face engagement meeting with board members.</p>
Outcomes	<p>The recent experience is for around half of the issues to be fully resolved. ACSI was most successful in achieving change on pay and capital raising issues. Board related issues require longer-term engagement and assessment given that these changes are often implemented over a longer time period.</p>

Add Example 2

Topic or ESG issue	Anti-corruption and Bribery
Conducted by	<input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	<p>Enhanced company disclosure of anti-corruption policies as per ICGN framework.</p>
Scope and Process	<p>ACSI engaged with eight companies identified via commissioned research to have poor anti-corruption disclosure relative to risk exposure.</p> <p>Letters were written to companies, followed by either further written correspondence or face to face meetings.</p>
Outcomes	<p>Five of the eight companies responded to ACSI: two have published improved anti-corruption policies, one is completing an internal review and two are discussing the issue with the board. The remaining three companies have not responded and engagement has continued in conjunction with the PRI Anti-Corruption working group.</p>

Add Example 3

Topic or ESG issue	Labour & Human Rights Policies
Conducted by	<input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Enhanced company disclosure of Labour and Human Rights policies.
Scope and Process	<p>ACSI engaged with 13 companies identified via two commissioned research reports for high exposure to labour and human rights risks with relatively low disclosure of policy.</p> <p>Letters were written to companies, followed by either further written correspondence or face to face meetings.</p>
Outcomes	<p>Four companies responded with information regarding further initiatives being undertaken in this area or extension of policies. One company requested further guidance.</p> <p>Six companies did not respond. Further engagement correspondence has been undertaken and the companies are now reviewing the second letters internally.</p> <p>One company has advised it does not have issues in this area.</p> <p>One company has provided no response or acknowledgment. The issue is due to be addressed in continued dialogue in 2014 and beyond.</p>

Add Example 4

Topic or ESG issue	Sustainability Reporting
Conducted by	<input type="checkbox"/> Collaborative <input checked="" type="checkbox"/> Service provider
Objectives	Improved annual reporting of ESG risks.
Scope and Process	<p>80 priority companies identified through ACSI's research to have basic or no reporting on ESG risks in annual disclosures.</p> <p>Letters written to each company detailing areas that require improvement and providing guidance on disclosure frameworks.</p>
Outcomes	<p>ACSI wrote to all companies considered to have provided either limited or no sustainability reporting within their company disclosures.</p> <p>Each letter detailed the company's current level of reporting relative to market standards, encouraging improvement and an insight into investor expectations on ESG disclosures.</p> <p>Ten companies were prioritized for further engagement in 2013 given their low level of reporting and the ESG issues associated with their operations (e.g. mining and heavy industry). Two of these companies have already improved their reporting practices.</p>

- Add Example 5
- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

## Communication

LEA 15

Mandatory

Core Assessed

PRI 2,6

LEA 15.1

Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries.