



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company related ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to re-evaluate our <input checked="" type="checkbox"/> To engage investor ESG objectives <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff 	<p>Type of engagement</p> <p>Individual/ internal staff engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company related ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to re-evaluate our <input checked="" type="checkbox"/> To engage investor ESG objectives <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements
<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company related ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to re-evaluate our <input checked="" type="checkbox"/> To engage investor ESG objectives <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements 	<p>Type of engagement</p> <p>Collaborative engagements</p>	<p>Reason for interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in & company related ESG issues <input checked="" type="checkbox"/> To enhance corporate transition or identify the need to re-evaluate our <input checked="" type="checkbox"/> To engage investor ESG objectives <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements
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RI TRANSPARENCY REPORT

2016

Ilmarinen Mutual Pension Insurance Company

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 2016 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	✓	Public							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Additional information about organisation	✓	Public							✓
OO 11	RI activities for listed equities	✓	Public							✓
OO 12	RI activities in other asset classes	✓	Public							✓
OO 13	Modules and sections required to complete	✓	Public							✓

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	RI goals and objectives	✓	Public							✓
SG 05	Main goals/objectives this year	-	n/a							✓
SG 06	RI roles and responsibilities	✓	Public							✓
SG 07	RI in performance management, reward and/or personal development	✓	Private							✓
SG 08	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09	Promoting RI independently	✓	Public				✓			
SG 10	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 11	ESG issues in strategic asset allocation	-	n/a	✓						
SG 12	Long term investment risks and opportunity	✓	Private	✓						
SG 13	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 14	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 15	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 16	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
SG 17	Innovative features of approach to RI	✓	Public							✓
SG 18	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	Role of investment consultants/fiduciary managers	✓	Public				✓			
SAM 02	RI factors in selection, appointment and monitoring across asset classes	✓	Public							✓
SAM 03	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public							✓
SAM 04	ESG incorporation strategies	✓	Public	✓	✓					
SAM 05	Selection processes (LE and FI)	✓	Public	✓						✓
SAM 06	Appointment considerations (LE and FI)	✓	Public				✓			
SAM 07	Monitoring processes (LE and FI)	✓	Public	✓						
SAM 08	Percentage of (proxy) votes cast	✓	Public		✓					
SAM 09	Selection processes (PE, PR and INF)	🔒	n/a	✓						✓
SAM 10	Appointment considerations (PE, PR and INF)	🔒	n/a				✓			
SAM 11	Monitoring processes (PE, PR and INF)	🔒	n/a	✓						✓
SAM 12	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓						✓
SAM 13	Examples of ESG issues in selection, appointment and monitoring processes	-	n/a		✓					
SAM 14	Disclosure of RI considerations	✓	Public							✓

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Private							✓
LEI 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
LEI 03	Percentage of each incorporation strategy	✓	Public	✓						
LEI 04	Type of ESG information used in investment decision	✓	Public	✓						
LEI 05	Information from engagement and/or voting used in investment decision-making	✓	Public	✓						
LEI 06	Types of screening applied	✓	Public	✓						
LEI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
LEI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 10	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 11	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 12	Aspects of analysis ESG information is integrated into	✓	Public	✓						
LEI 13	ESG issues in index construction	🔒	n/a	✓						
LEI 14	How ESG incorporation has influenced portfolio composition	-	n/a	✓						
LEI 15	Measurement of financial and ESG outcomes of ESG incorporation	-	n/a	✓						
LEI 16	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓					✓

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	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	Engagement methods	✓	Public		✓					
LEA 13	Engagements on E, S and/or G issues	-	n/a		✓					
LEA 14	Companies changing practices / behaviour following engagement	-	n/a		✓					
LEA 15	Examples of ESG engagements	-	n/a		✓					
LEA 16	Disclosure of approach to ESG engagements	✓	Public		✓				✓	
LEA 17	Voting policy & approach	✓	Public	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	-	n/a		✓					
LEA 21	Securities lending programme	✓	Private		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 23	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	-	n/a		✓					
LEA 25	Shareholder resolutions	✓	Public		✓					
LEA 26	Examples of (proxy) voting activities	-	n/a		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive,active strategies	✓	Private							✓
FI 02	Option to report on <10% assets	🔒	n/a							✓
FI 03	Breakdown by market and credit quality	✓	Private							✓
FI 04	Incorporation strategies applied	✓	Public	✓						
FI 05	ESG issues and issuer research	✓	Public	✓						
FI 06	Processes to ensure analysis is robust	✓	Public	✓						
FI 07	Types of screening applied	✓	Public	✓						
FI 08	Negative screening - overview and rationale	✓	Public	✓						
FI 09	Examples of ESG factors in screening process	-	n/a	✓						
FI 10	Screening - ensuring criteria are met	✓	Public	✓						
FI 11	Thematic investing - overview	🔒	n/a	✓						
FI 12	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 13	Thematic investing - assessing impact	🔒	n/a	✓						
FI 14	Integration overview	✓	Public	✓						
FI 15	Integration - ESG information in investment processes	✓	Public	✓						
FI 16	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 17	ESG incorporation in passive funds	🔒	n/a	✓						
FI 18	Engagement overview and coverage	✓	Public		✓					
FI 19	Engagement method	✓	Public	✓	✓					
FI 20	Engagement policy disclosure	✓	Public	✓	✓					
FI 21	Financial/ESG performance	✓	Public							✓
FI 22	Examples - ESG incorporation or engagement	-	n/a	✓	✓					
FI 23	Communications	✓	Public		✓				✓	

Direct - Property				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
PR 01	Breakdown of investments	✓	Public							✓
PR 02	Breakdown of assets by management	✓	Public							✓
PR 03	Largest property types	✓	Public							✓
PR 04	Description of approach to RI	✓	Public	✓						✓
PR 05	Responsible Property Investment (RPI) policy	✓	Public	✓						✓
PR 06	Fund placement documents and RI	🔒	n/a	✓			✓			✓
PR 07	Formal commitments to RI	🔒	n/a				✓			
PR 08	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 09	ESG advice and research when selecting investments	✓	Public	✓			✓			
PR 10	Examples of ESG issues in investment selection process	✓	Public	✓		✓				
PR 11	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 12	ESG issues impact in selection process	✓	Public	✓						
PR 13	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 14	ESG issues in post-investment activities	✓	Public		✓					
PR 15	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 16	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 17	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 18	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 19	Proportion of green leases or MOUs referencing ESG issues	✓	Public		✓					
PR 20	Proportion of assets engaged with on community issues	✓	Public		✓					
PR 21	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 22	Examples of ESG issues that affected your property investments	-	n/a	✓		✓				
PR 23	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓

Ilmarinen Mutual Pension Insurance Company

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
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

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

Finland

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

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

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

FTE

535

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.

31/12/2015

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		35	840	000	000
Currency	EUR				
Assets in USD		39	072	976	619

OO 06

Mandatory

Descriptive

General

OO 06.1 To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

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

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

Other (1), specify	<10%	0
Other (2), specify	0	0

	'Other (1)' specified
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Currency and other hedging assets

OO 06.2	Publish our asset class mix as per attached image [Optional].
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OO 06.3	Additional information. [Optional]
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In addition to external hedge fund investments, Ilmarinen also has an internal hedge-fund-type investing unit. In line with domestic reporting-requirements, that unit is reported integrated with the applicable underlying asset-classes of made investments.

Ilmarinen also has infrastructure, commodities and forestry investments. In line with domestic reporting-requirements, these investments are not reported as separate asset classes.

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.
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	% of externally managed assets
Segregated mandate(s)	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input 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 09	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %

OO 10	Voluntary	Descriptive	General
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OO 10.1 Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

The earnings-related pension system is a key component of Finnish social security. Pension assets secure the sustainable financing of pensions. According to law, earnings-related pension assets must be invested in a profitable and secure manner. By taking care of the successful investing of the pension assets under our management we ensure that the employees of our client companies and entrepreneurs will receive the pension they earned from employment.

Part of the funds' investment returns will be used to finance pension expenditure in the future too. Most of the pension premiums written are used for paying current pensions, but 25% of the earnings-related pension contributions are funded. We diversify these funds across various investments, such as equities and shares, debt instruments and real estate. Through professional risk management, we ensure that our solvency remains good and that we comply with the statutory solvency requirements. Good solvency protects pension assets against investment risks while at the same time enabling sufficient risk-taking with regards to the targeted investment return. In addition, good solvency means the ability to pay competitive client bonuses.

Ilmarinen's Board of Directors annually approves an investment plan that guides our investment operations and monitors its implementation on a regular basis. The investment plan lays down the targets for risk-taking and investment allocation in our investment operations. The Board of Directors also decides on investment authorisations. Ilmarinen's investment organisation is in charge of investment operations. We publish quarterly reports on the return on our investments and our solvency.

Ilmarinen is a major player in Finnish society. Our operations and our investment and financing decisions have significant ripple effects throughout Finnish business and industry. Similarly, success in business and industry has direct impacts on Ilmarinen's operations. All in all, around one third of Ilmarinen's investment assets of more than EUR 35 billion are invested in Finland.

In Ilmarinen's view, the responsible and long-term investing of pension assets is a central part of profitable investment operations and effective risk management. Our investment decisions have an influence not only on our investment returns but also on the finances of many companies as a result of our decisions to participate in share issues, bond issues or other financing projects.

The core values that guide our activities are responsibility, openness and succeeding together. Ilmarinen has two guiding documents relating to responsible investment: ownership policy and responsible investment policy, which are based on the company's core tasks and values. With the help of these documents, companies and funds that are the target of investment get information about Ilmarinen as an investor, and about requirements that it sets for investment targets. Ilmarinen also has a goal to give its customers and other interest groups information on how Ilmarinen acts as an investor.

Gateway asset class implementation indicators

OO 11	Mandatory	Gateway	General
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OO 11.1	Select your direct or indirect ESG incorporation activities your organisation implemented, for listed equities in the reporting year.
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- We incorporate ESG in our investment decisions on our internally managed assets
- We address ESG incorporation in our external manager selection, appointment and/or monitoring processes
- We do not incorporate ESG in our directly managed listed equity and/or we do not address ESG incorporation in our external manager selection, appointment and/or monitoring processes.

OO 11.2	Select your direct or indirect engagement activities your organisation implemented for listed equity in the reporting year.
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- We engage with companies on ESG issues via our staff, collaborations or service providers
- We require our external managers to engage with companies on ESG issues on our behalf
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

OO 11.3	Select your direct or indirect voting activities your organisation implemented for listed equity in the reporting year
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- We cast our (proxy) votes directly or via dedicated voting providers
- We require our external managers to vote on our behalf
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

OO 11.5	Additional Information [Optional]
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We do address the activities conducted by external managers on our behalf in fund selection and monitoring processes. However, we do not require all of our fund managers to engage with companies and do proxy voting on our behalf.

OO 12	Mandatory	Gateway	General
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OO 12.1	Select internally managed asset classes where you implemented responsible investment into your investment decisions and/or your active ownership practices (during the reporting year)
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- Fixed income – SSA
- Fixed income – corporate (financial)
- Fixed income – corporate (non-financial)
- Fixed income – securitised
- Private equity
- Property
- Cash
- Other (1)
- None of the above

	'Other (1)' [as defined in OO 05]
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Currency and other hedging assets

OO 12.2

Select externally managed assets classes where you addressed ESG incorporation and/or active ownership in your external manager selection, appointment and/or monitoring processes (during the reporting year)

- Fixed income – corporate (non-financial)
- Private equity
- Property
- Hedge funds
- None of the above

OO 12.3

Additional information. [Optional]

Private equity funds, including co-investments

Our private equity investments are made up of investments in private equity funds and co-investments, where we invest in an individual investee both directly and through the fund. Also with regards to co-investments, the fund management company manages the investment. In co-investments, the sustainability of a private equity fund manager can easily be analysed as part of the investment process.

Hedge funds

In the case of hedge funds, Ilmarinen's responsible investment practices focus on good governance. In addition to governance, we look into how environmental and social responsibility are taken into account in the funds' operations.

Ilmarinen is an investor member of the Hedge Fund Standard Board (HFSB) and promotes compliance with HFSB standards among selected asset managers. HFSB's standards are mainly focused on good governance and include recommendations, for instance, on independent management of funds, investment valuation and appointment of third party service providers.

The fact that Ilmarinen's own practices and HFSB standards mostly focus on governance is a reflection of how the work of defining environmental and social perspectives as regards to hedge funds is still incomplete. The minimum requirements defined by Ilmarinen in 2015 for fund investments cannot be applied as such to defining the sustainability of hedge funds. We actively follow the work done by PRI and other parties to define the sustainability of hedge funds in more detail.

Real estate funds

Ilmarinen does not currently make new investments in real estate funds. The existing investments will mature within the space of a few years. They are monitored to a lesser extent than fund classes in which Ilmarinen makes new investments.

OO 13**Mandatory****Gateway****General**

You will need to make a selection in OO 13.1 only if you have any voluntary modules that you can choose to report on.

OO 13.1

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 below.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

Direct - Other asset classes with dedicated modules

- Private Equity
- Property

RI implementation via external managers

Indirect - Selection, Appointment and Monitoring of External Managers

- Listed Equities
- Fixed income - Corporate (non-financial)
- Private Equity

Closing module

- Closing module

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Strategy and Governance

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Responsible investment policy

SG 01

Mandatory

Core Assessed

General

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> Formalised guidelines on environmental factors <input type="checkbox"/> Formalised guidelines on social factors <input type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Asset class-specific guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<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

SG 01.3

Indicate what norms have you used to develop your RI policy.

- UN Global Compact Principles
- UN Guiding Principles on Business and Human Rights
- Universal Declaration of Human Rights
- International Bill of Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify (1)

other (1) description

Rio Declaration on Environment and Development,

- Other, specify (2)

other (2) description

Ottawa Mine Ban treaty

- Other, specify (3)
- None of the above

SG 01.4	Provide a brief description of the key elements of your investment policy that covers your responsible investment approach [Optional].
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We have integrated sustainability into our investment activities and we actively manage the environmental, social and governance (ESG) risks related to our investments. Furthermore, we promote sustainability through both our own investment activities and our selected asset managers. The objective of our responsible investment policy is to guarantee that we operate according to Ilmarinen's values.

Ilmarinen's sustainability is steered by three key principles, which are:

1. Respecting international norms
2. Active ownership/dialogue
3. Integrating sustainability analysis into investment decisions

We have specified more detailed asset-class-specific procedures and tools in order to implement the policy.

No

SG 01.5	Additional information [Optional].
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Based on the responsible investment policy, Ilmarinen expects the companies it invests in to comply with the principles of the UN Global Compact and the related international norms concerning human rights, labour rights, the environment and corruption. In addition, Ilmarinen does not invest in the manufacture of arms that are prohibited according to the Ottawa Mine Ban Treaty.

SG 02	Mandatory	Core Assessed	PRI 6
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SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide URL and an attachment of the document.
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- Policy setting out your overall approach

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

- Asset class-specific guidelines

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015-ilmarinen_en.pdf

Screening / exclusions policy

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015-ilmarinen_en.pdf

Engagement policy

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015-ilmarinen_en.pdf

(Proxy) voting policy

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015-ilmarinen_en.pdf

We do not publicly disclose our investment policy documents

SG 02.2 Additional information [Optional].

In our responsible investment policy, we wish to openly communicate the kinds of principles and policies we comply with when making investment decisions.

In addition, we have an ownership policy where we openly communicate the expectations that we set for the companies that we own.

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/omistajapolitiikka/omistajaohjauksen-periaatteet-2015_ilmarinen_en.pdf

SG 03 **Mandatory** **Core Assessed** **General**

SG 03.1 Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

SG 03.2

Describe your policy on managing potential conflicts of interest in the investment process.

According to our public code of conduct, when carrying out transactions, we must apply due diligence to situations in which the independence of decision-making might for some reason be compromised or seen to be compromised. The personal interest of an Ilmarinen employee or a member of one of the decision making bodies must not influence his or her behaviour at Ilmarinen.

No

Objectives and strategies**SG 04****Mandatory****Gateway/Core Assessed****General****SG 04.1**

Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not reviewed

SG 04.2

Additional information. [Optional]

The ownership policy management team outlines the instructions for practical application of responsible investment. The team prepares, decides on and co-ordinates Ilmarinen's key ownership policy and responsible investment principles, such as voting in General Meetings and positions on the largest owners' joint statements and proposals prior to the General Meeting. The ownership policy management team includes the President and CEO and representatives of the investment and legal functions. It convenes at least 4-6 times a year and more frequently if needed.

Governance and human resources**SG 06****Mandatory****Core Assessed****General****SG 06.1**

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
 - Head of Listed securities**
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Portfolio managers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investment analysts
 - Dedicated responsible investment staff
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - External managers or service providers
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
 - Investor relations
 - Other role, specify
 - Other role, specify

SG 06.2

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

The investment division is responsible for operational sustainability analyses and their integration into the selection process as well as the sustainability monitoring of our investments.

SG 06.3

Indicate the number of dedicated responsible investment staff your organisation has.

Number

1

Promoting responsible investment

SG 08

Mandatory

Core Assessed

PRI 4,5

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 08.1

Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.

Select all that apply

- Principles for Responsible Investment

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

- Basic
 Moderate
 Advanced
- AFIC – La Commission ESG
 Asian Corporate Governance Association
 Australian Council of Superannuation Investors
 BVCA – Responsible Investment Advisory Board
 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]

During 2015 we participated in collaborative engagement activities by co-signing letters to companies within the auto and electricity sectors based on CDP research. In addition we encouraged investees to report to CDP.

- CDP Forests

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

- Basic
 Moderate
 Advanced
- CDP Water

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

- Basic
- Moderate
- Advanced
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Council of Institutional Investors (CII)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- 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)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Financial Action for the 21st Century
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify

Finsif

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]

Ilmarinen's responsible investment specialist was a board member and actively participating in the event organizing working group at Finsif in 2015.

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

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

- Basic
- Moderate
- Advanced

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

We engage with companies jointly with the Norwegian company KLP and the Swedish company Folksam. We publish a separate annual report pertaining to this engagement work on our website.

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

SG 09	Mandatory	Core Assessed	PRI 4
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SG 09.1 Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

Yes

SG 09.2 Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

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

specify description

Provided information for academic studies, although not financial support. Also wrote blogs on RI.

No

SG 10	Voluntary	Additional Assessed	PRI 4,5,6
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SG 10.1 Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

- Yes
 - Yes, individually
 - Yes, in collaboration with others

SG 10.2 Select the methods you have used.

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

SG 10.3 Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- Yes, publicly available
- No
- No

Implementation not in other modules

SG 14 **Mandatory** **Descriptive** **General**

SG 14.1 Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Private equity	<p>Our direct private equity investments consist of co-investments, where we invest in an individual investee both directly and through a private equity fund. Also with regards to co-investments, the fund management company manages the investment. In co-investments, the sustainability of a private equity fund manager can easily be analysed as part of the investment process. We apply the same principles towards co-investments as we apply to our fund investments, where the focus is in assessing the sustainability policies and processes of the fund manager.</p> <p>In addition, we have direct investments in non-listed equities. In 2015, we drew up industry-specific sustainability questions for companies whose business operations entail high sustainability risk for the purchase of non-listed direct equities (same questions apply also to the granting of investment loans). The scope of the evaluation can vary depending on the size, industry and risks of the investment opportunity in question. We also address sustainability issues in our discussions with the management of non-listed companies.</p>
Cash	We apply our sustainability ratings system developed for listed investments also for money market instruments.

SG 15	Mandatory	Descriptive	General
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SG 15.1	Describe how you address ESG issues for externally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Corporate (non-financial)	In 2015, we defined our minimum requirements for the selection of funds, according to which we require asset managers to adhere to responsible investment principles regarding funds, a clear definition of roles and responsibilities, integration of sustainability analyses into investment decisions and reporting to investors. The asset manager need not have all of the above-mentioned principles and processes in place when the fund agreement is signed. Instead, the asset manager may continue to develop them during the co-operation.
Private equity	In addition to the general responsible investment principles developed in 2015, we consider the special characteristic of private equity funds is the ability of the private equity investor, as an owner, to influence business operations and the creation of a sustainable business culture. Through its significant voting power, a private equity investor is able to promote corporate responsibility, reduce sustainability risks linked to the operations of the company and benefit from value creation opportunities.
Hedge funds	<p>In the case of hedge funds, Ilmarinen's responsible investment practices focus on good governance. In addition to governance, we look into how environmental and social responsibility are taken into account in the funds' operations.</p> <p>Ilmarinen is an investor member of the Hedge Fund Standard Board (HFSB) and promotes compliance with HFSB standards among selected asset managers. HFSB's standards are mainly focused on good governance and include recommendations, for instance, on independent management of funds, investment valuation and appointment of third party service providers.</p> <p>The fact that Ilmarinen's own practices and HFSB standards mostly focus on governance is a reflection of how the work of defining environmental and social perspectives as regards to hedge funds is still incomplete. The minimum requirements defined by Ilmarinen for fund investments cannot be applied as such to defining the sustainability of hedge funds. We actively follow the work done by PRI and other parties to define the sustainability of hedge funds in more detail.</p>

Innovation

SG 17	Voluntary	Descriptive	General
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SG 17.1	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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Yes

SG 17.2	Describe any specific features of your approach to responsible investment that you believe are particularly innovative.
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During 2015, we made the integration of sustainability aspects into investment operations more systematic by adopting responsible investment ratings. The basis of the rating system is a combination of sustainability rating standards created by third parties, which we adapt with analyses from internal and external sources.

We paid particular attention to the technical implementation of the rating system. The ratings and the related sustainability analysis and possible changes are now available to our portfolio managers alongside the

company's financial figures. The ratings steer investment activities so that, for the lowest ratings, there are specific procedures in place based on which some of the investments may be allowed to be carried out. Sustainability ratings already cover 91% of our listed equity investments.

No

Assurance of responses

SG 18	Voluntary	Additional Assessed	General
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SG 18.1	Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.
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Yes

SG 18.2	Indicate who has reviewed, validated and/or assured your reported information.
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- Reviewed by Board, CEO, CIO or Investment Committee
- Validated by internal audit or compliance function
- Assured by an external independent provider, specify name
- Other, specify

SG 18.3	Describe the steps you have taken to review, validate and/or assure the content of your reported information.
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Our reported information has been reviewed by our CEO and Investment Committee.

No

Ilmarinen Mutual Pension Insurance Company

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

Mandatory

Core Assessed

PRI 4

SAM 01.1

Indicate whether your organisation uses investment consultants and/or fiduciary managers.

- Yes, we use investment consultants
- Yes, we use fiduciary managers
- No

SAM 02

Mandatory

Gateway

General

SAM 02.1

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"/>

SAM 02.2

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

Active investment funds

When making fund investments and selecting funds, we extensively assess the fund management company's responsible investment operations, as the external asset manager managing the fund investments has the decision-making power in the funds.

Furthermore, we consider it an additional advantage if the asset manager is committed to following and promoting compliance with the UN Global Compact and the underlying norms in the fund investments' investees. Meanwhile we do not strictly require our fund managers to do screening of portfolios.

Whenever possible, we use Ilmarinen's direct security investment sustainability ratings in our investments in equity funds and corporate bond funds. We do not require asset managers to use Ilmarinen's ratings, but we will use them as starting points for discussions on a case-by-case basis.

Listed equity (LE) and Fixed income (FI)

Overview

SAM 03

Mandatory to Report Voluntary to Disclose

Gateway

General

SAM 03.1 Provide a breakdown of your externally managed listed equities and fixed income by passive, active quant and, active fundamental and other active strategies.

Listed equity (LE)	Passive strategies	50
	Active - quantitative (quant) strategies	10
	Active - fundamental and active - other	40
		100%

SAM 04 **Mandatory** Gateway **PRI 1,2**

Appeal approved for this indicator

SAM 04.1 Indicate which of the following ESG incorporation strategies you 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"/>				

Passive investment strategies

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

SAM 04.2 Additional information. [Optional]

While we do not require our investment funds to conduct screening of portfolios, we consider it an additional advantage if the asset manager is committed to following and promoting compliance with the UN Global Compact and the underlying norms in the fund investments' investees. We have made some thematic investments although it is not a pre-requisite for all managers.

Selection

SAM 05 **Mandatory** **Core Assessed** **PRI 1-6**

SAM 05.1 Indicate whether your organisation and/or your investment consultant typically do any of the following in the manager selection process for listed equity and/or fixed income.

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 checked="" type="checkbox"/>				
Discuss the role managers have played in collaborative initiatives	<input type="checkbox"/>				
Ask whether the organisation is a signatory to the PRI and/or other relevant organisations	<input checked="" type="checkbox"/>				
Review the manager's responsible investment reporting to clients and/or the public, (excluding PRI)	<input checked="" type="checkbox"/>				
Review the manager's PRI Transparency or Assessment reports	<input type="checkbox"/>				
Discuss the type of ESG reporting you expect	<input type="checkbox"/>				
Assign specific weighting to ESG factors in your manager evaluation	<input 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 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 checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

Engagements

	LE				
Discuss with the manager the historic interactions they have had with the investee entities	<input checked="" type="checkbox"/>				
Discuss the comprehensiveness of managers' engagement processes	<input type="checkbox"/>				
Discuss the role managers have played in influencing investee entities' ESG practices and performance	<input checked="" type="checkbox"/>				
Discuss the escalation strategies the manager deploys in case of insufficient ESG performance	<input type="checkbox"/>				
Discuss how information gained through engagement is incorporated into investment decision-making	<input type="checkbox"/>				
Other engagement issues in your selection process,specify	<input checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

(Proxy) voting

	LE
Discuss the managers' voting processes	<input checked="" type="checkbox"/>
Discuss how information gained through research for (proxy) voting is used in investment-decision making	<input type="checkbox"/>
Discuss whether the manager is able to deploy the asset owner's proprietary voting policy or aligning its voting policy with the asset owner's investment beliefs and strategy	<input type="checkbox"/>
Other (proxy) voting issues in your selection process, specify	<input checked="" type="checkbox"/>
None of the above	<input type="checkbox"/>

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

Assessing if prospective funds fulfill Ilmarinen's minimum criteria for ESG and related practices is the responsibility of the respective portfolio manager. In this assessment the portfolio manager has an extensive request for proposal questionnaire, including respective questions on responsible investment policies and processes of fund managers. For example, we discuss how the fund manager has incorporated ESG into investment decision making and about internal resources on RI. We also acknowledge the coverage of ESG research used and the monitoring processes (such as screens) that the fund has towards investees as well as engagement and proxy voting policies applied.

SAM 05.2

Please describe the level of experience board members/trustees/chief-level staff have with incorporating ESG factors into investment decision-making processes.

Board members/trustees/ chief level staff (apart from CIO or equiv) are not making investment decisions. Our CEO chairs the ownership policy committee, which is in charge of strategic level decision making responsible investment. However, our ownership and responsible investment policy are approved by the board, hence responsible investment as a topic is discussed by the board on a regular basis (min. once a year).

Appointment

SAM 06	Voluntary	Additional Assessed	PRI 4
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SAM 06.1

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

General

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

ESG incorporation

	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"/>				

Engagements

	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

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

Reporting

	LE				
Reporting on the agreed responsible investment activities	<input 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 checked="" type="checkbox"/>				
None of the above	<input type="checkbox"/>				

SAM 06.2 Provide additional information relevant to your organisation's manager appointment process and considerations included in contractual agreements for listed equity and/or fixed income.

In 2015, we defined our minimum requirements for the selection of new funds, according to which we require asset managers to adhere to responsible investment principles regarding funds, a clear definition of roles and responsibilities, integration of sustainability analyses into investment decisions and reporting to investors. The asset manager need not have all of the above-mentioned principles and processes in place when the fund agreement is signed. Instead, the asset manager may continue to develop them during the co-operation.

Monitoring

SAM 07	Mandatory	Core Assessed	PRI 1
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SAM 07.1 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"/>				
Discuss if the manager has acted in accordance with your overall investment beliefs on responsible investment and ESG issues	<input checked="" type="checkbox"/>				
Discuss if the manager has acted in accordance with your organisation's overall strategy on responsible investment and ESG issues	<input type="checkbox"/>				
Discuss if the manager has acted in accordance with your organisation's overall policy on responsible investment and ESG issues	<input type="checkbox"/>				
Review the manager's responsible investment reporting (excluding PRI)	<input type="checkbox"/>				
Review the manager's PRI Transparency or Assessment reports	<input type="checkbox"/>				
Review ESG characteristics of the portfolio	<input checked="" type="checkbox"/>				
Review the impact of ESG issues on financial performance	<input 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 type="checkbox"/>				
Other general aspects of your monitoring, specify	<input type="checkbox"/>				
None of the above	<input type="checkbox"/>				

ESG incorporation

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

Engagements

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

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

Engagement and voting policies of the company

SAM 07.2	Provide additional information relevant to your organisation's dialogue and monitoring of external managers.
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We annually monitor the compliance of each asset manager or fund with the responsible investment policy either through a fund query or a personal meeting with each asset manager. The objective is to gain information on best practices and development areas.

SAM 08	Mandatory	Core Assessed	PRI 2
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SAM 08.1	For the listed equities where you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.
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- We track or collect this information
- We do not track or collect this information

Outputs and outcomes

SAM 12	Mandatory to Report Voluntary to Disclose	Descriptive	PRI 1-6
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SAM 12.1	Indicate approximately what percentage (+/- 5%) of your externally managed assets are managed by PRI signatories.
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	%
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Communication

SAM 14	Mandatory	Core Assessed	PRI 6
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SAM 14.1	Indicate if your organisation proactively discloses any information about responsible investment considerations in your indirect investments.
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- Yes, we disclose information publicly

	provide URL
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http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

SAM 14.2	Indicate if the level of information you disclose to the public is the same as that disclosed to clients and/or beneficiaries.
-----------------	--

- Yes

SAM 14.3

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

- How responsible investment considerations are included in manager selection, appointment and monitoring processes
 - Details of the responsible investment activities carried out by managers on your behalf
 - E, S and/or G impacts and outcomes that have resulted from your managers' investments and active ownership
 - Other, specify
- No
- Yes, we disclose information to clients/beneficiaries only
- We do not proactively disclose information to the public and/or clients/beneficiaries

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Listed Equity Incorporation

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.

ESG incorporation in actively managed listed equities


Implementation processes

LEI 03	Mandatory	Gateway	PRI 1
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LEI 03.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)
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ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies

Percentage of active listed equity to which the strategy is applied	
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- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined
- No incorporation strategies applied

Total actively managed listed equities
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100%

LEI 03.2	Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.
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In Ilmarinen's view, the responsible and long-term investing of pension assets is a central part of profitable investment operations and effective risk management. Our investment decisions have an influence not only on our investment returns but also on the finances of many companies as a result of our decisions to participate in share issues, bond issues or other financing projects. The environmental and social impacts and governance of business operations influence companies' profits, expenses and reputation, and thus also have a major impact on Ilmarinen's investment returns. ESG analysis is an integrated part of stock selection process.

LEI 04	Voluntary	Additional Assessed	PRI 1
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LEI 04.1

Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

Type of ESG information

- Raw ESG company data

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Company-related analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Sector-related analysis or ratings
- Country-related analysis or ratings
- Screened stock list

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- ESG issue-specific analysis or ratings

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Other, specify

LEI 04.2

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

During 2015 we developed Ilmarinen's sustainability ratings. The basis of the sustainability rating system is a combination of responsibility rating standards created by third parties, which we adapt with analyses and conclusions from internal and external sources. The analysis on which the sustainability ratings are based involves a broad spectrum of risks and opportunities linked to corporate responsibility as well as already realised controversies and norm violations in the sustainability of business operations.

Assessment of climate impacts

We had the first carbon footprint calculation carried out on our direct equity portfolio in spring 2015. The information regarding our investees included their carbon intensity, potential emissions from the underground fossil fuel reserves and breakdown of revenues from different sources of energy as well as an assessment of climate risks and strategy of a limited number of high risk companies.

In future, we will measure the carbon footprint of our equity portfolio and assess the carbon risks of the companies we own on an annual basis.

LEI 04.3	Indicate if you incentivise brokers to provide ESG research.
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- Yes
- No

LEI 05	Voluntary	Additional Assessed	PRI 1
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LEI 05.1	Indicate if your organisation has a process through which information derived from ESG engagement and/or (proxy) voting activities is made available for use in investment decision-making.
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- Engagement
 - We have a systematic process to ensure the information is made available.
 - We occasionally make this information available.
 - We do not make this information available.
- (Proxy) voting
 - We have a systematic process to ensure the information is made available.
 - We occasionally make this information available.
 - We do not make this information available.

(A) Implementation: Screening

LEI 06	Mandatory	Descriptive	PRI 1
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LEI 06.1	Indicate and describe the type of screening you apply to your internally managed active listed equities.
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Type of screening

- Negative/exclusionary screening
- Positive/best-in-class screening
- Norms-based screening

Screened by

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

International declaration on human rights, Ottawa Mine Ban Treaty

Description

We screen our investments based on UN Global Compact and the related international norms concerning human rights, labour rights, the environment and corruption.

LEI 06.2	Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.
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In addition to national legislation, we require the companies we own to comply with the UN Global Compact and the international norms behind them, such as the ILO's Declaration on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development.

Our external service provider screens our securities investments biannually and reports any detected norm violations or suspicions thereof. This screening covers Ilmarinen's direct investments in listed equities, corporate bonds and derivatives with a single company as the underlying security. At the end of 2015, 91%* of our direct listed equity investments and 44% of our entire investment assets had been screened for norm violations. We take the norm violations that we are aware of into account in making new investment decisions and regularly monitor new suspected violations. Norm violations can also lead to the exclusion of investees from our investment universe.

In 2015, we drew up, based on the previous ownership policy, our Ownership Policy and Responsible Investment Policy, which were approved by Ilmarinen's Board of Directors. The screening criteria is part of our responsible investment policy. The policy is reviewed approx. once a year. When the new policy is approved, we communicate publicly the most significant changes.

LEI 07	Mandatory	Core Assessed	PRI 1
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LEI 07.1	Indicate which processes your organisation uses to ensure that screening is based on robust analysis.
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- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Company ESG information/ratings are updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify

External ESG research is assessed by internal ESG specialist and portfolio managers when analyzing companies.

None of the above

LEI 07.2 Additional information. [Optional]

Periodically the data is chased to the source to check the accuracy. Individual analysts are also contacted to discuss an individual company and its rating/ research outcome. Decisions to exclude companies based on ESG-scorings are discussed with portfolio managers. Individual portfolio managers can challenge the findings of external service providers and bring forward their own findings for an internal committee meeting to decide on the proper course of action. The ownership steering committee can also review an individual case to determine whether a company fulfills the ownership criteria or not.

LEI 08

Voluntary

Additional Assessed

PRI 1

LEI 08.1 Indicate which processes your organisation uses to ensure that fund criteria are not breached

- Systematic checks are performed to ensure that stocks meet the funds' screening criteria.
- Automated IT systems prevent investment managers from investing in excluded stocks or those that do not meet positive screening criteria.
- Audits of fund holdings are undertaken regularly by internal audit function
- Other, specify
The ratings and the related sustainability analysis and possible changes are now available to our portfolio managers alongside the company's financial figures.
- None of the above

LEI 08.2 If breaches of fund screening criteria are identified - describe the process followed to correct those breaches.

If we have a holding that does not meet our criteria, we are faced with two options: engagement or exclusion. Engagement is our preferred strategy. In cases where we have proof that engagement will not work, we will start to sell our positions. We will not perform a fire sale but reduce our exposure in a timely manner without causing disruptions to the market.

(C) Implementation: Integration of ESG issues

LEI 10

Mandatory

Core Assessed

PRI 1

LEI 10.1 Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.

ESG issues	Coverage/extent of review on these issues	
Environmental	Environmental	<div style="background-color: #0070C0; color: white; padding: 2px;">Environmental</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	Social	<div style="background-color: #0070C0; color: white; padding: 2px;">Social</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	Corporate Governance	<div style="background-color: #0070C0; color: white; padding: 2px;">Corporate Governance</div> <ul style="list-style-type: none"> <input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

LEI 10.2 Additional information. [Optional]

Sustainability analysis has been integrated into the selection of investees, so it is not a separate function. During 2015, we made the integration of sustainability aspects into investment operations more systematic by adopting responsible investment ratings. The basis of the rating system is a combination of sustainability rating standards created by third parties, which we adapt with analyses from internal and external sources.

We paid particular attention to the technical implementation of the rating system. The ratings and the related sustainability analysis and possible changes are now available to our portfolio managers alongside the company's financial figures. Sustainability ratings already cover 91% of our listed equity investments.

LEI 11	Voluntary	Additional Assessed	PRI 1
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LEI 11.1	Indicate which processes your organisation uses to ensure that ESG integration is based on a robust analysis.
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- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Company information and/or ratings on ESG are updated regularly
- A periodic review of the quality of the research undertaken or provided is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Other, specify
- None of the above

LEI 11.2	Describe how ESG information is held and used by your portfolio managers.
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- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

LEI 12	Mandatory to Report Voluntary to Disclose	Core Assessed	PRI 1
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LEI 12.1	Indicate into which aspects of investment analysis you integrate ESG information.
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- (Macro) economic analysis
- Industry analysis
- Analysis of operational management
- Analysis of company strategy
 - Systematically
 - Occasionally
- Portfolio construction
- Fair value/fundamental analysis
- Other, specify

Communication			
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LEI 17	Mandatory	Core Assessed	PRI 2,6
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LEI 17.1	Indicate if your organisation proactively discloses information on your approach to ESG incorporation in listed equity.
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- We disclose it publicly

Provide URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

LEI 17.2

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

Yes

LEI 17.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

LEI 17.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
 - Biannually
 - Annually
 - Less frequently than annually
 - Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries

LEI 17.7

Additional information. [Optional]

We published a GRI G4 Core level corporate responsibility report as part of our annual reporting for the first time regarding the year 2015, including information on ESG incorporation.

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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Engagement

Overview

LEA 01	Mandatory	Core Assessed	PRI 2
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LEA 01.1 Indicate whether your organisation has a formal engagement policy.

Yes

LEA 01.2 Indicate what your engagement policy covers:

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Other, describe
- None of the above

LEA 01.3 Please attach or provide a URL to your engagement policy. [Optional]

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

LEA 01.4 Provide a brief overview of your organization's approach to engagement

We actively hold discussions with our investees to improve sustainability and address controversies. If an investee fails to comply with the UN Global Compact, we will deepen our dialogue into an engagement process that aims at ending the undesirable activity and the adoption of responsible procedures. If the undesirable activity does not end as a result of the engagement process, Ilmarinen's last resort is to exit from its ownership in the company.

No

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

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

LEA 02.2	Additional information. [Optional]
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We carry out the engagement process both alone and together with our service provider and other investors. In our international investments we engage with companies particularly as part of the Nordic Engagement Cooperation, which includes a Swedish and Norwegian investor in addition to Ilmarinen.

Process

Process for engagements run internally

LEA 03	Mandatory	Core Assessed	PRI 2
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LEA 03.1	Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.
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Yes

LEA 03.2

Describe the criteria used to identify and prioritise engagement activities carried out by internal staff.

- Geography/market of the companies targeted
 - Materiality of ESG factors
 - Systemic risks to global portfolios
 - Exposure (holdings)
 - In reaction to ESG impacts which has already taken place
 - As a response to divestment pressure
 - Other, describe
- No

LEA 03.3

Additional information. [Optional]

If a company we own systematically fails to comply with the UN Global Compact principles, we will deepen our dialogue into an engagement process that aims at ending the undesirable activity and at the adoption of responsible procedures. If the undesirable activity does not end as a result of the engagement process, our last resort is to exit from our ownership in the company. Ilmarinen's investment organisation decides on the companies to be subjected to the engagement process and on the procedures.

LEA 04**Mandatory****Core Assessed****PRI 2****LEA 04.1**

Indicate if you define specific objectives for your engagement activities.

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

LEA 04.2

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

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- No

LEA 04.3

Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.

- Yes
- No

Process for engagements conducted via collaborations

LEA 05	Mandatory	Core Assessed	PRI 2
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LEA 05.1 Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

Yes

LEA 05.2 Describe the criteria used to identify and prioritise collaborative engagements

- Potential to learn from other investors
- Ability to add value to the collaboration
- Geography / market of the companies targeted
- Materiality of ESG factors
- Systemic risks to global portfolios
- Exposure (holdings)
- In reaction to ESG impacts which has already taken place
- As a response to divestment pressure
- Other, describe

No

LEA 05.3 Additional information [Optional]

We engage in collaboration with other investors in particular through the Nordic Engagement Cooperation, where we engage with companies jointly with the Norwegian company KLP and the Swedish company Folksam. We publish a separate annual report pertaining to this engagement work on our website.

LEA 06	Mandatory	Core Assessed	PRI 2
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LEA 06.1 Indicate if the collaborative engagements in which you are involved have defined objectives.

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

LEA 06.2 Indicate if you monitor the actions companies take following your collaborative engagements.

- Yes
 - Yes, in all cases
 - Yes, in the majority of cases
 - Yes, in the minority of cases
- No

LEA 06.3

Indicate whether your organisation defines milestones and goals related to engagement activities carried out via collaborations.

Yes

LEA 06.4

Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities.

- Define timelines of the milestones and goals
- Tracking, monitoring progress against defined milestones and goals
- Establish a process for when the goals are not met
- Revisit and revise if necessary the goals on continuous basis
- Other, please specify

No

LEA 06.5

Additional information. [Optional]

We used a third party service provider for the collaborative engagement through NEC, who works with us in formulating engagement timelines, milestones and goals etc.

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

LEA 07

Mandatory

Core Assessed

PRI 2,4

LEA 07.1

Indicate if you play a role in the engagement process that your service provider conducts on your behalf.

Yes

LEA 07.2

Indicate what role you play in engagements that your service provider conducts on your behalf.

- Discuss the topic (or ESG issue(s)) of engagement
- Discuss the rationale for engagement
- Discuss the objectives of the engagement
- Select the companies to be engaged with
- Discuss the frequency/intensity of interactions with companies
- Discuss progress towards the engagement objectives
- Monitor and review outcomes that have been achieved from the engagement
- Discuss next steps for engagement activity
- Participate directly in a sample of engagements with your service provider
- Other, specify

No

LEA 08

Mandatory

Core Assessed

PRI 2,6

LEA 08.1

Indicate whether you monitor and/or discuss the following information provided to you by your service provider

Please select all that apply

- The subject (or ESG issue(s)) of engagement
- The objectives of the engagement
- The rationale for engagement
- The frequency/intensity of interactions with companies
- Progress towards achieving engagement goals
- Outcomes that have been achieved from the engagement
- Next steps for engagement activity
- Other, specify
- None of the above

General processes for all three groups of engagers

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

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

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

LEA 10**Mandatory****Gateway****PRI 2****LEA 10.1**

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

Type of engagement	Tracking engagements
Individual / Internal staff engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track
Collaborative engagements	<input checked="" type="radio"/> Yes, we track the number of our engagements in full <input type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements
Service provider engagements	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track and cannot estimate our engagements

LEA 10.2 Additional information. [OPTIONAL]

We utilise GES Investment Services as our engagement service provider. We only track and follow a limited number of engagements conducted by GES, which are of interest to us based on the company, case in question and our holdings.

