




The image shows two overlapping forms from the PRI LEA (Leadership Engagement Assessment) toolkit. The top form is LEA 02, titled 'Discretionary', and the bottom form is LEA 03, titled 'Mandatory'. Both forms are designed for assessing engagement with companies. LEA 02 includes a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's operations', 'To encourage corporate practice for identifying the need to influence or', 'To encourage corporate practice for identifying the need to influence or', and 'Other specify'. LEA 03 includes a section for 'Reason for interaction' with checkboxes for 'To support investment decision-making in a company's operations', 'To encourage corporate practice for identifying the need to influence or', 'To encourage corporate practice for identifying the need to influence or', and 'Other specify'. Both forms also have sections for 'Type of engagement' with checkboxes for 'Individual/ internal staff engagements', 'Collaborative engagements', and 'Service provider engagements'.

# RI TRANSPARENCY REPORT

2013/14

Trust Waikato



UNEP Finance Initiative  
Changing finance, financing change



United Nations Global Compact

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

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 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	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	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)	✓	Public				✓			
SAM 08	Monitoring processes (listed assets)	✓	Public	✓						
SAM 09	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 10	Selection processes (non-listed assets)	✓	Public	✓					✓	
SAM 11	Appointment considerations (non-listed assets)	✓	Public				✓			
SAM 12	Monitoring processes (non-listed assets)	✓	Public	✓					✓	
SAM 13	Description of RI considerations in 'other' asset classes	✓	Public	✓					✓	
SAM 14	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓					✓	
SAM 15	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public		✓					
SAM 16	Disclosure of RI considerations	✓	Public						✓	

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	🔒	n/a		✓					
LEA 02	Reasoning for interaction on ESG issues	🔒	n/a	✓	✓	✓				
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	🔒	n/a		✓					
LEA 06	Objectives for engagement activities	🔒	n/a		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	🔒	n/a	✓	✓					
LEA 10	Tracking number of engagements	🔒	n/a		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	🔒	n/a		✓					
LEA 12	Engagements on E, S and/or G issues	🔒	n/a		✓					
LEA 13	Companies changing practices / behaviour following engagement	🔒	n/a		✓					
LEA 14	Examples of ESG engagements	🔒	n/a		✓					
LEA 15	Disclosure of approach to ESG engagements	🔒	n/a		✓				✓	
LEA 16	Description of approach to (proxy) voting	✓	Public		✓					
LEA 17	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 18	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 19	Confirmation of votes	✓	Public		✓					
LEA 20	Securities lending programme	✓	Public		✓					
LEA 21	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 22	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 23	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 24	Shareholder resolutions	✓	Public		✓					
LEA 25	Examples of (proxy) voting activities	✓	Public		✓					
LEA 26	Disclosing voting activities	✓	Public		✓				✓	

# Trust Waikato

## 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 01.2** Additional information. [Optional]

Trust Waikato is a community trust established in 1988 out of a community banking movement in New Zealand. The Trust is incorporated in New Zealand under the Community Trusts Act 1999. The trustees are appointed by the Minister of Finance.

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

New Zealand

**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

8

OO 03	Mandatory	Descriptive	General
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**OO 03.1**

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

☐ Yes☒ No**OO 04****Mandatory****Gateway/Peering****General****OO 04.1**

Indicate the year end date for your reporting year.

31/03/2013

**OO 04.2**

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

	trillions	billions	millions	thousands	hundreds
Total AUM			282	223	050
Currency	NZD				
Assets in USD			220	585	431

**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

	Internally managed (%)	Externally managed (%)
Listed equity	0	43.3
Fixed income – corporate	0	10.7
Fixed income – government	0	16
Fixed income – other	0	7
Private debt	0	0
Private equity	0	0.1
Property	0	9.6



Infrastructure	0	7.9
Commodities	0	0
Hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	5.4
Other (1), specify	0	0
Other (2), specify	0	0

☐ Publish our asset class mix as broad ranges

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

OO 07	Mandatory to Report	Voluntary to Disclose	Peering	General
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OO 07.1

Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.

	% 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 checked="" type="radio"/> 0% <input 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
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OO 09.1	Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.
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The Trust Waikato mission is "to invest wisely and to donate effectively". The Trust takes seriously its role as an asset owner and wants to ensure its investment returns are sustainable and beneficial for communities and our environment, now and for future generations.

## Gateway asset class implementation indicators

OO 10	Mandatory	Gateway	General
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<b>OO 10.1</b>	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

<b>OO 10.3</b>	Additional information. [Optional]
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Our fund managers engage with companies on ESG issues and cast our (proxy) votes on our behalf.  
The fund managers report in person to the Trust board on a 1-2 year cycle.

<b>OO 11</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 11.2</b>	Indicate if in the reporting year you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes in the following externally managed asset classes.
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- ☒ Fixed income – corporate
- ☒ Fixed income – government
- ☒ Fixed Income – other
- ☒ Private equity
- ☒ Property
- ☒ Infrastructure
- ☐ Cash
- ☐ None of the above

<b>OO 12</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>General</b>
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<b>OO 12.1</b>	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 directly or via service providers**

## Direct - Listed Equity active ownership

☒ (Proxy) voting

### **RI implementation via external managers**

## Indirect - Selection, Appointment and Monitoring of External Managers

- ☒ Listed Equities
- ☒ Fixed Income - Corporate
- ☒ Fixed Income - Government
- ☒ Fixed Income - Other
- ☒ Private Equity
- ☒ Property
- ☒ Infrastructure

### **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.

# Trust Waikato

## 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

The Trust's Strategic Plan incorporates high level responsible investment goals, as set out below: Trust Waikato Strategic Plan 2014-2016. Our Mission is to invest wisely "By valuing the current and future worth of the Trust's resources."

Trust Waikato is committed to making a positive contribution to the financial, social and environmental wealth of the community by the prudent, responsible and efficient management of the Trust's financial resources. One of the ways the Trust aims to ensure this is by following the guidelines for responsible investment. The Trust's high level investment goals also refer to responsible investment at equal weighting with the other investment goals, as set out below:

#### **Trust Waikato Finance Policy: Statement of Investment Policy and Objectives**

"The Trustees of Trust Waikato invest the capital of the Trust in a broad range of domestic and international investments designed to achieve the following objectives:

- a. Wherever possible, improve environmental, social and governance conditions around the world.
- b. Maximise the total amount of income that can be provided by the investments of the Trust over the long term subject to a prudent and appropriate level of risk.
- c. Maintain the real value of the capital of the Trust with regards to both inflation and population growth in the region.
- d. Protect intergenerational equity with regard to the capital of the Trust and the amounts available for distribution on an annual basis."

#### **Investment Policies**

"5.2.2 Responsible Investment: The Trust considers the social and environmental consequences of its investments, both positive and negative, within the context of rigorous financial analysis...."

#### **5.3 Responsible Investment**

5.3.1 The Trust believes it has a responsibility to consider, in the context of its investment decisions, the negative and positive effects on society and the environment of decisions made by the companies, institutions and governments in which it invests. In particular:

- Human rights and wellbeing
- Labour standards
- The environment
- Bribery and corruption
- Appropriate governance structures and processes
- Sustainability

5.3.2 The Trust may invest in products which are specifically designed to meet the Trust's responsible investment goals.

The Trust encourages its fund managers to consider environmental, social and governance matters in relation to all investment decisions. When selecting and monitoring fund managers, the Trust will seek information about the capacity and practices of potential fund managers to consider environmental, social and governance matters in investment decisions.

The Trust may contract with an appropriate company that has the expertise and weight to provide an engagement overlay on the Trust's behalf in respect of one or more of its asset classes. Such an overlay will include responsible, sustained and constructive dialogue with companies that fall short of appropriate, internationally recognised standards, benchmarks and expectations, as well as the judicious and transparent use of the Trust's share of voting rights in pooled asset classes.

5.3.3 The Trust is a signatory to the Principles for Responsible Investment (PRI) and participates in the Small and Resource Constrained Funds Initiative coordinated by the Secretariat. The commitment to PRI means that the Trust aims to meet, over time, each of the six principles and to report on its progress in relation to the principles.

5.3.4 As an asset owner signatory of the PRI, the Trust is eligible to cast an organisational vote to elect representatives to the PRI Board. Participation in any voting process is determined by the Chairperson and Chief Executive.

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
<input type="radio"/> Yes <input checked="" type="radio"/> No	

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

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

OA 04	Mandatory	Core Assessed	General
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<b>OA 04.1</b>	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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- ☐ Yes  
☒ No

<b>OA 04.3</b>	Additional information. [Optional]
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No staff members or trustees are involved in selection of securities.

## Objectives and strategies

<b>OA 05</b>	<b>Mandatory</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
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<b>OA 05.1</b>	Indicate if your organisation sets objectives for its responsible investment activities.
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- ☒ Yes

<b>OA 05.2</b>	Indicate how frequently your organisation sets or revises objectives for responsible investment.
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- ☒ At least once per year  
☐ Less than once per year

<b>OA 05.3</b>	Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.
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- ☐ Quarterly  
☐ Biannually  
☒ Annually  
☐ Every two years or less  
☐ It is not reviewed  
☐ No

<b>OA 06</b>	<b>Voluntary</b>	<b>Descriptive</b>	<b>General</b>
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<b>OA 06.1</b>	List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.
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- ☒ Add responsible investment objective 1

Objective 1	Report annually on the Trust's progress towards implementation of the six principles of responsible investment by participating in this survey.
Key performance indicators	PRI pilot survey completed by the due date.
Describe the progress achieved	Completed

☒ Add responsible investment objective 2

Objective 2	Provide ongoing opportunities for staff and trustee education in responsible investment.
Key performance indicators	Staff and trustees participate in investment education opportunities.
Describe the progress achieved	Trustee attendance at PRI in person conference in Rio de Janeiro. Trustee and staff attendance at NZ Responsible Investment Briefing. Trustees undertaking responsible investment education

☒ Add responsible investment objective 3

Objective 3	Ensure all new investment decisions are made with a view to responsible investment.
Key performance indicators	Investment proposals contain information on manager commitment to responsible investment. New funds are signatories to PRI.
Describe the progress achieved	During the 2012/13 financial year, funds were transitioned into two new investments. Both funds are signatories to PRI.

<b>OA 06.2</b>	List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.
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☒ Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	Report annually on the Trust's progress towards implementation of the six principles of responsible investment by participating in this survey.
Key performance indicators	Completion of this survey.

☒ Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Provide ongoing opportunities for staff and trustee education in responsible investment.
Key performance indicators	Staff and trustees participate in responsible investment education opportunities.

☒ Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	Develop management reporting to the board on responsible investment implementation and activities of our fund managers.
Key performance indicators	Management to report quarterly to the board on RI activity.

## 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 role of the Board is to ensure policies are in place regarding its responsible investment activities. The Board has done this by incorporating high level responsible investment goals in its Strategic Plan and its Finance and Investment policies. (see OA 03.1). The Chief Executive reports to the board and is responsible for implementation of the Strategic Plan and Board priorities. The Trust employs a Finance and Investment Officer who reports to the Chief Executive. The Finance and Investment Officer role has responsible investment functions as part of the position description. Making RI a part of the culture of our organisation has been a priority. Because of the small size of the Trust we have limited resources, particularly in terms of people involved in the Trust's investment work internally. However we have two staff who have responsibility for implementation of RI policy as part of their position descriptions. Asset manager RI initiatives, annual RI reports, and new signatory commitments to PRI are actively reported to the Board.

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

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

## Roles present in your organisation

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

OA 09	Voluntary	Additional Assessed	General
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**OA 09.1**

Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.

### Board members/Board of trustees

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

**OA 09.2**

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

Trustee representatives attend responsible investment-related conferences/seminars in New Zealand.

In 2012, this was followed up with the attendance of a Trustee at the PRI In Person Annual Event in Rio de Janeiro and again in 2013 in South Africa.

- ☐ 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

#### Other role

##### Finance and Investment Officer

- ☒ 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

#### OA 09.3

Provide any additional information on your organisation's performance management, reward and/or personal development processes in relation to responsible investment.

Annual performance reviews with appropriate feedback are conducted with all staff. Staff are not rewarded specifically for their performance on responsible investment. Attendance by staff at local RI conferences and seminars is supported by the Trust.

The Chief Executive is a member of the steering group for Small and Resource Constrained Signatories, which provides further professional development.

### Promoting responsible investment

#### OA 10

#### Mandatory

#### Core Assessed

#### PRI 4,5

#### OA 10.1

Indicate if your organisation is a member of and/or participant in any collaborative organisation or initiatives that promote responsible investment.

☒ 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.

#### Select all that apply

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

	<b>Your organisation's role in the initiative during the reporting period (see definitions)</b>
--	---

- ☒ Basic
- ☐ Moderate
- ☐ Advanced
- ☐ CDP Forests
- ☒ CDP Water

	<b>Your organisation's role in the initiative during the reporting period (see definitions)</b>
--	---

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

	<b>Your organisation's role in the initiative during the reporting period (see definitions)</b>
--	---

- ☐ Basic
- ☒ Moderate
- ☐ Advanced

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

Chief Executive is a member of the Steering Committee for the Small and Resource Constrained Signatories Work Stream.

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

Member of 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]
--	--

Trust Waikato is a member of RIAA and attends events both in NZ and Australia.

The Chief Executive was a speaker at the NZ RIAA briefing in late 2012.

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

<b>OA 11.2</b>	Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.
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- ☐ Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations  
☐ Provided financial support for academic or industry research on responsible investment  
☒ Encouraged better transparency and disclosure of responsible investment practices across the investment industry  
☒ Spoke publicly at events and conferences to promote responsible investment  
☐ Wrote and published in-house research papers on responsible investment  
☒ Encouraged the adoption of the PRI  
☐ Other, specify

☐ No

<b>OA 11.3</b>	Additional information. [Optional]
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Responsible Investment information is actively sought during in-person annual presentations from current fund managers to the Trust Board. RI or ESG reports and articles received from fund managers during the year are made available to trustees. Potential fund managers are asked about their approach to RI as part of their initial presentations to the Trust Board and their responses are assessed as part of the selection process.

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

☒ No

### ESG issues in asset allocation

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

<b>OA 13.2</b>	Describe how you apply ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.
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Our Strategic Asset Allocation process has continued to lead us to opportunities to select funds with ESG considerations. The Trust now has 35% of its investments allocated to unlisted infrastructure and unlisted property, which have a strong ESG focus.

The Trust invested in a social infrastructure fund because of the contribution to social structures possible through the fund (eg schools and health facilities).

☐ No

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



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

10

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

	Area
--	------

- ☐ Clean technology
- ☐ Green buildings
- ☐ Sustainable forestry
- ☐ Sustainable agriculture
- ☐ Microfinance
- ☐ SME financing
- ☐ Social enterprise / community investing
- ☐ Affordable housing
- ☐ Education
- ☐ Global health
- ☒ Other area, specify

- i) Sustainable Equities Fund
- ii) Social infrastructure

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

- ☒ Listed equity
- ☐ Fixed income - corporate
- ☐ Fixed income - government
- ☐ Fixed income - other
- ☐ Private equity
- ☐ Property
- ☒ Infrastructure

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

i) Global Equities Fund invested in a range of sustainable businesses

ii) Social infrastructure assets provided through PPP arrangements for regular returns.

☐ No

<b>OA 14.4</b>	Additional information.
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In addition to investing in social and sustainable themed funds, the Trust has made decisions to invest in infrastructure and property funds which have green buildings and clean technology investments among their assets.

The Trust's mission is to donate effectively. The donations programme is a form of community investment.

## Assurance of responses

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

☒ Yes

<b>OA 19.2</b>	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

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

Reviewed in person by CE.

☐ No

# Trust Waikato

## 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
<b>SAM 01.1</b>	Provide a brief description of how your organisation includes responsible investment considerations in your investment manager selection, appointment and monitoring processes.		

Prior to manager appointment and as part of due diligence we ask the manager to respond to a number of questions:

- Process used to include Environmental, Social and Governance (ESG) considerations in investment analysis.
- Balancing pre-investment due diligence and post-investment engagement.
- How Responsible Investment activities are governed and managed. Examples of the previous questions are requested.
- RI skills and experience of key staff involved in investment decision-making.
- Is the firm a signatory to the Principles for Responsible Investment?
- Reporting on Responsible Investment and ESG considerations.

Monitoring of the manager after appointment includes annual in person reporting to the board, with the opportunity for Trustees and management to ask questions regarding RI. Responsible Investment and ESG reports and articles from individual fund managers are regularly circulated to trustees.

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

☒ Yes

<b>SAM 02.2</b>	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
-------------

- ☒ 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

**SAM  
02.3**

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

- ☒ Responsible investment is included in the selection process for investment consultants
- ☒ Consultants' responsibilities in relation to responsible investment in manager selection, appointment and monitoring processes are included in our contractual agreements with them
- ☒ Responsible investment is considered when reviewing investment consultants' advice on manager selection and performance monitoring
- ☐ We do not consider responsible investment in the selection, appointment and/or review processes for investment consultants.

☐ No

SAM 03	Mandatory	Gateway	General
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**SAM  
03.1**

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

Select all that apply

Asset classes	(a) Selection	(b) Appointment	(c) Monitoring
Listed equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - corporate	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - government	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fixed income - other	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Private equity	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Infrastructure	<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
<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.			
	Listed equity (LE)			

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

#### Fixed income - corporate (FIC)

Type of strategy	As % of externally managed 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%

#### Fixed income - government (FIG)

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

<b>SAM 05</b>	<b>Mandatory</b>	<b>Gateway</b>	<b>PRI 1,2</b>
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<b>SAM 05.1</b>	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	FIC	FIG
Screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Thematic	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

**SAM 05.3**

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

	<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	FIC	FIG
Review the manager's responsible investment policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss managers' governance and management of responsible investment activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Meet staff with responsible investment responsibilities to assess their skills and competence	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss minimum responsible investment expectations that managers must meet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Review the manager's responsible investment reporting to clients and/or the public, including PRI reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Discuss the type of ESG reporting you expect	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assign specific weighting to ESG factors in your manager evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects in your selection process, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ESG incorporation

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

## Engagements

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

## (Proxy) voting

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

## Appointment

<b>SAM 07</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 4</b>
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**SAM  
07.1**

When appointing managers, indicate which of the following responsible investment considerations your organisation typically includes in investment management agreements/contracts for your listed assets:

General

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

ESG incorporation

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

#### Engagement

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

#### (Proxy) voting

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

#### Reporting

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

**SAM  
07.2**

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

ESG requirements are only able to be specified in investments with a separate mandate. We are less able to include specific RI considerations in contractual agreements where we are invested in large pooled funds (all of the Trust's Global Fixed Income investments).