Outputs and outcomes

LEA 11	Mandatory to Report Voluntary to Disclose	Core Assessed	PRI 2
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LEA 11.1	Indicate the number of companies with which your organisation engaged during the reporting year.
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	Number of companies engaged (avoid double counting, see explanatory notes)	Proportion (to the nearest 5%)	Specify the basis on which this percentage is calculated
Individual / Internal staff engagements	<div style="background-color: #0070C0; color: white; padding: 2px;">Number of companies engaged</div> 2	<div style="background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 0	<div style="background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input checked="" type="radio"/> of the total number of companies you hold <input type="radio"/> of the total value of your listed equity holdings
Collaborative engagements	9	<div style="background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 2	<div style="background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input checked="" type="radio"/> of the total number of companies you hold <input type="radio"/> of the total value of your listed equity holdings
Service provider engagements	2	<div style="background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 0	<div style="background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input checked="" type="radio"/> of the total number of companies you hold <input type="radio"/> of the total value of your listed equity holdings

LEA 11.2 Indicate the proportion of engagements that involved multiple, substantive and detailed discussions or interactions with a company during the reporting year relating to ESG issue.

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

LEA 11.3 Indicate the percentage of your collaborative engagements for which you were a leading organisation during the reporting year.

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

LEA 11.4 Indicate the percentage of your service provider engagements that you were highly involved in during the reporting year.

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

LEA 11.5	Additional information. [Optional]
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Among the companies included in Ilmarinen's investment portfolio at the end of 2015, 11 were subjected to the engagement process or were under observation on account of norm violations relating to working conditions, child labour and environmental impacts, among other things. Five engagement processes were closed in 2015, because the companies either adopted more sustainable ways of operating or we exited from their ownership. In 2015, we also set up an observation list and we regularly monitor the confirmed or suspected norm violations related to the operations of the companies included in the list to ensure that the expected development takes place.

In addition to engagement, considering all of Ilmarinen's holdings, we were in contact with 73 listed companies (17% of the companies we own) with regards to sustainability matters. The topics discussed included, for example, the representation of both women and men on the Board of Directors, our wish concerning tax footprint reporting, responsible sourcing of raw materials, the impacts of international projects on local communities and freedom of association.

LEA 12	Voluntary	Additional Assessed	PRI 2
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LEA 12.1	Indicate if your engagement involved:
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- Letters to outline the engagement and the objectives
 - In some cases
 - In majority cases
 - In all cases
- Meetings and/or calls with the appropriate team
 - In some cases
 - In majority cases
 - In all cases
- Visits to operations
- Roadshows
- ESG research
 - In some cases
 - In majority cases
 - In all cases
- Other, specify

Communication			
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LEA 16	Mandatory	Core Assessed	PRI 2,6
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LEA 16.1	Indicate whether your organisation proactively discloses information on its engagements.
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- We disclose it publicly

provide URL

<http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/ilmarisen-yrittysvastuuraportti-2015.pdf>

LEA 16.2

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

Yes

LEA 16.3

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

Engagement information disclosed

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

LEA 16.4

Indicate how frequently you typically report engagements information.

- Disclosed continuously (prior to and post engagements)
 - Disclosed quarterly or more frequently
 - Disclosed biannually
 - Disclosed annually
 - Disclosed less frequently than annually
 - Ad hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
 - We do not proactively disclose it to the public and/or clients/beneficiaries.

LEA 16.8

Additional information. [Optional]

We publish an annual report on NEC engagements (to be published in H1 2016). In addition we provide information at a more general level in our sustainability report 2015 (to be published also in English H1 2016).

(Proxy) voting and shareholder resolutions

Overview

LEA 17	Mandatory	Gateway	PRI 1,2,3
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LEA 17.1	Indicate whether your organisation has a formal voting policy.
----------	--

Yes

LEA 17.2	Indicate what your voting policy covers:
----------	--

- Conflicts of interest
- Prioritisation of voting activities
- Transparency
- Decision making processes
- Environmental factors
- Social factors
- Governance factors
- Securities lending process
- Other, describe
- None of the above

LEA 17.3	Please attach or provide a URL to your voting policy. [Optional]
----------	--

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/omistajapolitiikka/omistajaohjauksen-periaatteet-2015_ilmarinen_en.pdf

LEA 17.4	Provide a brief overview of your organization's approach to (proxy) voting (including the filing and/or co-filing of shareholder resolutions if applicable).
----------	--

Ilmarinen attends the General Meetings of the companies in which it is a major owner or where participation is otherwise deemed important.

We participate in the nomination processes of the Board members of a number of Finnish listed companies. During the nomination process, we promote the professional governance and management of the companies we own.

We decide on our participation to co-filing shareholder resolutions on a case by case basis.

No

Process

LEA 18	Mandatory	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 18.1	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) that make voting recommendations or provide research that we use to inform our voting decisions.

Based primarily on

- the service provider voting policy signed off by us
 - our own voting policy
 - our clients' requests or policy
 - other, explain
- We hire service provider(s) that 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) that make voting decisions on our behalf.

LEA 18.2 Additional information.[Optional]

Our responsible investment specialist draws up voting instructions for each General Meeting. In drawing up the instructions, we take into account the independence of Board members, remuneration and the authorisations sought in the General Meeting pertaining to share issues and the purchase of own shares, for example. We also ensure that both women and men are represented on the Board of Directors of the companies we own. We also use external service provider as background research for drawing our voting instructions.

LEA 22 **Mandatory** **Core Assessed** **PRI 2**

LEA 22.1 Indicate if you ensure that companies are informed of the rationale when you and/or the service providers acting on your behalf abstain or vote against management recommendations.

- Yes, in most cases
- Sometimes, in the following cases:
- No
- Not applicable as we and/or our service providers do not abstain or vote against management recommendations

Outputs and outcomes

LEA 23 **Mandatory** **Core Assessed** **PRI 2**

LEA 23.1 For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

- We do track or collect this information

Votes cast (to the nearest 1%)



4

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

LEA 23.2 If there are specific reasons why you did not vote certain holdings, explain these, and if possible, indicate the percentage of holdings affected by these factors. [Optional]

In 2015, we participated in the General Meetings of 75 listed Finnish companies, which equals 89% of the listed Finnish companies we own. Considering also non-finnish companies, in total we participated or voted on 20 % of our holdings. The reason for the difference within these figures is, that voting is rare in Finnish General Meetings.

We do not track or collect this information

LEA 25	Voluntary	Descriptive	PRI 2
--------	-----------	-------------	-------

LEA 25.1 Indicate if your organisation directly or via a service provider filed or co-filed any shareholder resolutions during the reporting year.

Yes

LEA 25.2 Indicate the number of ESG shareholder resolutions you filed or co-filed.

Total number

2

LEA 25.3 Indicate what percentage of these ESG shareholder resolutions resulted in the following.

Went to vote	100
Were withdrawn due to changes at the company and/or negotiations with the company	0
Were withdrawn for other reasons	0

Total

100%

LEA 25.4	Of the ESG shareholder resolutions that you filed or co-filed and that were put to vote (i.e. not withdrawn) how many received:
-----------------	---

>50% approval

2

LEA 25.5	Describe the ESG shareholder resolutions that you filed or co-filed and the outcomes achieved.
-----------------	--

Climate reporting related shareholder resolutions.

No

LEA 25.6	Additional information. [Optional]
-----------------	------------------------------------

In 2015, we submitted, together with other investors, shareholders' proposals to BP's and Royal Dutch Shell's Annual General Meetings in which we required the companies to disclose more comprehensive reports on their climate strategy and the impacts of climate change on their business operations. Both companies recommended the approval of the proposals, and the majority voted for them in the General Meetings.

Communication

LEA 27	Mandatory	Core Assessed	PRI 2,6
---------------	------------------	----------------------	----------------

LEA 27.1	Indicate if your organisation proactively discloses information on your voting activities.
-----------------	--

We disclose it publicly

provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/omistajapolitiikka/ilmarinen_yhtiokokoukset_2015.pdf

LEA 27.2	Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.
-----------------	---

Yes

LEA 27.3	Indicate the voting information your organisation proactively discloses to the public and/or to clients/beneficiaries.
-----------------	--

Indicate how much of your voting record you disclose

- All voting decisions
- Some voting decisions
- Only abstentions and opposing vote decisions
- Summary of votes only

Indicate what level of explanation you provide

- Explain all voting decisions
- Explain some voting decisions
- Only explain abstentions and votes against management
- No explanations provided

LEA 27.4

Indicate how frequently you typically report voting information.

- Continuously (primarily before meetings)
- Continuously (soon after votes are cast)
- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/as requested
- No
- We disclose it to clients/beneficiaries only
- We do not proactively disclose our voting activities to the public and/or to clients/beneficiaries

LEA 27.8

Additional information. [Optional]

In Finland the majority of agm's are without voting, in cases there has been a vote, we have disclosed how we have voted. We have not disclosed this information regarding agm's of non-finnish companies.

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer





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ESG incorporation in actively managed fixed income

Implementation processes

FI 04	Mandatory	Gateway	PRI 1
FI 04.1	Indicate 1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and 2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.		

SSA	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>100</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	100	Thematic alone	0	Integration alone	0	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0	Total	100%
Strategy	Percentage																				
Screening alone	100																				
Thematic alone	0																				
Integration alone	0																				
Screening + integration strategies	0																				
Thematic + integration strategies	0																				
Screening + thematic strategies	0																				
All three strategies combined	0																				
No incorporation strategies applied	0																				
Total	100%																				
Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>0</td> </tr> <tr> <td>Screening + integration strategies</td> <td>100</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	0	Screening + integration strategies	100										
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	0																				
Screening + integration strategies	100																				

	 <p>Thematic + integration strategies</p> <p>0</p>
	 <p>Screening + thematic strategies</p> <p>0</p>
	 <p>All three strategies combined</p> <p>0</p>
	 <p>No incorporation strategies applied</p> <p>0</p>
	<p>100%</p>

Corporate (non-financial)	Screening alone	0
	Thematic alone	0
	Integration alone	0
	Screening + integration strategies	100
	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%

FI 04.2 Describe your primary reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

In Ilmarinen's view, the responsible and long-term investing of pension assets is a central part of profitable investment operations and effective risk management. In order to integrate sustainability analysis into its investment activities, Ilmarinen uses a responsible investment rating system. In addition, our external service provider screens our securities investments biannually and reports any detected norm violations or suspicions thereof.

FI 05 Mandatory to Report Voluntary to Disclose Core Assessed PRI 1

FI 05.1 Indicate which ESG factors you systematically research as part of your ESG analysis on issuers.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)
Environmental data	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Social data	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Governance data	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 05.2

Indicate what format your ESG information comes in and where you typically source it

- Raw ESG company data
- ESG factor specific analysis
- Issuer-level ESG analysis

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – FI analyst, PM or risk team
- Other, specify
- Sector-level ESG analysis
- Country-level ESG analysis

FI 05.3

Provide a brief description of the ESG information used, highlighting any differences of sources of information across your ESG incorporation strategies.

In order to integrate sustainability analysis into its investment activities, Ilmarinen uses a responsible investment rating system which was developed in 2015. The basis of the rating system is a combination of responsibility rating standards created by third parties, which we adapt with analyses and conclusions from internal and external sources. The analysis on which the sustainability ratings are based involves a broad spectrum of risks and opportunities linked to corporate responsibility as well as already realised controversies and norm violations in the sustainability of business operations. The ratings steer investment activities so that, for the lowest ratings, there are specific procedures in place based on which some of the investments may be allowed to be carried out.

FI 06
Mandatory
Additional Assessed
PRI 1
FI 06.1

Indicate how you ensure that your ESG research process is robust:

- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits of ESG research are undertaken in a systematic way
- ESG analysis is benchmarked for quality against other providers
- Other, specify
- None of the above

FI 06.2 Describe how your ESG information or analysis is shared among your investment team.

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is a standard item on all individual issuer summaries, 'tear sheets', 'dashboards' or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

(A) Implementation: Screening

FI 07 **Mandatory** **Gateway** **PRI 1**

FI 07.1 Indicate the type of screening you conduct.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
Negative/exclusionary screening	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Positive/best-in-class screening	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Norms-based screening	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

FI 07.2 Describe the type of screening you apply to your internally managed active fixed income

Our external service provider screens our securities investments biannually and reports any detected norm violations or suspicions thereof. This screening covers Ilmarinen's direct investments in listed equities, corporate bonds and derivatives with a single company as the underlying security. We take the norm violations that we are aware of into account in making new investment decisions and regularly monitor new suspected violations. Norm violations can also lead to the exclusion of investees from our investment universe.

FI 08 **Mandatory** **Descriptive** **PRI 1**

FI 08.1 Indicate why you conduct negative screening.

SSA

SSA

- For legal reasons
- For non-legal reasons

Corporate (financial)

Corporate (fin)

- For legal reasons
- For non-legal reasons

Corporate (non-financial)

Corporate (non-fin)

- For legal reasons
- For non-legal reasons

FI 08.2	Describe your approach to ESG-based negative screening of certain issuers from your investable universe.
----------------	--

Ilmarinen expects the companies it invests in to comply with the principles of the UN Global Compact and the related international norms concerning human rights, labour rights, the environment and corruption. In addition, Ilmarinen does not invest in the manufacture of arms that are prohibited according to the Ottawa Mine Ban Treaty.

FI 10	Mandatory	Core Assessed	PRI 1
--------------	------------------	----------------------	--------------

FI 10.1	Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.
----------------	---

Type of screening	Checks	
Negative/exclusionary screening	Negative/exclusionary screening	<input checked="" type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px; margin-top: 5px;">other description</div> ratings integrated in the investment database used by portfolio managers <input type="checkbox"/> None of the above
Norms-based screening	Norms-based screening	<input type="checkbox"/> Checks are performed to ensure that issuers meet screening criteria <input type="checkbox"/> Data used for the screening criteria is updated at least every 2 years <input type="checkbox"/> Automated IT systems prevent our portfolio managers from investing in excluded issuers or bonds that do not meet screening criteria <input type="checkbox"/> Audits of fund holdings are undertaken regularly by internal audit or compliance functions <input checked="" type="checkbox"/> Other, specify <div style="background-color: #0070C0; color: white; padding: 2px; margin-top: 5px;">other description</div> ratings integrated in the investment database used by portfolio managers <input type="checkbox"/> None of the above

FI 10.2	Additional information. [Optional]
----------------	------------------------------------

During 2015 we paid particular attention to the technical implementation of the sustainability rating system. The ratings and the related sustainability analysis and possible changes are now available to our portfolio managers alongside the company's financial figures.

(C) Implementation: Integration

FI 14	Mandatory	Descriptive	PRI 1
--------------	------------------	--------------------	--------------

FI 14.1	Describe your approach to integrating ESG into traditional financial analysis.
----------------	--

Sustainability analysis has been integrated into the selection of investees, so it is not a separate function. During 2015, we made the integration of sustainability aspects into investment operations more systematic by adopting responsible investment ratings. The basis of the rating system is a combination of sustainability rating standards created by third parties, which we adapt with analyses from internal and external sources.

	Corporate (financial)
--	-----------------------

In terms of corporate bonds and their sustainability ratings we pay special attention to investments with the highest sustainability risks and to the management of these risks.

	Corporate (non-financial)
--	---------------------------

In terms of corporate bonds and their sustainability ratings we pay special attention to investments with the highest sustainability risks and to the management of these risks.

FI 15	Mandatory	Core Assessed	PRI 1
--------------	------------------	----------------------	--------------

FI 15.1	Indicate how ESG information is typically used as part of your investment process.
----------------	--

Select all that apply

	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is integrated into security weighting decisions	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is integrated into portfolio construction decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is a standard part of internal credit ratings or assessment	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis for issuers is a standard agenda item at investment committee meetings	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is regularly featured in internal research notes or similar	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is a standard feature of ongoing portfolio monitoring	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis features in all internal issuer summaries or similar documents	<input type="checkbox"/>	<input type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	

FI 16	Mandatory	Additional Assessed	PRI 1
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FI 16.1 Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance
Corporate (financial)	Corporate (financial)	<div style="background-color: #0072bc; color: white; padding: 2px; text-align: center;">Environmental</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0072bc; color: white; padding: 2px; text-align: center;">Social</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	Corporate (non-financial)	<div style="background-color: #0072bc; color: white; padding: 2px; text-align: center;">Environmental</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<div style="background-color: #0072bc; color: white; padding: 2px; text-align: center;">Social</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

Corporate (financial)

In order to integrate sustainability analysis into its investment activities, Ilmarinen uses a responsible investment rating system. The ratings steer investment activities so that, for the lowest ratings, there are specific procedures in place based on which some of the investments may be allowed to be carried out.

Corporate (non-financial)

In order to integrate sustainability analysis into its investment activities, Ilmarinen uses a responsible investment rating system. The ratings steer investment activities so that, for the lowest ratings, there are specific procedures in place based on which some of the investments may be allowed to be carried out.

Fixed income - Engagement

FI 18	Mandatory to Report Voluntary to Disclose	Core Assessed	PRI 2
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FI 18.1 Indicate if you engage on your fixed income assets. Please exclude any engagements carried out solely in your capacity as a shareholder.

Category	Proportion of assets
SSA	<input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5% <input checked="" type="radio"/> We do not engage
Corporate (financial)	<input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input type="radio"/> More than 0%, less than 5% <input checked="" type="radio"/> We do not engage
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 26-50% <input type="radio"/> 5-25% <input checked="" type="radio"/> More than 0%, less than 5%

FI 18.2 Indicate your motivations for conducting engagement.

To gain insights into ESG (i.e. enhance disclosure)

To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity)

Other, specify

We do not engage

FI 19.1	Indicate how you typically engage with issuers as a fixed income investor, or as both a fixed income and listed equity investor. (Please do not include engagements where you are both a bondholder and shareholder but engage as a listed equity investor only.)
----------------	---

Select all that apply

Type of engagement			Corporate (non-financial)	
Individual/Internal staff engagements			<input type="checkbox"/>	
Collaborative engagements			<input checked="" type="checkbox"/>	
Service provider engagements			<input checked="" type="checkbox"/>	

FI 19.2	Indicate how your organisation prioritises engagements with issuers
----------------	---

Select all that apply

			Corporate (non-financial)	
Based on potential materiality of ESG factors			<input type="checkbox"/>	
Based on systemic risks to global portfolios			<input type="checkbox"/>	
Based on our exposure (holdings) to ESG risks			<input type="checkbox"/>	
Other, describe			<input checked="" type="checkbox"/>	

FI 19.3	Indicate when your organisation conducts engagements with issuers.
----------------	--

Select all that apply

			Corporate (non-financial)	
Engagements are conducted pre-investment			<input type="checkbox"/>	
Engagements are conducted post-investment			<input checked="" type="checkbox"/>	
Other, describe			<input type="checkbox"/>	

FI 19.4

Indicate how your organisation conducts engagements with issuers.

Select all that apply

			Corporate (non-financial)
We systematically engage prior to ESG-related divestments			<input type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities			<input type="checkbox"/>
We engage in reaction to ESG issues which have already affected the issuer			<input checked="" type="checkbox"/>
Investment and ESG analysts systematically conduct ESG-related engagements together			<input type="checkbox"/>
Other, describe			<input type="checkbox"/>

FI 19.5

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

			Corporate (non-financial)
We conduct engagements with individual issuers			<input checked="" type="checkbox"/>
We conduct engagements across sectors and industries			<input type="checkbox"/>
We conduct engagements on specific ESG themes (e.g. human rights)			<input type="checkbox"/>
Other, describe			<input type="checkbox"/>

FI 19.6

Indicate how your organisation shares the outcomes of the engagements internally.

Select all that apply

			Corporate (non-financial)	
We have a systematic process to ensure the outcomes of engagements are made available			<input type="checkbox"/>	
We occasionally make the outcomes of engagements available			<input checked="" type="checkbox"/>	
Other, describe			<input type="checkbox"/>	
We do not make this information available			<input type="checkbox"/>	

FI 20	Mandatory to Report Voluntary to Disclose	Additional Assessed	PRI 1,2
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FI 20.1 Indicate if your publicly available policy documents explicitly refer to fixed income engagement separately from engagements in relation to other asset classes.

Yes

FI 20.2 Please attach or provide a URL to your fixed income engagement policy document. [Optional]

URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015 -ilmarinen_en.pdf

No

FI 20.3 Additional information [OPTIONAL]

In our responsible investment policy we highlight, that engagement is not the primary responsible investment procedure for fixed income, but may still be used.

Outputs and outcomes

FI 21	Mandatory to Report Voluntary to Disclose	Additional Assessed	General
-------	---	---------------------	---------

FI 21.1 Indicate whether your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance.

Select all that apply

	SSA	Corporate (financial)	Corporate (non-financial)	
We measure whether incorporating ESG impacts funds' reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We measure whether incorporating ESG impacts financial returns	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We measure whether incorporating ESG impacts risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
We measure whether incorporating ESG impacts funds' ESG performance	<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"/>	

Communication

FI 23

Mandatory

Core Assessed

PRI 2,6

FI 23.1

Indicate if your organisation proactively discloses information on your approach to RI across all of your fixed income investments.

- We disclose it publicly

Provide URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

FI 23.2

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

- Yes

FI 23.3

Indicate the information your organisation proactively discloses to the public regarding your approach to RI incorporation.

- Broad approach to RI incorporation
 Detailed explanation of RI incorporation strategy used

FI 23.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested
- No
- We disclose it to clients and/or beneficiaries only
- We do not proactively disclose it to the public and/or clients/beneficiaries

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Property

PRI disclaimer

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Overview

PR 01	Mandatory to Report Voluntary to Disclose	Descriptive	General
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PR 01.1 Indicate the level of ownership you typically hold in your property investments.

- a majority stake (>50%)
- a 50% stake
- a significant minority stake (between 10-50%)
- a limited minority stake (<10%)
- a mix of ownership stakes
- N/A, we manage properties, new constructions and/or refurbishments on behalf of our clients, but do not hold equity in property on their behalf

PR 02	Mandatory to Report Voluntary to Disclose	Gateway	General
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PR 02.1 Provide a breakdown of your organisation's property assets based on who manages the assets.

Property assets managed by	Breakdown of your property assets (by number)
Managed directly by your organisation	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed via third-party property managers appointed by you	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Managed by other investors or their property managers	<input type="radio"/> >50% <input type="radio"/> 10-50% <input checked="" type="radio"/> <10% <input type="radio"/> 0%
Managed by tenant(s) with operational control	<input type="radio"/> > 50% <input type="radio"/> 10-50% <input checked="" type="radio"/> < 10% <input type="radio"/> 0%
Total	100%

PR 03	Voluntary	Descriptive	General
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PR 03.1

Indicate up to three of your largest property types by AUM.

Types	Main property types (by AUM)
Largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input checked="" type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Second largest property type	<input type="radio"/> Industrial <input type="radio"/> Retail <input type="radio"/> Office <input checked="" type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify
Third largest property type	<input type="radio"/> Industrial <input checked="" type="radio"/> Retail <input type="radio"/> Office <input type="radio"/> Residential <input type="radio"/> Leisure/Hotel <input type="radio"/> Mixed use <input type="radio"/> Other, specify

PR 03.2

Additional information.

In addition Ilmarinen's portfolio includes hotels, logistics, elderly care and parking properties.

PR 04

Voluntary

Descriptive

PRI 1-6

PR 04.1

Provide a brief overview of your organisation's approach to responsible investment in property.

Ilmarinen functions as a lessor, maintainer and developer of real estate. The environmental impacts of buildings and the design and use of the built environment are key issues in terms of societal well-being.

Owning real estate (leasing and maintenance)

We invest in resource-efficient buildings that are healthy and safe for their users and located along good traffic connections. We work closely with tenants throughout the life-cycle of the investment. The goal of this co-operation is to improve customer satisfaction by, for example, obtaining information about any modifications required by the intended use of the premises. We work closely with our tenants in improving environmental issues, for example, by financing energy-efficient solutions.

In terms of maintenance, the co-operation can be used to combat the shadow economy, minimise the negative environmental impacts of buildings and improve energy efficiency. We manage real estate systematically and

proactively, which means long-term planning and implementation of maintenance that spans the entire life-cycle of the real estate. We address problems quickly and know our tenants and properties well.

We maintain our real estate portfolio in a way that preserves the value of the buildings. We own several buildings that are integral to the cityscape, in particular in central Helsinki, and are mindful of our responsibility in terms of maintaining the city's cultural heritage. For us, responsibility for cultural history means carrying out renovations in a manner that preserves the cityscape, offers high-quality architecture and takes contemporary urban culture into account.

We comply with EU sanctions related to approving tenants to our real estate locations.

Property development

As property developers, we require a LEED Gold or corresponding environmental label at the very least. The label sets strict requirements on the selection of building materials, energy efficiency, water consumption, indoor air quality and the location of the building, for example.

In addition, we require our service suppliers to fulfil their contractor's liability, combat the shadow economy and adopt safe working practices. We are involved in developing these practices in the real estate and construction industry, for instance, by participating in working groups and taking part in public dialogue.

PR 05	Mandatory	Core Assessed	PRI 1-6
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PR 05.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
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Yes

PR 05.2	Provide a URL if your RPI policy is publicly available. [Optional]
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http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015-ilmarinen_en.pdf

No

Pre-investment (selection)

PR 08	Mandatory	Gateway	PRI 1
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PR 08.1	Indicate if your organisation typically incorporates ESG issues when selecting property investments.
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Yes

PR 08.2	Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.
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As a significant property owner and developer in Finland with nearly 5000 residential apartments to let and hundreds of office, retail and logistics property locations, Ilmarinen pays close attention to ESG issues in property investment selection.

Ilmarinen considers location as the most important criteria for real estate investment. The second is ensuring rental cashflow from the property. The other aspects to consider are letting, technical, environmental, financial and legal.

Ilmarinen has extensive internal guidelines on property investments, project development and renovations that take into account ESG issues. The issues are such as property lifecycle extension (incl. flexibility of interior spaces), energy and material efficiency, environmental certificates, waste management (during and after construction), building quality, tax avoidance and corruption prevention. These guidelines are carefully

investigated during the investment's due diligence process or stated in the beginning of renovation and project development process.

No

PR 09	Voluntary	Descriptive	PRI 1,4
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PR 09.1	Indicate whether your organisation typically uses ESG advice and research sourced internally and/or externally when incorporating ESG issues into the property investment selection process.
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- Internal staff
 - Specify role
 - Technical, Letting
 - Specify role
 - Legal
 - Specify role
 - Partner selection
- External resources
 - Environmental advisors
 - Social advisors
 - Corporate governance advisors
 - Regulatory and/or legal advisors
 - Other, specify type of advisors/roles
- No use of internal or external advice on ESG issues

PR 09.2	Additional information.
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Depending on the investment Ilmarinen uses external advisors in due diligence process for legal, technical, environmental and tax issues as well as reviewing the background of potential business partners.

PR 10	Mandatory	Core Assessed	PRI 1,3
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PR 10.1	Indicate which E, S and/or G issues are typically considered by your organisation in the property investment selection process and list up to three examples per issue.
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ESG issues

- Environmental

List up to three typical examples of environmental issues

Location - We invest in buildings that are located along good traffic connections.

Environmental and technical due diligence

Assessment for environmental label feasibility for investments in Finland (commercial buildings)

- Social

List up to three typical examples of social issues

Health and safety of buildings
Resource efficient building design

Governance

List up to three typical examples of governance issues

Partner and tenant background assessment
Tax and legal due diligence

PR 11	Voluntary	Additional Assessed	PRI 1,3
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PR 11.1	Indicate what type of ESG information your organisation typically considers during your property investment selection process.
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- Raw data from the target property asset/company
- Appraisals/audits
- Benchmarks/ratings against similar property asset
- Country level data/benchmarks
- Data aligned with established property reporting standards, industry codes and certifications
- International initiatives, declarations or standards
- Data from engagements with stakeholders (e.g. tenants and local community surveys)
- Information from external advisers
- Other, specify
- We do not track this information

PR 12	Voluntary	Additional Assessed	PRI 1
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PR 12.1	Indicate if ESG issues impacted your property investment selection process during the reporting year.
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- ESG issues helped identify risks and/or opportunities for value creation
- ESG issues led to the abandonment of potential investments
- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the investment selection process
- Other, specify
- We do not track this potential impact

PR 12.2	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
----------------	---

- ESG issues impacted the investment in terms of price offered and/or paid
- ESG issues impacted the terms in the shareholder/purchase agreements and/or lending covenants
- ESG issues were considered but did not have an impact on the deal structuring process
- Other, specify
- We do not track this potential impact

Selection, appointment and monitoring third-party property managers

PR 13	Mandatory	Core Assessed	PRI 4
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PR 13.1	Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.
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- Yes

PR 13.2	Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.
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- Selection process of property managers incorporated ESG issues
 - For all third party property managers
 - For a majority of property managers
 - For a minority of property managers
- Contractual requirements when appointing property managers includes ESG issues
 - For all third party property managers
 - For a majority of property managers
 - For a minority of property managers
- Monitoring of property managers covers ESG responsibilities and implementation
 - For all third party property managers
 - For a majority of property managers
 - For a minority of property managers

PR 13.3	Provide a brief description of your organisation's selection, appointment and monitoring of third party property managers. [Optional]
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From a third party property manager Ilmarinen requires sufficient competence and resources to meet Ilmarinen's targets for responsible property management. Ilmarinen also require manager to take responsibility issues into account in their operations and to fulfil their social obligations. For the property manager Ilmarinen sets KPIs eg. for energy consumption and customer satisfaction to measure manager's performance in the area. KPIs are monitored on a yearly basis. Otherwise Ilmarinen uses regular meetings and periodic reporting to monitor and measure third party property managers.

We always seek the best expertise for real estate maintenance. We have changed the operating model of our real estate management services for 2016 by switching from one maintenance and rental service provider to four service providers with special expertise in different fields. For example, energy management was segregated as a separate area within real estate management and is now managed by a specialised service provider.

PR 13.4

Describe how your third party property managers contribute to the management of ESG issues for your property investments. [Optional]

The majority of Ilmarinen's properties are managed (property management) by Ovenia Oy. Ovenia adopts Ilmarinen's targets for responsible property management through active communication and education to update personnel knowledge. Ovenia has stated strategy for environmental issues and is using WWF Green Office environmental management system in its operations. Ovenia is a member of Green Building Council Finland. Green Building Council Finland belongs to the worldwide Green Building Council network. The Green Building Council network brings together knowledge and expertise in sustainable development and also represents its members in the field both domestically and internationally.

No

Post-investment (monitoring and active ownership)

Overview

PR 14

Mandatory

Gateway

PRI 2

PR 14.1

Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.

Yes

PR 14.2

Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.

- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and refurbishments
- We consider ESG issues in property occupier engagements
- We consider ESG issues in community engagements related to our properties
- We consider ESG issues in other post-investment activities, specify

PR 14.3

Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets. [Optional]

In property maintenance Ilmarinen requires from the contractors competence and resources to meet our targets for responsible maintenance. We also require them to take responsibility issues into account in their operations and to fulfil their social obligations.

We have signed the national energy efficiency agreement for office premises and for rental flats. In these properties, we carried out energy savings measures amounting to 1,099 MWh in 2015. We carried out energy savings projects in several properties that included, among other things, rebuilding the lighting system, cooling systems and the controls of the building's technical systems. As a measure to save water, we replaced the water fixtures of four residential buildings with low-flow fixtures. The fact that both the energy and water intensity in the properties we own have remained at the same level on average in recent years, in spite of the savings measures, can be explained by the tenants' energy and water consumption, which sometimes exceeds the savings achieved in the buildings through the investments.

We work closely with tenants throughout the life cycle of the investment and cooperate in improving environmental issues, for example, by financing energy-efficient solutions. All of our properties for rent have an energy performance certificate.

During 2016, the energy management of Ilmarinen's properties will be handed over to a new energy manager. During 2016, we will have a long-term energy-efficiency plan drawn up for each property with the goal of further improving the management of energy savings measures and of ensuring that energy issues are taken into account in connection with all repairs. We will improve the management of daily energy consumption by connecting the most significant properties to the energy manager's remote management system. For 2016, projects in the planning phase include, among others, the ESCO project aimed at energy savings in the Graniittitalo building and the installation of a 300-kWp solar power system on the roof of Ilmarinen's office building.

In the letting activities Ilmarinen has set controls to prevent shadow economy, money laundering and other ways of using premises for criminal purposes.

No

Property monitoring and management

PR 15

Mandatory

Core Assessed

PRI 2,3

PR 15.1

Indicate the proportion of property assets for which your organisation, and/or property managers, set and monitored ESG targets (KPIs or similar) during the reporting year.

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

PR 15.2

Indicate ESG issues for which your organisation, and/or property managers, typically sets and monitors targets (KPIs or similar) and provide examples per issue.

ESG issues

Environmental

List up to three example targets per issue

energy and water consumption
waste consumption
environmental labels for new buildings

Social

List up to three example targets per issue

customer satisfaction
internal employee satisfaction

Governance

List up to three example targets per issue

corruption and bribery prevention

shadow economy and tax avoidance prevention

Controls for letting activity - Ilmarinen uses Dow Jones sanction lists for security monitor

We do not set and/or monitor against targets

PR 15.3 Additional information. [Optional]

The built environment causes significant climate impacts which need to be taken into account when assessing the development outlook of buildings. In 2015, we commissioned a carbon footprint calculation for the REDI shopping centre to be built in the Kalasatama district in Helsinki. The carbon footprint of the construction of the shopping centre is 53,600 tCO_{2e}, and the specific carbon footprint of the use of construction materials is 361 kg CO_{2e}/m².

As of 2016, we will start calculating the carbon footprint for the entire life cycle of our housing production from construction to maintenance and possible demolition. From housing production we plan to proceed to the life cycle calculation of the greenhouse gas emissions from all new construction projects. Carbon footprint measurements will help us identify measures to reduce the greenhouse gas emissions resulting from construction. We believe that the carbon footprint of buildings also affects the users' choices.

The life cycle carbon footprint of a building is largely caused during the building's use, but the majority of the choices affecting the carbon emissions during use are made in the construction phase. During the building maintenance phase, the largest climate impacts stem from energy consumption. In connection with new construction projects, we carry out energy simulations and chart the potential and profitability of renewable energy, especially geothermal heat, as the buildings' energy source. We also draw on construction sector players' experiences with various low-emission construction materials, such as wood, for our own structural engineering.

We require all of our service providers to abide by their contractor's liability, recruit foreign workers in accordance with the Finnish collective agreements, combat the grey economy and adopt safe working practices. We are involved in developing these practices in the real estate and construction industry, for instance, by participating in the working groups of the construction sector association RAKLI and taking part in public dialogue. We also monitor occupational health and safety indicators in property development

PR 16 Voluntary Descriptive **PRI 2**

PR 16.1 Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks

Yes

PR 16.2 List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.

Add certification scheme, rating and benchmark 1

Specify	LEED or equiv.
Proportion of property assets these apply to	<input type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input checked="" type="radio"/> <10% of property assets (in terms of number of property assets)

Add certification scheme, rating and benchmark 2

Specify	Energy efficiency certificate
Proportion of property assets these apply to	<input checked="" type="radio"/> >90% of property assets <input type="radio"/> 51-90% of property assets <input type="radio"/> 10-50% of property assets <input type="radio"/> <10% of property assets (in terms of number of property assets)

Add certification scheme, rating and benchmark 3

No

PR 16.3	Additional information.
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As property developers, we require a LEED Gold or corresponding environmental label at the very least. The label sets strict requirements on the selection of building materials, energy efficiency, water consumption, indoor air quality and the location of the building, for example.v

During 2015, four buildings developed by us were completed: an office building in Oulu, a logistics centre in Tuusula, a shopping centre in Lappeenranta and a hotel in Helsinki. Hotel Indigo Helsinki was the first hotel in Finland to be granted LEED Gold certification. The logistics and shopping centre buildings also received LEED Gold certification and the office building achieved LEED Platinum status, the highest accreditation for environmental performance. In addition, the Puuvilla shopping centre in Pori, completed in 2014, was granted LEED Platinum status in the beginning of 2016.

Property developments and refurbishments

PR 17	Mandatory	Core Assessed	PRI 2
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PR 17.1	Indicate the proportion of active property developments and refurbishments where ESG issues have been considered.
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- >90% of active developments and refurbishments
- 51-90% of active developments and refurbishments
- 10-50% of active developments and refurbishments
- <10% of active developments and refurbishments
- N/A, no developments and refurbishments of property assets are active

(by number of active property developments and refurbishments)

PR 17.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and refurbishments.
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- Minimum environmental site selection requirements
- Minimum environmental site development requirements
- Sustainable construction materials
- Minimum water efficiency requirements
- Minimum energy efficiency requirements
- Energy generation from on-site renewable sources
- Waste management plans at sites
- Health and safety management systems at sites
- Construction contractors comply with sustainability guidelines
- Other, specify

extensive warranty periods (beyond the minimum usually applied by the industry), improved building quality, stakeholder dialogues, supply chain issues

PR 17.3	Additional information. [Optional]
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The experts in charge of executing real estate business operations have drawn up design guidelines for property development, which guide the management of environmental issues around property development. We always seek the best expertise in property development and select our co-operation partners on a case-by-case basis.

The issues covered in these guidelines include property lifecycle extension (incl. flexibility of interior spaces), energy and material efficiency, environmental certificates, waste management (during and after construction), building quality, tax avoidance and corruption prevention. These guidelines are stated to the project group in the beginning of renovation and project development process.

During 2015 we were involved with a couple of ESCO (Energy Service Company) projects, where energy efficiency gains are used to pay the initial investment costs.

Occupier engagement

PR 18	Mandatory	Core Assessed	PRI 2
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PR 18.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
----------------	---

- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 18.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
----------------	---

- Distribute a sustainability guide to occupiers
- Organise occupier events focused on increasing sustainability awareness
- Deliver training on energy and water efficiency
- Deliver training on waste minimisation
- Provide feedback on energy and water consumption and/or waste generation
- Provide feedback on waste generation
- Carry out occupier satisfaction surveys
- Other, specify

PR 18.3	Additional information. [Optional]
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On a yearly basis Ilmarinen takes part in the domestic energy saving week. During that week we inform our tenants about energy saving issues and offer additional information on subject. Ilmarinen has done campaigns on energy efficiency and waste management to our residential customers. For our retail, office and industrial property customers we have provided with training and consultancy services on energy, water and waste efficiency.

PR 19	Voluntary	Additional Assessed	PRI 2
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PR 19.1	Indicate the proportion of all leases signed during the reporting year that used green leases or the proportion of Memoranda of Understandings (MoUs) with reference to ESG issues.
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- >90% of leases or MoUs
- 51-90% of leases or MoUs
- 10-50% of leases or MoUs
- <10% of leases or MoUs
- 0% of leases or MoUs
- N/A, no leases or MoUs were signed during the reporting year

(in terms of number of leases or MoUs)

PR 19.2	Additional information.
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We believe that clients will choose properties that take environmental issues into consideration. However, in Finland green leases are not yet an industry practice.

Community engagement			
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PR 20	Voluntary	Additional Assessed	PRI 2
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PR 20.1	Indicate in respect of what proportion of property assets your organisation, and/or your property managers, engaged with the community on ESG issues during the reporting year.
----------------	---

- >90% of property assets
- 51-90% of property assets
- 10-50% of property assets
- <10% of property assets

(in terms of number of property assets)

PR 20.2	Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement.
----------------	--

- ESG education programmes for the community
- ESG enhancement programmes for public spaces
- Research and networking activities focusing on ESG issues
- Employment creation in communities
- Supporting charities and community groups
- Other, specify
Meetings related to Maxim cinema building and asylum seeker centre

PR 20.3	Additional information.
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We were planning to convert the Maxim cinema building in Helsinki into a hotel, but as a result of the dialogue held with the national movement to save Maxim we decided to preserve the auditoriums and to even add a new one. However, we have to comply with the statutory requirement concerning profitable and secure investing also in real estate investments, just like in any investment operations. To meet the profitability requirement, the Maxim cinema building will also house hotel flats alongside the cinema.

Another topic related to the use of real estate that sparked social debate in 2015 was the establishment of reception centres for asylum seekers in Ilmarinen's properties. We charted our vacant buildings as the need emerged in Finland to find accommodation for asylum seekers at short notice. We rented two properties to Luona, which has overall responsibility for the operations of the centres in the buildings. We participated in a meeting organized by Luona with the residents of the area regarding the establishment of one of these asylum seeker centers.

Outputs and outcomes

PR 21	Voluntary	Additional Assessed	PRI 1,2
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PR 21.1	Indicate whether your organisation measures how your approach to responsible investment in property investments has affected financial and/or ESG performance.
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- We measure whether our approach to ESG issues impacts funds' financial performance
- We measure whether our approach to ESG issues impacts funds' ESG performance
- None of the above

Communication

PR 23	Mandatory	Core Assessed	PRI 6
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PR 23.1 Indicate if your organisation proactively discloses ESG information on your property investments.

Disclose publicly

provide URL

http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/vastuullisen-sijoittamisen-periaatteet-2015_-ilmarinen_en.pdf

provide URL

<http://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/ilmarisen-yritysvastuuraportti-2015.pdf>

PR 23.2 Indicate if your organisation uses property specific reporting standards to disclose information related to your property investments' ESG performance.

- Global Reporting Initiative (GRI) Construction & Real Estate Sector Supplement (CRESS)
- Other property reporting standards, specify
Reporting to energy efficiency program
- No property specific reporting standards are used

PR 23.3 Indicate if the level of ESG information you provide to the public is the same as the level you provide to your clients/beneficiaries.

Yes

PR 23.4 Indicate the type of ESG information that your organisation proactively discloses to the public and/or your clients/beneficiaries.

- ESG information on how you select property investments
- ESG information on how you monitor and manage property investments
- Information on your property investments' ESG performance
- Other, specify

PR 23.5 Indicate your organisation's typical frequency of disclosing ESG information to the public and/or your clients/beneficiaries.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc/when requested, specify

PR 23.6

Describe the ESG information and how your organisation proactively discloses it to the public and/or clients/beneficiaries. [Optional]

In 2015 we published our first GRI G4 core level report on corporate responsibility, which includes information on our property investments. In addition, we cover property in our responsible investment policy.

- No
- Disclose to clients/beneficiaries only
- No proactive disclosure to the public or to clients/beneficiaries