## Monitoring

**SAM 08**

**Mandatory**

**Core Assessed**

**PRI 1**

**SAM  
08.1**

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

General

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

#### ESG incorporation

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

#### Engagements

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

(Proxy) voting

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

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

We are less able to monitor processes where we are invested in large pooled funds.



<b>SAM 08.2</b>	Provide additional information relevant to your organisation's dialogue and monitoring of external managers. [Optional]
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As a small and resource constrained signatory, we generally seek more information from fund managers with whom we have a direct mandate. However, this equates to less than 30% of FUM.

<b>SAM 09</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 2</b>
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<b>SAM 09.1</b>	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

	Votes cast (to the nearest 5%)
--	--------------------------------

	%
--	---

100

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

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

☐ We do not track or collect this information

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

### Selection

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

	General
--	---------

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

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

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

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

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

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

Our Private Equity investment in 2013 was into a new fund and the Trust is new to the asset class. Monitoring procedures are not yet well developed.

## Appointment

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

General

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

Investment selection (pre-investment) of underlying holding

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

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

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

#### Reporting

	PE	PR	INF
Reporting on the agreed ESG implementation activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting on the ESG characteristics of the portfolio	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting on company incidents relating to ESG issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reporting on the impact of ESG issues on financial performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other RI considerations relating to reporting in your agreements, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

<b>SAM 11.2</b>	Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for non-listed assets.
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We are less able to include specific RI considerations in contractual agreements where we are invested in pooled funds.

## Monitoring

<b>SAM 12</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1-6</b>
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<b>SAM 12.1</b>	Indicate whether your organisation, and/or your investment consultant, in the dialogue and monitoring of your external manager, typically do any of the following:
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	<b>General</b>
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	<b>PE</b>	<b>PR</b>	<b>INF</b>
Include responsible investment as a standard agenda item at performance review meetings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Highlight examples of good responsible investment practice by other managers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Review manager's responsible investment reporting, for example PRI-generated responsible investment reports	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Encourage your managers to consider joining responsible investment initiatives or organisations or participate in collaborative projects with other investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Include responsible investment criteria as a formal component of overall manager performance evaluation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other general aspects of your monitoring, specify	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
None of the above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

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

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

#### Other asset classes

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

Asset Class	Description
Fixed income - other	Our "Fixed income - other" investments are part of large fixed income pooled funds. We are unable to include specific RI considerations in contractual agreements where we are invested in large pooled funds. However, we do put potential fund managers for these investments through the same selection process regarding RI as all other potential fund managers. We also encourage PRI membership, and active RI reporting.

## Outputs and outcomes

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

51

SAM 15	Voluntary	Descriptive	PRI 2
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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	Investment in new asset class proposed
Conducted by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Investment consultants
Asset class	<input type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate bonds <input type="checkbox"/> Fixed income – government bonds <input checked="" type="checkbox"/> Private equity <input type="checkbox"/> Infrastructure <input type="checkbox"/> Property <input type="checkbox"/> Fixed income - other
Scope and process	New fund manager was already signatory to PRI. Potential fund manager demonstrated high level of commitment to RI.
Outcomes	Investment was approved.

☒ Add Example 2

Topic or issue	RI Reporting by Fund Managers
Conducted by	<input checked="" type="checkbox"/> Internal staff <input type="checkbox"/> Investment consultants
Asset class	<input checked="" type="checkbox"/> All asset classes <input type="checkbox"/> Listed Equity <input type="checkbox"/> Fixed income – corporate bonds <input type="checkbox"/> Fixed income – government bonds <input type="checkbox"/> Private equity <input type="checkbox"/> Infrastructure <input type="checkbox"/> Property <input type="checkbox"/> Fixed income - other
Scope and process	Demonstrating RI in action to trustees by providing examples of fund manager reporting on RI.
Outcomes	Fund manager Responsible Investment reports from property, infrastructure, and fixed income asset classes have been regularly circulated to trustees.

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



# Trust Waikato

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

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

## (Proxy) voting and shareholder resolutions

### Overview

LEA 16	Voluntary	Descriptive	PRI 2
LEA 16.1	Provide a brief overview of your organisation's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).		

The Trust's global equities and bonds are all managed through large pooled funds. The mandate on domestic equities requires the manager to vote for all companies on all issues. The Trust is currently considering the most appropriate process for monitoring and reporting on voting.

### Process

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

#### Approach

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

#### Based primarily on

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

LEA 17.2	Additional information.[Optional]
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Our external investment manager makes the voting decision on our behalf based on their policy.

LEA 19	Voluntary	Descriptive	PRI 2
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LEA 19.1	To ensure that your (proxy) votes are cast and reach their intended destination on time, indicate if you did the following.
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- ☐ Obtain confirmation that votes have been lodged:
- ☐ Participate in projects to improve the voting trail and/or to obtain vote confirmation
- ☒ None of the above

LEA 20	Voluntary	Additional Assessed	PRI 2
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LEA 20.1	Indicate if your organisation has a securities lending programme.
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- ☐ Yes
- ☒ No

LEA 21	Mandatory	Core Assessed	PRI 2
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LEA 21.1	Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.
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- ☒ Yes, in most cases
- ☐ Sometimes, in the following cases:
- ☐ No
- ☐ Not applicable as we and/or our service providers do not abstain or vote against management recommendations

## Outputs and outcomes

LEA 22	Mandatory	Core Assessed	PRI 2
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LEA 22.1	For listed equities where you and/or your service provider has the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.
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- ☒ We do track or collect this information

Votes cast (to the nearest 1%)
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100

Specify the basis on which this percentage is calculated

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

LEA 23	Voluntary	Descriptive	PRI 2
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LEA 23.1	Indicate if you track the voting instructions that you and/or your third party have issued on your behalf.
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- ☒ Yes, we track this information

LEA 23.2	Of the voting instructions that you and/or third parties have issued on your behalf, indicate the proportion of ballot items that were:
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Voting instructions	Breakdown as percentage of votes cast				
For (supporting) management proposals	<table border="1"> <tr> <td></td> <td>%</td> </tr> <tr> <td>90</td> <td></td> </tr> </table>		%	90	
	%				
90					
Against (opposing) management proposals	<table border="1"> <tr> <td></td> <td>%</td> </tr> <tr> <td>10</td> <td></td> </tr> </table>		%	10	
	%				
10					
Abstentions	<table border="1"> <tr> <td></td> <td>%</td> </tr> <tr> <td>0</td> <td></td> </tr> </table>		%	0	
	%				
0					

100%

LEA 23.3	For the reporting year, describe your approach towards voting on shareholder resolutions.
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We do not track appropriate information to describe the approach our fund managers used to make decisions on voting on shareholder resolutions.

- ☐ No, we do not track this information

LEA 24	Voluntary	Descriptive	PRI 2
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LEA 24.1	Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.
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☐ Yes

☒ No

LEA 25	Voluntary	Descriptive	PRI 2
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LEA 25.1	Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.
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☒ Add Example 1

Topic or ESG issue	Director appointment
Decision made by	<input type="checkbox"/> Internal staff <input checked="" type="checkbox"/> Service provider
Objectives	Fund manager considered that the director candidate had a poor industry track record.
Scope and Process	Voted against appointment
Outcomes	Director was appointed.

☐ Add Example 2

☐ Add Example 3

☐ Add Example 4

☐ Add Example 5

☐ Add Example 6

☐ Add Example 7

☐ Add Example 8

☐ Add Example 9

☐ Add Example 10

## Communication

LEA 26	Mandatory	Core Assessed	PRI 2,6
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**LEA  
26.1**

Indicate if your organisation proactively discloses information on your voting activities.

- ☐ We disclose it publicly
- ☐ We disclose it to clients/beneficiaries only
- ☒ We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries