



LEA 02	Disclosures	Monetary	Principles
<p>By providing separate data on each of the following categories, you will be able to understand the impact of your investments on the environment, society and governance (ESG) issues, and to assess the risk of your investments in these areas. This information is also useful for your stakeholders, including investors, employees, and the public.</p> <p>For more information on the LEA 02, please visit www.unpri.org/leas.</p>	<p>LEA 02</p>	<p>Monetary</p>	<p>Principles</p> <p>PRI 1, 2, 3</p>
<p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>	<p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p>Reason for interaction</p> <p><input checked="" type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input checked="" type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p> <p><input type="checkbox"/> To support investment decision-making in & company's interests</p> <p><input type="checkbox"/> To influence corporate transition or identify the need for additional action</p> <p><input type="checkbox"/> To engage internal ESG advisors</p> <p><input type="checkbox"/> Other: specify</p> <p><input type="checkbox"/> We do not engage internal staff</p>

RI TRANSPARENCY REPORT

2017

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	✓	Public							✓
OO 08	Segregated mandates or pooled funds	✓	Public							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO End	Module confirmation page	✓	-							

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		✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	-	n/a							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	✓	Private	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 15	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 16	ESG issues for externally managed assets not reported in framework	✓	Public							✓
SG 17	Innovative features of approach to RI	✓	Public							✓
SG End	Module confirmation page	✓	-							

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	Evaluating engagement and voting practices in manager selection (listed equity/fixed income)	✓	Public		✓					
SAM 07.1	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 07.2-5	Appointment processes (listed equity/fixed income)	✓	Public	✓						
SAM 08	Monitoring processes (listed equity/fixed income)	✓	Public	✓						
SAM 09	Monitoring on active ownership (listed equity/fixed income)	✓	Public	✓						
SAM 10	Percentage of (proxy) votes	✓	Public		✓					
SAM 11	Percentage of externally managed assets managed by PRI signatories	✓	Public	✓						
SAM 12	Examples of ESG issues in selection, appointment and monitoring processes	✓	Public	✓						✓
SAM 13	Disclosure of RI considerations	✓	Public							✓
SAM End	Module confirmation page	✓	-							

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	✓	Public	✓						
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	✓	Public	✓						
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	✓	Public	✓						
LEI 17	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
LEI End	Module confirmation page	✓	-							

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	✓	Public		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	✓	Public		✓					
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	✓	Public		✓					
LEA 25	Shareholder resolutions	✓	Public		✓					
LEA 26	Examples of (proxy) voting activities	-	n/a		✓					
LEA 27	Disclosing voting activities	✓	Public		✓				✓	
LEA End	Module confirmation page	✓	-							

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		✓				✓	
FI End	Module confirmation page	✓	-							

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	Responsible Property Investment (RPI) policy	✓	Public	✓						✓
PR 05	Fund placement documents and RI	🔒	n/a	✓			✓			✓
PR 06	Formal commitments to RI	🔒	n/a				✓			
PR 07	Incorporating ESG issues when selecting investments	✓	Public	✓						
PR 08	Types of ESG information considered in investment selection	✓	Public	✓		✓				
PR 09	ESG issues impact in selection process	✓	Public	✓						
PR 10	ESG issues in selection, appointment and monitoring of third-party property managers	✓	Public				✓			
PR 11	ESG issues in post-investment activities	✓	Public		✓					
PR 12	Proportion of assets with ESG targets that were set and monitored	✓	Public		✓	✓				
PR 13	Certification schemes, ratings and benchmarks	✓	Public		✓					
PR 14	Proportion of developments and refurbishments where ESG issues were considered	✓	Public		✓					
PR 15	Proportion of property occupiers that were engaged with	✓	Public		✓					
PR 16	Proportion of green leases or MOUs referencing ESG issues	✓	Public		✓					
PR 17	Proportion of assets engaged with on community issues	✓	Public		✓					
PR 18	ESG issues affected financial/ESG performance	✓	Public	✓	✓					
PR 19	Examples of ESG issues that affected your property investments	✓	Public	✓		✓				
PR 20	Disclosure of ESG information to public and clients/beneficiaries	✓	Public							✓
PR End	Module confirmation page	✓	-							

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Organisational Overview

PRI disclaimer

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Basic Information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the type that best describes your organisation or the services you provide.

- 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

Public

Peering

General

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

538

OO 03

Mandatory

Public

Descriptive

General

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

Public

Gateway/Peering

General

OO 04.1 Indicate the year end date for your reporting year.

31/12/2016

OO 04.2 Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on.

	trillions	billions	millions	thousands	hundreds
Total AUM		37	214	400	000
Currency	EUR				
Assets in USD		39	826	981	465

OO 06

Mandatory

Public

Descriptive

General

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

OO 06.1 How you would like to disclose your asset class mix.

- as percentage breakdown
- as broad ranges

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

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	Provide contextual information on your AUM asset class split. [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 07	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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OO 07.1	Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.
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Internally managed	SSA	20
	Corporate (financial)	40
	Corporate (non-financial)	35
	Securitised	5
	Total	100%
	Externally managed	SSA
Corporate (financial)	100	
Corporate (non-financial)	0	
Securitised	0	
Total	100%	

OO 08	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

OO 08.1	Provide a breakdown of your organisation's externally managed assets between segregated mandates and pooled funds.
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Asset class breakdown	Segregated mandate(s)	Pooled fund(s)
[a] Listed equity	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
[b] Fixed income - SSA	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[c] Fixed income – Corporate (financial)	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[d] Fixed income – Corporate (non-financial)	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
[e] Fixed income – Securitised	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[f] Private equity	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
[g] Property	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[j] Hedge funds	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50 %
[n] Cash	<input checked="" type="radio"/> 0% <input type="radio"/> <10%	<input type="radio"/> 0% <input checked="" type="radio"/> <10%

	<input type="radio"/> 10-50% <input type="radio"/> >50 %	<input type="radio"/> 10-50% <input type="radio"/> >50 %
Total externally managed assets	<i>Please ensure the entire table (both columns combined) totals to 100%</i>	

OO 09	Mandatory to Report Voluntary to Disclose	Public	Peering	General
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OO 09.1	Indicate the breakdown of your organisation's AUM by market.
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Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	<i>100%</i>

Gateway asset class implementation indicators				
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OO 10	Mandatory	Public	Gateway	General
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OO 10.1	Select the 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 10.2	Select the 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 factors 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 10.3	Select the 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	Mandatory	Public	Gateway	General
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OO 11.1	Select the internally managed asset classes in which you addressed ESG incorporation 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

OO 11.2	Select the 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)
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- Fixed income – corporate (financial)
- Private equity
- Property
- Hedge funds
- Cash
- None of the above

OO 11.3	Additional information. [Optional]
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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 12	Mandatory	Public	Gateway	General
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You will need to make a selection in OO 12.1 only if you have any voluntary modules that you can choose to report on.

OO 12.1	Select from below any additional applicable modules or sections you would like to report on voluntarily. You are only required to report on asset classes that represent 10% or more of your AUM.
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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)
- Fixed income - Securitised

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 (financial)
- Private Equity

Closing module

- Closing module

Ilmarinen Mutual Pension Insurance Company

Reported Information

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Strategy and Governance

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Investment policy

SG 01

Mandatory

Public

Core Assessed

General

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

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 RI 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 if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Processes / approaches to incorporating ESG
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Indicate what norms you have used to develop your investment policy that covers your responsible investment approach.

- 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, specify (3)
- None of the above

SG 01.5

Describe your organisation's investment principles, and overall investment strategy, and how they consider ESG factors and real economy impact.

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 01.6

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

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 to international norms, we have excluded specific companies from our investments based on their activities relating to tobacco, coal or controversial weapons.

SG 02**Mandatory****Public****Core Assessed****PRI 6**

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

SG 02.1

Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

- Policy setting out your overall approach

URL/Attachment

- URL

URL

http://www.https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

- Attachment (will be made public)

- Asset class-specific RI guidelines

URL/Attachment

- URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

- Attachment (will be made public)

- Screening / exclusions policy

URL/Attachment

- URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

- Attachment (will be made public)

- Engagement policy

URL/Attachment

- URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

- Attachment (will be made public)
 (Proxy) voting policy

URL/Attachment

- URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/omistajapolitiikka/ilmarinen_omistajaohjauksen_periaatteet_en_v2.pdf

- Attachment (will be made public)
 We do not publicly disclose our investment policy documents

SG 02.2

Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

- URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

- Attachment
 Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

- URL

URL

<https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen-climate-policy.pdf>

- Attachment
 Processes / approaches to incorporating ESG

URL/Attachment

URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attachment

Time horizon of your investment

URL/Attachment

URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/omistajapolitiikka/ilmarinen_omistajaohjauksen_periaatteet_en_v2.pdf

Attachment

Governance structure of organisational ESG responsibilities

URL/Attachment

URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attachment

ESG incorporation approaches

URL/Attachment

URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attachment

Active ownership approaches

URL/Attachment

URL

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attachment

Reporting

URL/Attachment

URL

URL

<https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen-climate-policy.pdf>

Attachment

We do not publicly disclose any investment policy components

SG 02.3 Indicate if your organisation's investment principles, and overall investment strategy is publicly available

Yes

Url

<https://www.ilmarinen.fi/en/ilmarinen/investments/investment-theses/>

No

SG 02.4 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. In our climate policy, we describe our approach and set our goals specifically related to climate.

SG 03	Mandatory	Public	Core Assessed	General
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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 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 seem to be compromised. The personal interest of an Ilmarinen employee or a member of one of the company's governing bodies must not influence his or her behaviour at Ilmarinen. The above-mentioned person's employment, governing body membership or representation in a company other than Ilmarinen may also not influence decisionmaking at Ilmarinen. A person working at Ilmarinen may not be involved in making a decision concerning a matter or transaction from which he or she gains or seems to gain a personal advantage or an advantage benefiting his or her related parties or an entity represented by him or her. In order to identify and prevent conflicts of interest, we have drawn up written operating guidelines for various situations and decision-making processes.

No

SG 04	Voluntary	Public	Descriptive	General
--------------	------------------	---------------	--------------------	----------------

SG 04.1

Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.

Yes

No

SG 04.2

Describe your process on managing incidents

We use a third-party service provider who monitors violations of international norms (global compact and underlying norms, as well as controversial weapons) on our behalf. They alert us in the case of incidents. Based on the initial reports, we can either wait for our service provider to come up with more information or we can also be directly in touch with the respective companies. If the related incident proves severe, we have a process of starting engagements with the companies either on our own, with other investors or through our service provider.

Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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SG 05.1

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 05.2

Additional information. [Optional]

The ownership policy committee outlines the instructions for practical application of responsible investment. The committee prepares, decides on and co-ordinates Ilmarinen's key ownership policy and responsible investment principles. The ownership policy committee includes the President and CEO and representatives of the investment, legal and communications functions. It convenes 4-6 times a year and more frequently if needed.

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

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 Non-Listed Investments

- 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
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- 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 (1)
- Other role, specify (2)

SG 07.2	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
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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 07.3	Indicate the number of dedicated responsible investment staff your organisation has.
----------------	--

	Number
--	--------

1.25

SG 07.4	Additional information. [Optional]
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We have 1 full time responsible investment specialist, and in addition we had in 2016 an analyst trainee working on ESG for 3 months. Individual portfolio managers have responsibilities with regards to RI activities and taking ESG-issues into consideration when making investment decisions. They also bring forward ESG issues in company meetings and attend AGMs as Ilmarinen's representatives.

Promoting responsible investment

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

SG 09.1	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 2016 we participated in collaborative engagement activities by co-signing letters to companies requesting them to report to CDP and sending out these letters to Finnish companies. We also hosted CDP's event at Ilmarinen's premises and organized another round table discussion for our investees to exchange views on climate impacts and CDP in particular

- 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)
- Code for Responsible Finance in the 21st Century
- 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)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)

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

- Basic
- Moderate
- Advanced
- 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 Sustainable Insurance
- 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 in 2016.

- Responsible Finance Principles in Inclusive Finance
- 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 10

Mandatory

Public

Core Assessed

PRI 4

SG 10.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

SG 10.2

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 11	Voluntary	Public	Additional Assessed	PRI 4,5,6
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SG 11.1	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.
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Yes

- Yes, individually
- Yes, in collaboration with others

SG 11.2	Select the methods you have used.
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- Endorsed written submissions to governments, regulators or public policy-makers 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

specify description

Participated in public consultations (written), participated in an interview for public-policy makers conducted by a third party.

SG 11.3	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 12	Mandatory	Public	Descriptive	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 12.1	Indicate if your organisation executes scenario analysis and/or modelling in which the risk profile of future ESG trends at portfolio level is calculated.
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- We execute scenario analysis which includes factors representing the investment impacts of future environmental trends
- We execute scenario analysis which includes factors representing the investment impacts of future social trends
- We execute scenario analysis which includes factors representing the investment impacts of future governance trends
- We execute other scenario analysis, specify
- We do not execute such scenario analysis and/or modelling

SG 12.2	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
----------------	---

- We do the following
 - Allocation between asset classes
 - Determining fixed income duration
 - Allocation of assets between geographic markets
 - Sector weightings
 - Other, specify
Ilmarinen decided to adopt ESG benchmark indices in direct listed equity selection from 2017 onwards (applies to over 50 % of listed equity investments).
- We do not consider ESG issues in strategic asset allocation

SG 12.3	Additional information. [OPTIONAL]
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As part of assessing the climate risks of our investments, we have compared our equity investments against the target of limiting the global increase in temperature to a maximum of two degrees Celsius in line with the Paris Agreement. The analysis was performed by the 2° Investing Initiative, a non-profit think tank, and it is part of a programme financed by the EU Commission. The analysis currently only includes three sectors, forming 8 per cent of the investments in our direct equity portfolio. In the analysis, the investments in Ilmarinen's equity portfolio were compared with the International Energy Agency's (IEA) scenario extending until 2020 for an energy technology mix that will allow limiting the global increase in temperature to 2°C.

SG 15	Mandatory	Public	Descriptive	General
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SG 15.1	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.
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Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - Securitised	Our sustainability rating system and minimum criteria applies to all our direct investment in listed securities related to companies.
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. We have 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 also for money market instruments.

SG 16	Mandatory	Public	Descriptive	General
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SG 16.1	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 (financial)	We have minimum criteria that apply to our externally managed funds. We take these criteria into account when selecting new fund managers. In addition, we monitor the funds' ESG practices.
Private equity	We have minimum criteria that apply to our externally managed funds. We take these criteria into account when selecting new fund managers. In addition, we monitor the funds' ESG practices. 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	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. The minimum requirements defined by Ilmarinen for fund investments cannot be applied as such to defining the sustainability of absolute-return funds. 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.
Cash	We have minimum criteria that apply to our externally managed funds. We take these criteria into account when selecting new fund managers. In addition, we monitor the funds' ESG practices.

Innovation

SG 17	Voluntary	Public	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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We have 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 ratings 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 in Bloomberg terminals and other systems used in the investment organization. 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.

At the beginning of 2017, we introduced, on a broad scale, ESG benchmark indices with a focus on responsibility. The ESG index includes the companies with the best corporate responsibility rating in each sector and area that represent 50 per cent of the market value of the corresponding parent index. In addition, companies that manufacture, for example, tobacco products or controversial weapons, and companies that

have committed serious breaches of international norms are excluded entirely from the ESG indices. The new ESG benchmark indices cover roughly half of Ilmarinen's portfolio of listed equities.

The introduction of the ESG benchmark indices takes responsibility a step further in day-to-day investment operations. The performance of Ilmarinen's portfolio managers is compared against the benchmark index and their incentives are partly tied to it. The ESG benchmark indices correspond better than before to Ilmarinen's own corporate responsibility ratings, and the purpose of the new benchmark indices is to encourage our portfolio managers to place an even greater emphasis on responsible companies in their investment decisions.

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	Public	Core Assessed	PRI 4
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SAM 01.1 Indicate whether your organisation uses investment consultants and/or fiduciary managers.

- Yes, we use investment consultants
- Yes, we use a fiduciary manager that delegates management of some or all of our assets to third-party managers.
- No, we do not use investment consultants or fiduciary managers.

SAM 02	Mandatory	Public	Gateway	PRI 1
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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.

When making fund investments and selecting actively managed 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.

In 2016 we published our climate policy, where in addition to the existing sustainability requirements we also decided, that we will encourage fund managers to assess the climate impacts and risks of investments, to discuss climate aspects with the investee companies and also to report on the climate impacts to investors as part of the other sustainability aspects.

In 2016, we assessed the practices of our funds in various asset classes, with a particular focus on active equity funds. During the year, we conducted an analysis covering 18 active equity fund managers to assess how the asset managers meet our requirements and compared the companies selected for the funds in terms sustainability ratings based on performance, risks, opportunities and controversies. We also reviewed the results with the asset managers to share best practices and encourage especially those asset managers who are only just beginning to take into account corporate responsibility issues.

Listed Equity and Fixed Income Strategies

SAM 03	Mandatory to Report Voluntary to Disclose	Public	Gateway	General
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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	50
	Active - quantitative (quant)	10
	Active - fundamental and active - other	40
		100%

SAM 04	Mandatory	Public	Gateway	PRI 1,2
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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	Listed Equity				
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	Listed Equity				
Screening	<input type="checkbox"/>				
Thematic	<input type="checkbox"/>				
Integration	<input type="checkbox"/>				
None of the above	<input checked="" type="checkbox"/>				

SAM 04.2 Explain how you integrate ESG factors in the selection, appointment and monitoring of your passive funds

Currently our RI processes for asset managers are focused on actively managed funds.

SAM 04.3 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. In addition, during the monitoring phase, we have evaluated the contents of the investment portfolios and the related controversies or violations of international norms, including specific case examples. We also always ask our managers, if they have invested in a company that we have black listed based on a violation of international norms.

We have made some thematic investments although it is not a pre-requisite for all managers. We invest in sustainability-themed funds in cases where the funds in question also fulfil Ilmarinen's other criteria for investment decisions.

Selection

SAM 05	Mandatory	Public	Core Assessed	PRI 1
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SAM 05.1 Indicate what RI-related information your organisation typically covers in the majority of selection documentation for your external managers

	LE																		
Investment strategy and how ESG objectives relate to it	<input checked="" type="checkbox"/>																		
ESG incorporation requirements	<input checked="" type="checkbox"/>																		
ESG reporting requirements	<input checked="" type="checkbox"/>																		
Other	<input type="checkbox"/>																		
No RI information covered in the RFPs	<input type="checkbox"/>																		

SAM 05.2 Explain how your organisation evaluates the investment manager’s ability to align between your investment strategy and their investment approach

Strategy

	LE																		
Assess the time horizon of the investment manager’s investment strategy	<input checked="" type="checkbox"/>																		
Assess the quality of investment policy and its reference to ESG	<input checked="" type="checkbox"/>																		
Assess the investment approach and how ESG objectives are implemented in the investment process (asset class specific)	<input checked="" type="checkbox"/>																		
Assess the ESG definitions to be used	<input type="checkbox"/>																		
Other	<input type="checkbox"/>																		
None of the above	<input type="checkbox"/>																		

ESG people/oversight

	LE									
Assess ESG expertise of investment teams	<input checked="" type="checkbox"/>									
Review the ownership of the ESG implementation	<input checked="" type="checkbox"/>									
Review how is ESG implementation enforced /ensured	<input type="checkbox"/>									
Other	<input checked="" type="checkbox"/>									
None of the above	<input type="checkbox"/>									

Process/portfolio construction/investment valuation

	LE									
Review the process ensuring the quality of the ESG data used	<input type="checkbox"/>									
Review and agree the investment decision making process (and ESG data use in it)	<input type="checkbox"/>									
Review and agree the ESG incorporation strategy impact of ESG analysis on investment decisions	<input type="checkbox"/>									
Review and agree how the manager is targeting returns and ESG objectives	<input type="checkbox"/>									
Review and agree how the manager identifies, measures and manages ESG risk	<input checked="" type="checkbox"/>									
Review and agree return and risk in combination at a portfolio level (portfolio construction) and ESG objectives	<input type="checkbox"/>									
Review how ESG materiality is evaluated by the manager in the monitored period	<input type="checkbox"/>									
Review process for defining and communicating on ESG incidents	<input type="checkbox"/>									
Other, specify	<input type="checkbox"/>									
None of the above	<input type="checkbox"/>									

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

We ask whether the organization has a compliance manual and if they provide related training to employees

SAM 05.3

Describe the selection process

- Review responses to RfP, RfI, DDQ etc.
- Review Limited Partners' Responsible Investment Due Diligence Questionnaire (PE DDQ)
- Review publicly available information
- Review assurance process
- Review PRI Transparency Reports
- Request and discuss PRI Assessment Reports
- Meetings with the potential shortlisted managers
- Site visits to potential managers offices
- Other, specify

SAM 05.4

When selecting external managers does your organisation set any of the following:

	LE								
ESG score	<input type="checkbox"/>								
ESG weight	<input type="checkbox"/>								
Real world economy targets	<input type="checkbox"/>								
Other RI considerations	<input checked="" type="checkbox"/>								
None of the above	<input type="checkbox"/>								

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

Assessing if prospective funds fulfil Ilmarinen's minimum criteria for ESG and related practices is the responsibility of the respective portfolio manager. In this assessment the portfolio manager has a request for proposal questionnaire, including respective questions on responsible investment policies and processes of fund managers.

Based on the questionnaire responses and the discussions, we determine if the asset manager meets our minimum criteria, which include that the managers must have responsible investment principles regarding funds, a clear definition of roles and responsibilities, integration of responsibility analyses into investment decisions and reporting to investors. The asset manager need not have all of the above-mentioned procedures in place when the fund agreement is signed. Instead, the asset manager may continue to develop them during the co-operation in compliance with the agreement.

SAM 06

Mandatory

Public

Additional Assessed

PRI 2

SAM 06.1

Indicate how your organisation typically evaluates the manager's active ownership practices in the majority of the manager.

Engagement

	LE				
Review the manager's engagement policy	<input checked="" type="checkbox"/>				
Review the manager's engagement process (with examples and outcomes)	<input checked="" type="checkbox"/>				
Ensure that engagement outcomes feed back into the investment decision-making process	<input type="checkbox"/>				
Other engagement 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

We discussed topics of engagements and reporting available to investors.

(Proxy) voting

	LE
Review the manager's voting ability within different ownership rights	<input type="checkbox"/>
Review the manager's voting policy	<input checked="" type="checkbox"/>
Ensure that voting outcomes feed back into the investment decision-making process	<input type="checkbox"/>
Other active ownership 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

Voting activity in proportion of fund investments

SAM 06.2

Describe how you assess if the manager's engagement approach is effective.

- Impact on investment decisions
- Impact on company / asset level
- Impact on ESG profile or the portfolio
- Evidence of changes in corporate practices
- Other, specify
- None of the above

SAM 06.3

Describe how you assess if the manager's voting approach is effective/appropriate

- Impact on investment decisions
- Impact on ESG profile or the portfolio
- Evidence of changes in corporate practices
- Other, specify
- None of the above

Appointment**SAM 07.1****Mandatory****Public****Core Assessed****PRI 1****SAM 07.1**

Indicate if in the majority of cases and where the structure of the product allows, your organisation does any of the following as part of the manager appointment

- Sets standard or ESG benchmarks
- Defines ESG objectives
- Sets incentives and controls linked to the objectives
- Requires reporting on these objectives
- None of the above
- None of the above, we invest only in pooled funds and have a thorough selection process

SAM 07.2-5**Mandatory****Public****Core Assessed****PRI 1****SAM 07.2**

Provide an example per asset class of your benchmarks, objectives, incentives/controls and reporting requirements that would typically be included in your managers' appointment.

Asset class

- Listed equity (LE)

Benchmark

- We do not set benchmarks

Objectives

- ☉ We do not define ESG objectives

Incentives and controls

- ☉ We do not set incentives and controls

Reporting requirements

- ☉ We do not require the reporting on ESG objectives

SAM 07.5 Provide additional information relevant to your organisation's appointment processes of external managers. [OPTIONAL]

In the case of private equity and private debt funds, if a fund does not comply with Ilmarinen's minimum requirements on ESG and ESG requirements are not already included in the fund documentation, our aim is to negotiate a side letter on ESG to be included in the contract documentation. In these side letters, the fund managers commit to integrate ESG in investment decisions and to report on ESG to investors.

Monitoring

SAM 08	Mandatory	Public	Core Assessed	PRI 1
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SAM 08.1 When monitoring managers, indicate which of the following types of responsible investment information your organisation typically reviews and evaluates from the investment manager in meetings/calls

	LE								
ESG objectives linked to investment strategy	<input type="checkbox"/>								
Investment restrictions and any controversial investment decisions	<input type="checkbox"/>								
ESG incorporation objectives (with examples)	<input checked="" type="checkbox"/>								
ESG portfolio characteristics	<input checked="" type="checkbox"/>								
How ESG materiality has been evaluated by the manager in the monitored period	<input checked="" type="checkbox"/>								
Information on any ESG incidents	<input checked="" type="checkbox"/>								
Metrics on the real economy influence of the investments	<input type="checkbox"/>								
PRI Transparency Reports	<input checked="" type="checkbox"/>								
PRI Assessment Reports	<input type="checkbox"/>								
Other general RI considerations in investment management agreements; specify	<input type="checkbox"/>								
None of the above	<input type="checkbox"/>								

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

During the year, we conducted an analysis covering 18 active equity fund managers to assess how the asset managers meet our requirements and compared the companies selected for the funds in terms of corporate responsibility. We also reviewed the results with the asset managers to share best practices and encourage especially those asset managers who are only just beginning to take into account corporate responsibility issues.

SAM 08.2 When monitoring external managers, does your organisation set any of the following to measure compliance/progress

	LE								
ESG score	<input checked="" type="checkbox"/>								
ESG weight	<input type="checkbox"/>								
Real world economy targets	<input type="checkbox"/>								
Other RI considerations	<input type="checkbox"/>								
None of the above	<input type="checkbox"/>								

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

During the year, we used a specific tool to assess the ESG profile of the investments of each fund and discussed the results with the respective managers. This review gave us insight to the implementation of ESG ratings in each fund and also their relative ESG profile compared to their peers.

In addition, we ranked our managers based on their performance against our minimum criteria as well as other aspects that we find relevant (such as engagement and proxy voting). This enabled us to see which funds need most progress to meet our expectations and also allowed us to share best practices with the funds.

SAM 09	Mandatory	Public	Additional Assessed	PRI 1
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SAM 09.1 When monitoring managers, indicate which of the following active ownership information your organisation typically reviews and evaluates from the investment manager in meetings/calls

Engagement

	LE				
Report on engagements undertaken (outcomes and examples)	<input checked="" type="checkbox"/>				
Account on engagement ESG impacts	<input checked="" type="checkbox"/>				
Other RI considerations relating to engagement in investment management agreements; specify	<input type="checkbox"/>				
None of the above	<input type="checkbox"/>				

(Proxy) voting

	LE
Report on voting undertaken (with outcomes and examples)	<input checked="" type="checkbox"/>
Report on voting decisions taken	<input checked="" type="checkbox"/>
Other RI considerations relating to (proxy) voting in investment management agreements; specify	<input type="checkbox"/>
None of the above	<input type="checkbox"/>

SAM 10	Mandatory	Public	Additional Assessed	PRI 2
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SAM 10.1 For the listed equities for which you have given your external managers a (proxy) voting mandate, indicate the approximate percentage (+/- 5%) of votes that were cast during the reporting year.

- Votes cast (to the nearest 5%)
- We do not collect this information.

SAM 10.2 Additional information [OPTIONAL]

At the annual review we did last year, we looked at the policies the fund managers have in place as well as votes cast, where this information was available directly to us or through PRI reporting (although this is not only specific to the funds where we had invested). We also discussed voting practices in meetings.

Outputs and outcomes

SAM 11	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SAM 11.1 Indicate approximately what percentage (+/- 5%) of your externally managed assets are managed by PRI signatories.

%

95

SAM 11.2 Describe how you ensure that best RI practice is applied to managing your assets

- Encourage improved RI practices with existing investment managers

Measures

Benchmarking asset managers against each other and sharing best practices. Also we have shared our own practices in direct investments.

- Move assets over to investment managers with better RI practices
- Other, specify
- None of the above

SAM 12	Mandatory	Public	Additional Assessed	PRI 1,6
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SAM 12.1	Provide examples of how ESG issues have been addressed in the manager selection, appointment and/or monitoring process for your organisation during the reporting year.
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Add Example 1

Topic or issue	Minimum requirements for fund managers on ESG
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity
Scope and process	We reviewed how our previously selected fund managers complied with our ESG minimum requirements, which we set in 2015.
Outcomes	We discussed our findings with the managers, some of which have already moved forward in order to develop their responsible investment processes.

Add Example 2

Topic or issue	ESG scores of funds
Conducted by	<input checked="" type="checkbox"/> Internal staff
Asset class	<input type="checkbox"/> All asset classes <input checked="" type="checkbox"/> Listed Equity
Scope and process	We compared the ESG scores of funds to their peers with a tool of our service provider.
Outcomes	We discussed with the managers about the results and gained insight about their strategy on whether they consider ESG scores when selecting investees and if they aim to invest in higher rating companies. We also learned more about their perceptions on the underlying ESG analysis, the scores and their relevance to investment decisions.

- Add Example 3
- Add Example 4
- Add Example 5
- We are not able to provide examples

Communication

SAM 13	Mandatory	Public	Core Assessed	PRI 6
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SAM 13.1

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

- Yes, we disclose information publicly

provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

provide URL

<https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen-climate-policy.pdf>

SAM 13.2

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

- Yes

SAM 13.3

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

SAM 13.4

Additional information. [Optional]

We report on our approach to asset manager selection in our sustainability report, as well as our responsible investment and climate policies.

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	Public	Gateway	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.


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 and Integration strategies

Percentage of active listed equity to which the strategy is applied	 95
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- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined

Percentage of active listed equity to which the strategy is applied	 5
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- We do not apply incorporation strategies

Total actively managed listed equities
--

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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The environmental and social impacts and governance of business operations influence companies' profits, financing costs and reputation, and thus also have a major impact on Ilmarinen's investment returns and risks. We believe that a company that operates responsibly is a better investee in the long run.

According to law, pension assets must be invested in a profitable and secure manner. Responsible investment is not charity and it cannot mean compromising on return targets. A good cause is thus not enough to justify an

investment decision; instead, decisions are based on return and risk assessments, while also taking into account responsibility issues. This way we are carrying out our basic task and securing pension assets also for future generations.

At Ilmarinen, ESG analysis has been integrated into the selection of investees, so it is not a separate function. When selecting investees, our portfolio managers view sustainability ratings along with financial information. The basis of the rating system is a combination of sustainability ratings 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. Investing in companies with lower ratings always requires a separate permit, which can only be granted based on a more detailed assessment. Sustainability ratings already cover 91 per cent of our listed equity investments.

At the beginning of 2017, we introduced, on a broad scale, ESG benchmark indices with a focus on responsibility. The ESG index includes the companies with the best corporate responsibility rating in each sector and area that represent 50 per cent of the market value of the corresponding parent index. In addition, companies that manufacture, for example, tobacco products or controversial weapons, and companies that have committed serious breaches of international norms are excluded entirely from the ESG indices. The new ESG benchmark indices cover roughly half of Ilmarinen's portfolio of listed equities.

The introduction of the ESG benchmark indices takes responsibility a step further in day-to-day investment operations. The performance of Ilmarinen's portfolio managers is compared against the benchmark index and their incentives are partly tied to it. The ESG benchmark indices correspond better than before to Ilmarinen's own corporate responsibility ratings, and the purpose of the new benchmark indices is to encourage our portfolio managers to place an even greater emphasis on responsible companies in their investment decisions.

Climate change is a significant and long-term threat to the future of humanity and ecological sustainability. It will alter how the economy and many companies operate in the coming years. Taking these changes into account is especially important for a long-term operator such as Ilmarinen. We continuously develop our investment operations with the goal of establishing a progressive and systematic approach for taking climate change impacts into account.

In 2016, we adopted a Climate Policy, which will help us to reach our investment targets and take into account the limits set by the climate on the economy. In the Climate Policy, we set ourselves concrete targets for mitigating climate change over the next few years. The Climate Policy also aims to guide the investee companies and asset managers to take corporate responsibility aspects better into account.

In our view, climate change entails not only risks but also opportunities for investors. Climate change opens up new business opportunities, for instance, for companies that generate energy-efficient or clean-tech solutions and thereby aim to mitigate climate change or help adapt to it. We actively seek investees whose business relates, for example, to renewable energy, clean water or improving resource efficiency. Companies that come up with solutions to global challenges as part of their business can enjoy faster growth than the markets and can thus also be good investments.

In 2016, we calculated how large a share of the net sales of our direct listed equity investments comes from solutions related to climate change and, on a broader level, to sustainable development. Business related to climate change solutions includes, among other things, technologies aimed at improving renewable energy and energy efficiency. At the end of the year, the share of these was 3.2 per cent of the net sales of our investees. Sustainable development solutions also include business related to nutrition, prevention of contagious diseases, water supply and education. These accounted for 5.7 per cent of the net sales of our investee companies at the end of the year. In total, we had invested 520 million euros in companies that generate at least 50 % of their net sales from business providing solutions to sustainable development goals, equaling to around 5 % of our investments in direct listed equity.

LEI 04	Voluntary	Public	Additional Assessed	PRI 1
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

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- 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.
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We have developed Ilmarinen's sustainability ratings. The basis of the sustainability rating system is a combination of sustainability ratings 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 addition, we use analysis specific to climate impacts and sustainable development goals. We annually review the carbon footprint of our portfolio and also include indicators of green-brown exposure, such as the share of

different types of energy sources. As part of assessing the climate risks of our investments, we have compared our equity investments against the target of limiting the global increase in temperature to a maximum of two degrees Celsius in line with the Paris Agreement. The analysis was performed by the 2° Investing Initiative

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

LEI 04.5	Additional information.[Optional]
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We prefer brokers who provide comprehensive an in-depth company analysis.

LEI 05	Voluntary	Public	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.

LEI 05.2	Additional information. [Optional]
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Our in-house ESG specialist discusses the key developments of engagement processes and information obtained from the companies with the portfolio managers. In addition, our service provider goes through the engagements they are leading on our behalf as well as collaborative engagements with the key portfolio managers 1-2 times per year.

ESG specialist assesses the resolutions of general meetings and discusses any resolutions that are not in line with Ilmarinen's ownership policy with the head of listed equities and where relevant, also with the respective portfolio managers.

(A) Implementation: Screening

LEI 06	Mandatory	Public	Descriptive	PRI 1
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Type of screening

- Negative/exclusionary screening

Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description

We do not invest in companies that manufacture arms prohibited by international treaties, including cluster munitions and anti-personnel mines. We also do not invest in companies that manufacture components for nuclear weapons or in companies manufacturing tobacco products (more than 50 per cent of net sales from tobacco) and in companies dependent on coal, unless the company has a credible plan for reducing its consumption of coal in the future. According to our definition, companies dependent on coal are those whose share of coal accounts for at least 30 per cent of their net sales or electricity production when at least 30 per cent of the company's net sales comes from electricity.

We expect the companies we own to comply, in addition to national legislation, also with the principles of the UN Global Compact and related international norms concerning human rights, labour rights, the environment and corruption. 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.

Also, we exclude companies whose total ESG rating is below our internal threshold.

- 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
- The Rio Declaration on Environment and Development

Description

We expect the companies we own to comply, in addition to national legislation, also with the principles of the UN Global Compact and related international norms concerning human rights, labour rights, the environment and corruption. Our external service provider reviews our securities investments biannually and reports any detected norm violations or suspicions thereof.

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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We expect the companies we own to comply, in addition to national legislation, also with the principles of the UN Global Compact and related international norms concerning human rights, labour rights, the environment and corruption. Our external service provider reviews our securities investments biannually and reports any detected norm violations or suspicions thereof.

This review covers Ilmarinen's direct investments in listed equities, corporate bonds and derivatives with a single company as the underlying security. At the end of 2016, 90 per cent of our direct listed equity investments, 93 per cent of our listed corporate bond investments and 35 per cent of our total 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.

We report on our exclusion criteria in our responsible investment policy, as well as in our sustainability report. The policy is reviewed approx. once a year.

LEI 07	Mandatory	Public	Core Assessed	PRI 1
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LEI 07.1	Indicate which processes your organisation uses to ensure 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]
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Periodically the data is chased to the source to enhance understanding. 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 and the engagement potential is assessed before making exclusion decisions related to violation of international norms.

LEI 08	Voluntary	Public	Additional Assessed	PRI 1
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LEI 08.1	Indicate which processes your organisation uses to ensure fund criteria are not breached
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- 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 sustainability ratings and the related sustainability analysis and possible changes are now available to our portfolio managers alongside the company's financial figures (Bloomberg)
- None of the above

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

A stock that is on our exclusion list needs to be sold.

If we have a holding that no longer meets our criteria, we are faced with two options: engagement or exclusion. Engagement is our preferred strategy, but if proved not adequate, our last option is exclusion.

(B) Implementation: Thematic

LEI 09	Mandatory	Public	Descriptive	PRI 1
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LEI 09.1	Indicate the type of sustainability thematic funds or mandates your organisation manages.
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- Environmentally themed funds
- Socially themed funds
- Combination of themes

LEI 09.2	Describe your organisation's processes for sustainability themed funds. [Optional]
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While we do not have separate theme funds, we have both environmentally and socially themed investments in our sector/country/other theme portfolios. In our view, climate change entails not only risks but also opportunities for investors. Climate change opens up new business opportunities, for instance, for companies that generate energy-efficient or clean-tech solutions and thereby aim to mitigate climate change or help adapt to it. We actively seek investees whose business relates, for example, to renewable energy, clean water or improving resource efficiency. Companies that come up with solutions to global challenges as part of their business can enjoy faster growth than the markets and can thus also be good investments.

In 2016, we calculated how large a share of the net sales of our direct listed equity investments comes from solutions related to climate change and, on a broader level, to sustainable development. Business related to climate change solutions includes, among other things, technologies aimed at improving renewable energy and energy efficiency. At the end of the year, the share of these was 3.2 per cent of the net sales of our investees. Sustainable development solutions also include business related to nutrition, prevention of contagious diseases, water supply and education. These accounted for 5.7 per cent of the net sales of our investee companies at the end of the year. This is substantially more than our benchmark index, in which the share of sustainable development net sales was only 3.6 per cent. The target set out in our Climate Policy is to double our investments in sustainable development by 2020, provided that the financial criteria of the investments are also met (target 12 per cent of revenue of the total direct listed equity portfolio). This requires us to actively look for and identify new investment opportunities, which will be one of our responsible investment priorities in 2017.

(C) Implementation: Integration of ESG issues

LEI 10	Mandatory	Public	Core Assessed	PRI 1
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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	<p>Environmental</p> <p><input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly</p> <p><input type="radio"/> We do not review environmental issues</p>
Social	<p>Social</p> <p><input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly</p> <p><input type="radio"/> We do not review social issues</p>
Corporate Governance	<p>Corporate Governance</p> <p><input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly</p> <p><input type="radio"/> We do not review corporate governance issues</p>

LEI 10.2

Additional information. [Optional]

At Ilmarinen, responsibility analysis has been integrated into the selection of investees, so it is not a separate function. When selecting investees, our portfolio managers view corporate responsibility ratings in our databases along with financial information. The basis of the rating system is a combination of sustainability ratings 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 corporate responsibility. Investing in companies with lower ratings always requires a separate permit, which can only be granted based on a more detailed assessment. Sustainability ratings already cover 91 per cent of our listed equity investments.

LEI 11	Voluntary	Public	Additional Assessed	PRI 1
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LEI 11.1	Indicate which processes your organisation uses to ensure 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.
----------	---

- 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	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEI 12.1

Indicate which aspects of investment analysis you integrate ESG information into.

- Economic analysis
 - Systematically
 - Occasionally
- Industry analysis
 - Systematically
 - Occasionally
- Quality of management
 - Systematically
 - Occasionally
- Analysis of company strategy
 - Systematically
 - Occasionally
- Portfolio construction
 - Systematically
 - Occasionally

LEI 12.2a

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

LEI 12.3

Describe how you integrate ESG information into portfolio construction

Certain sub-sectors are excluded from our universe. Companies need to meet a minimum ESG threshold to be included in the portfolio.

LEI 12.4a

Describe the methods you have used to adjust the income forecast / valuation tool

We have adjusted the discount rate applied based on high ESG risks, where deemed appropriate.

- Fair value/fundamental analysis
 - Systematically
 - Occasionally

LEI 12.2b

Indicate which methods are part of your process to integrate ESG information into fair value/fundamental analysis and/or portfolio construction.

- Adjustments to forecasted company financials (sales, operating costs, earnings, cash flows)
- Adjustments to valuation tools (discount rates, terminal value)
- Other adjustments to fair value projections, specify

LEI 12.4b

Describe the methods you have used to adjust the income forecast / valuation tool

We have adjusted the discount rate applied based on high ESG risks, where deemed appropriate.

Other, specify

Outputs and outcomes

LEI 14	Voluntary	Public	Descriptive	PRI 1
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LEI 14.1	Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe.
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Screening

Describe any reduction in your starting investment universe or other effects.

We exclude certain investments entirely from our investable universe. Investing in companies with lower ratings always requires a separate permit, which can only be granted based on a more detailed assessment. Sustainability ratings already cover 91 per cent of our listed equity investments.

Thematic

Describe any alteration to your investment universe or other effects.

In 2016, we calculated how large a share of the net sales of our direct listed equity investments comes from solutions related to climate change and, on a broader level, to sustainable development. Business related to climate change solutions includes, among other things, technologies aimed at improving renewable energy and energy efficiency. At the end of the year, the share of these was 3.2 per cent of the net sales of our investees. Sustainable development solutions also include business related to nutrition, prevention of contagious diseases, water supply and education. These accounted for 5.7 per cent of the net sales of our investee companies at the end of the year. This is substantially more than our benchmark index, in which the share of sustainable development net sales was only 3.6 per cent. The target set out in our Climate Policy is to double our investments in sustainable development by 2020, provided that the financial criteria of the investments are also met (target 12 per cent). This requires us to actively look for and identify new investment opportunities, which will be one of our responsible investment priorities in 2017.

Integration of ESG issues

Select which of these effects followed your ESG integration:

- Reduce or prioritise the investment universe
- Overweight/underweight at sector level
- Overweight/underweight at stock level
- Buy/sell decisions
- Other, specify
- None of the above

LEI 14.2	Additional information.[Optional]
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At the beginning of 2017, we introduced, on a broad scale, ESG benchmark indices with a focus on responsibility. The ESG index includes the companies with the best corporate responsibility rating in each sector and area that represent 50 per cent of the market value of the corresponding parent index. In addition, companies that manufacture, for example, tobacco products or controversial weapons, and companies that have committed serious breaches of international norms are excluded entirely from the ESG indices. The new ESG benchmark indices cover roughly half of Ilmarinen's portfolio of listed equities.

The introduction of the ESG benchmark indices takes responsibility a step further in day-to-day investment operations. The performance of Ilmarinen's portfolio managers is compared against the benchmark index and their incentives are partly tied to it. The ESG benchmark indices correspond better than before to Ilmarinen's own corporate responsibility ratings, and the purpose of the new benchmark indices is to encourage our portfolio managers to place an even greater emphasis on responsible companies in their investment decisions.

LEI 16	Voluntary	Public	Descriptive	PRI 1
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LEI 16.1	Provide examples of ESG issues that affected your investment view and/or performance during the reporting year.
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ESG issue 1

	ESG issue and explanation
<p>We carried out a broader separate analysis on governance on the US and Japanese markets as well as sector-specific analyses on corporate responsibility issues in the pharmaceuticals, oil and gas, and biotechnology sectors.</p>	
	ESG incorporation strategy applied
<p><input type="checkbox"/> Screening</p> <p><input type="checkbox"/> Thematic</p> <p><input checked="" type="checkbox"/> Integration</p> <p><input type="checkbox"/> Combination of ESG incorporation strategies</p>	
	Impact on investment decision or performance
<p>These analysis enabled us to have a more thorough understanding to base our assessment of related companies and the investmetn decisions made based on related poor ESG ratings.</p>	

ESG issue 2

ESG issue and explanation
We established the proportion of investments promoting the goals of sustainable development in our equity portfolio and subscribed to related company analysis.
ESG incorporation strategy applied
<input type="checkbox"/> Screening <input checked="" type="checkbox"/> Thematic <input type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
Impact on investment decision or performance
The new analysis will enable us to screen for companies based on their sustainable development business and enable us to identify new investment opportunities. The target set out in our Climate Policy is to double our investments in sustainable development by 2020, provided that the financial criteria of the investments are also met (target 12 per cent). This requires us to actively look for and identify new investment opportunities, which will be one of our responsible investment priorities in 2017.

ESG issue 3

ESG issue and explanation
Comparison of investments with the two-degree target
ESG incorporation strategy applied
<input type="checkbox"/> Screening <input type="checkbox"/> Thematic <input checked="" type="checkbox"/> Integration <input type="checkbox"/> Combination of ESG incorporation strategies
Impact on investment decision or performance
<p>As part of assessing the climate risks of our investments, we have compared our equity investments against the target of limiting the global increase in temperature to a maximum of two degrees Celsius in line with the Paris Agreement. The analysis was performed by the 2° Investing Initiative, a non-profit think tank, and it is part of a programme financed by the EU Commission. The analysis currently only includes three sectors, forming 8 per cent of the investments in our direct equity portfolio. New sectoral analyses are being developed constantly.</p> <p>In the analysis, the investments in Ilmarinen's equity portfolio were compared with the International Energy Agency's (IEA) scenario extending until 2020 for an energy technology mix that will allow limiting the global increase in temperature to 2°C. Of the analysed sectors, our investments in power companies and fossil fuel producers were in line with the two-degree scenario, but car manufacturing companies were not.</p>

- ESG issue 4
- ESG issue 5

Communication

LEI 17	Mandatory	Public	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.

- We disclose it publicly

Provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Provide URL

<https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen-climate-policy.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, including information on ESG incorporation.

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Listed Equity Active Ownership

PRI disclaimer

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

Engagement

Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

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

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
- Engagements following on from decisions
- Other, describe
- None of the above

LEA 01.3

Attach or provide a URL to your engagement policy. [Optional]

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attach document

[NEC Annual Engagement Report GES 2016 final.pdf](#)

LEA 01.4

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

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. We engage with companies both alone and together with our service provider and

other investors. We participate in Nordic Engagement Cooperation, through which 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.

We also engage with companies in relation to General Meetings. We participate in the nomination processes of the Board members of a number of Finnish listed companies. In addition, if any of the General Meeting's motions are in deviation of our Ownership Policy, our primary goal is to hold discussions with the companies prior to the General Meeting and engage with them to reconcile the viewpoints.

No

LEA 01.5	Additional information [optional]
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LEA 02	Mandatory	Public	Gateway	PRI 1,2,3
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LEA 02.1	Indicate the method of engagement, giving reasons for the interaction.
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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. We also engage with companies as part of collaborative engagements through CDP.

Process

Process for engagements run internally

LEA 03	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 03.1 Indicate whether your organisation has a formal process for identifying and prioritising engagement activities carried out by internal staff.

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
- As a follow-up from a voting decision
- Client request
- Other, describe

No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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
- We do not define specific objectives for engagement activities carried out by internal staff.

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
- We do not monitor the actions that companies take following engagement activities carried out by internal staff.

LEA 04.3 Indicate whether your organisation defines milestones and goals for engagement activities carried out by internal staff.

- Yes

LEA 04.4 Indicate if you do any of the following to monitor and evaluate the progress of your engagement activities carried out by internal staff.

- Define timelines for milestones and goals
 - Tracking, monitoring progress against defined milestones and goals
 - Establish a process for when the goals are not met
 - Revisit and, if necessary revise goals on continuous basis
 - Other, please specify
- No

Process for engagements conducted via collaborations

LEA 05

Mandatory

Public

Core Assessed

PRI 2

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

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 response to ESG impacts which has already taken place
 - In response to divestment pressure
 - Client requests
 - Other, describe
- No

LEA 05.3

Additional information [Optional]

The Nordic Engagement Cooperation (NEC) is an integrated part of the members' regular engagement work. NEC engages with companies that are, or have been, involved in systematic incidents or an isolated incident that has severe consequences for the environment or humans. NEC can also initiate engagement with an industry leader to support the development of best-practice within an industry. The collaboration strives to cover a broad range of issues focusing on non-Nordic companies in which all three NEC members have holdings. Companies that the NEC collaboration has agreed to engage with to achieve progress are put on NEC Focus List. Companies are selected based on:

- NEC's ability to influence;
- potential for NEC to gain in-depth understanding of an issue; and
- material issues where monitoring of developments, including company's response and progress, are essential to NEC.

A case can be kept on the NEC Focus list of engagement for a three-year period. If deemed relevant, the dialogue can be extended beyond that period. All members of NEC invest with a long-term horizon. Hence, we have the opportunity to have a long-term dialogue with companies.

The NEC structure includes quarterly meetings, a clear delegation of responsibilities and a secretariat that is responsible for the operational work. NEC is not a closed cooperation - it has from time to time collaborated with other investors. The NEC members are also open to adding additional investors as regular members as determined on a case-by-case basis.

In addition, to NEC, we have also participated on other collaborative engagements. In 2016, we participated in a joint initiative of investors, sending 20 companies we own letters where we urged them to report on their climate impacts through the international organisation CDP.

LEA 06**Mandatory****Public****Core Assessed****PRI 2**

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

LEA 06.1

Indicate if you define specific objectives for your engagement activities carried out collaboratively.

- Yes
 - Yes, for all engagement activities
 - Yes, for the majority of engagement activities
 - Yes, for a minority of engagement activities
- We do not define specific objectives for engagement activities carried out collaboratively.

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
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

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 collaborative engagement activities.

- Define timelines for milestones and goals
 - Tracking, monitoring progress against defined milestones and goals
 - Establish a process for when the goals are not met
 - Revisit and, if necessary revise the goals on a 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****Public****Core Assessed****PRI 2,4**

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

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 the role(s) 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 certain engagements with your service provider
- Ad hoc monitoring and review of engagement processes.
- Other, specify

No

LEA 08

Mandatory

Public

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

Public

Additional Assessed

PRI 1,2

LEA 09.1

Indicate if insights gained from your engagements are shared with your internal or external investment managers.

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

LEA 09.2 Additional information. [Optional]

Our in-house ESG specialist discusses the key developments of engagement processes and information obtained from the companies with the portfolio managers. In addition, our service provider goes through the engagements they are leading on our behalf as well as collaborative engagements with the key portfolio managers 1-2 times per year.

ESG specialist assesses the resolutions of general meetings and discusses any resolutions that are not in line with Ilmarinen's ownership policy with the head of listed equities and where relevant, also with the respective portfolio managers.

LEA 10	Mandatory	Public	Gateway	PRI 2
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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 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

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. In addition during the reporting year, we have done collaborative engagements through Nordic Engagement cooperation and CDP.

Outputs and outcomes

LEA 11	Mandatory to Report Voluntary to Disclose	Public	Core Assessed	PRI 2
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LEA 11.1 Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.

	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	Number of companies engaged 16	Proportion (to the nearest 5%) 10	Specify the basis on which this percentage is calculated <input type="radio"/> of the total number of companies you hold <input checked="" type="radio"/> of the total value of your listed equity holdings
Collaborative engagements	38	Proportion (to the nearest 5%) 20	Specify the basis on which this percentage is calculated <input type="radio"/> of the total number of companies you hold <input checked="" type="radio"/> of the total value of your listed equity holdings
Service provider engagements	3	Proportion (to the nearest 5%) 0	Specify the basis on which this percentage is calculated <input type="radio"/> of the total number of companies you hold <input checked="" 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 type="radio"/> > 50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Collaborative engagements	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> None
Service provider engagements	<input checked="" type="radio"/> >50% <input 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]

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 also pay attention to that both women and men and people of different ages are represented on the Board of Directors of the companies we own. In 2016, we participated in the Nomination Committees of 23 companies.

If any of the General Meeting's motions are in deviation of our Ownership Policy, our primary goal is to hold discussions with the companies prior to the General Meeting and engage with them to reconcile the viewpoints. In 2016, we contacted 14 companies prior the their General Meetings and held discussions concerning, among

other things, the grounds for raising Board fees and the long duration and/or high dilution of share issue authorisations. In addition, we looked into the terms of office of auditors and asked for further information in cases where the same principal auditor had been serving for more than 7 years.

In 2016, 13 companies were subjected to the engagement process on account of norm violations relating to working conditions, child labour, corruption and environmental impacts, among other things. Three engagement processes were completed during the year, as the issue that initially caused us to start the process was remedied. In addition, two observation processes related to the manufacture of nuclear weapon components ended as the investments in the companies in question were sold.

We participated in a joint initiative of investors, sending 20 companies we own letters where we urged them to report on their climate impacts through the international organisation CDP.

LEA 12	Voluntary	Public	Additional Assessed	PRI 2
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LEA 12.1	Indicate which of the following 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

LEA 13	Voluntary	Public	Additional Assessed	PRI 2
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LEA 13.1	Indicate if your engagements in the reporting year covered E, S and/or G issues, providing an estimation of the breakdown.
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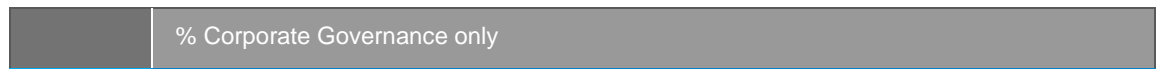
	Individual / Internal staff engagements
--	---

	% Environmental only
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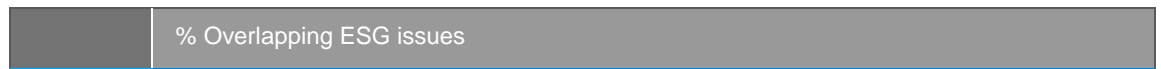
25

	% Social only
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4



43



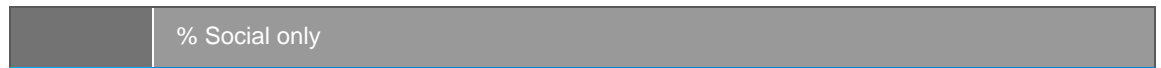
28



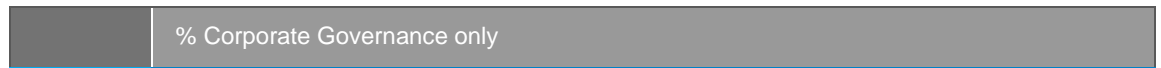
100%



16



5



0



79



100%



52



48



0

	% Overlapping ESG issues
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0

	Total
--	-------

100%

LEA 15	Voluntary	Public	Descriptive	PRI 2
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LEA 15.1	Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.
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Add Example 1

Topic or ESG issue	Human rights
Conducted by	<input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative <input type="checkbox"/> Service provider
Objectives	<p>In 2015, French construction company Vinci was accused by NGOs to have allegedly violated the human rights of migrant workers on a construction site in Qatar. According to the accusations, the conditions on the construction site were poor, the workers were threatened and their passports were confiscated. In addition, it transpired that the workers had had to pay illegal fees to get the job.</p> <p>Vinci should adopt a human rights policy in line with the UN Global Compact and the basic ILO conventions on labour rights. The policy should cover the company's worldwide operations, including subsidiaries and subcontractors. In addition, the company should make sure it has the appropriate systems in place to make sure the policy is followed at all its operations.</p>
Scope and Process	Together with its Nordic partners (Nordic Engagement Cooperation), Ilmarinen decided to initiate an engagement process to remedy the issues. In 2016, we continued to be in contact with the company both directly and through NGOs and we voiced our concern about the treatment of the workers.
Outcomes	The construction site has taken steps in the right direction: working hours have been reduced and Vinci now collaborates with employment agencies and the authorities of the workers' countries of origin to avoid illegal fees from being collected. In summer 2016, the company adopted new guidelines on human rights and works with local suppliers to implement them.

- Add Example 2
- Add Example 3
- Add Example 4
- Add Example 5
- Add Example 6
- Add Example 7
- Add Example 8
- Add Example 9
- Add Example 10

Communication

LEA 16	Mandatory	Public	Core Assessed	PRI 2,6
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LEA 16.1 Indicate whether your organisation proactively discloses information on its engagements.

- We disclose it publicly

provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/taloudellisia-tietoja/vuosikertomus/ilmarinen_sustainabilityreport_2016.pdf

provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/nec_annual-engagement-report_ges_2016_final.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 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]
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We publish an annual report on NEC engagement. In addition we provide information on all our engageents in our in our sustainability report 2016 including statistis, themes and examples.

(Proxy) voting and shareholder resolutions

Overview

LEA 17	Mandatory	Public	Gateway	PRI 1,2,3
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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
- Filing/co-filing resolutions
- Extraordinary meetings
- Share blocking
- Regional voting practices
- Record keeping
- Company dialogue pre/post vote
- Securities lending process
- Other, describe

	other description
--	-------------------

Issuance of new shares

None of the above

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

URL

<https://www.ilmarinen.fi/en/ilmarinen/investments/ownership-policy/>

LEA 17.4 Provide a brief overview of your organization’s approach to (proxy) voting.

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.

Ilmarinen also participates in co-filing shareholder proposals for improving governance and sustainability, and supports similar proposals by other shareholders. In our climate policy we discuss our policy with regards to participating in shareholder resolutions related to climate impacts in particular.

LEA 17.5 Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made (if applicable).

If any of the General Meeting's motions are in deviation of our Ownership Policy, our primary goal is to hold discussions with the companies prior to the General Meeting and engage with them to reconcile the viewpoints. In 2016, we contacted 14 companies prior the their General Meetings and held discussions concerning, among other things, the grounds for raising Board fees and the long duration and/or high dilution of share issue authorisations.

No

Process

LEA 18 **Mandatory** **Public** **Descriptive** **PRI 2**

LEA 18.1 Indicate how you typically make your (proxy) voting decisions.

Approach

- We use our own research or voting team and make 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 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 promote that both women and men are represented on the Board of Directors of the companies we own. We also use an external service provider as background research for drawing our voting instructions.

LEA 22	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

LEA 22.1	Indicate whether you or the service providers acting on your behalf raise any concerns with companies ahead of voting
----------	---

- Yes, in most cases
- Sometimes, in the following cases:
- Neither we nor our service provider raise concerns with companies ahead of voting

LEA 22.2	Indicate whether you and/or the service provider(s) acting on your behalf, communicate the rationale to companies, when , you abstain or vote against management recommendations.
----------	---

- Yes, in most cases
- Sometimes, in the following cases.
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

LEA 22.3	Additional information. [Optional]
----------	------------------------------------

If any of the General Meeting's motions are in deviation of our Ownership Policy, our primary goal is to hold discussions with the companies prior to the General Meeting and engage with them to reconcile the viewpoints. In 2016, we contacted 14 companies prior the their General Meetings and held discussions concerning, among other things, the grounds for raising Board fees and the long duration and/or high dilution of share issue authorisations. In addition, we looked into the terms of office of auditors and asked for further information in cases where the same principal auditor had been serving for more than 7 years.

Outputs and outcomes				
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LEA 23	Mandatory	Public	Core Assessed	PRI 2
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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%)

48 %

48

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 Explain your reason(s) for not voting certain holdings

- Shares were blocked
 - Notice, ballots or materials not received in time
 - Missed deadline
 - Geographical restrictions (non-home market)
 - Cost
 - Conflicts of interest
 - Holdings deemed too small
 - Administrative impediments (e.g., power of attorney requirements, ineligibility due to participation in share placement)
 - We do not vote on environmental resolutions
 - We do not vote on social resolutions
 - On request by clients
 - Other
- We do not track or collect this information

LEA 23.3 Additional information. [Optional]

We report our participations in Annual General meetings in full, although in Finland in the majority of the meetings decisions were made unanimously and hence not voted upon.




As stated in our ownership policy, Ilmarinen attends the General Meetings of the companies in which it is a major owner or where participation is otherwise deemed important.

LEA 24	Mandatory	Public	Additional Assessed	PRI 2
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LEA 24.1 Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

- Yes, we track this information

LEA 24.2 Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	 98.9
Against (opposing) management recommendations	 0.2
Abstentions	 0.9

100%

LEA 24.3 Describe the actions you take after voting against management recommendations.

With regards to Finnish companies we discuss with the companies prior to the AGMs, in case we plan to vote against management recommendation.

No, we do not track this information

LEA 24.4 Additional information. [Optional]

In Finland in the majority of the meetings decisions were made unanimously and hence not voted upon. To report the breakdown of votes cast, we consider the items that were decided unanimously in the AGM as votes for (supporting) management recommendations.

We report the votes cast per company per item in our website (Finnish companies' AGMs only), and whether we voted for or against management recommendations or abstained from voting.

LEA 25

Voluntary

Public

Descriptive

PRI 2

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

LEA 25.1

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

Yes


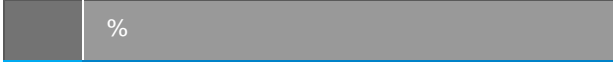


LEA 25.2

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
Were rejected/not acknowledged by the company	 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%

2

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

In 2016, we joined other investors in making a shareholder's proposal to the General Meetings of mining companies Rio Tinto and Anglo American, requesting them to assess their business in a scenario where climate warming would be limited to two degrees and to report on the results. The motions were adopted in the General Meetings with an overwhelming majority. We also supported a similar shareholders' proposal in the General Meeting of oil company Exxon. The motion was not adopted, but close to 40 per cent of those present in the General Meeting supported it.

No

Communication

LEA 27	Mandatory	Public	Core Assessed	PRI 2,6
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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/yhtiokokoukset_kevat2016.pdf

provide URL

<https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/hallinto-ja-organisaatio/johto-ja-osastot/07.11.2016-nimitystoimikunnat.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 AGMs are without voting, in cases there has been a vote, we have disclosed how we have voted. We have not disclosed this information regarding AGMs of non-finnish companies.

Ilmarinen Mutual Pension Insurance Company

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

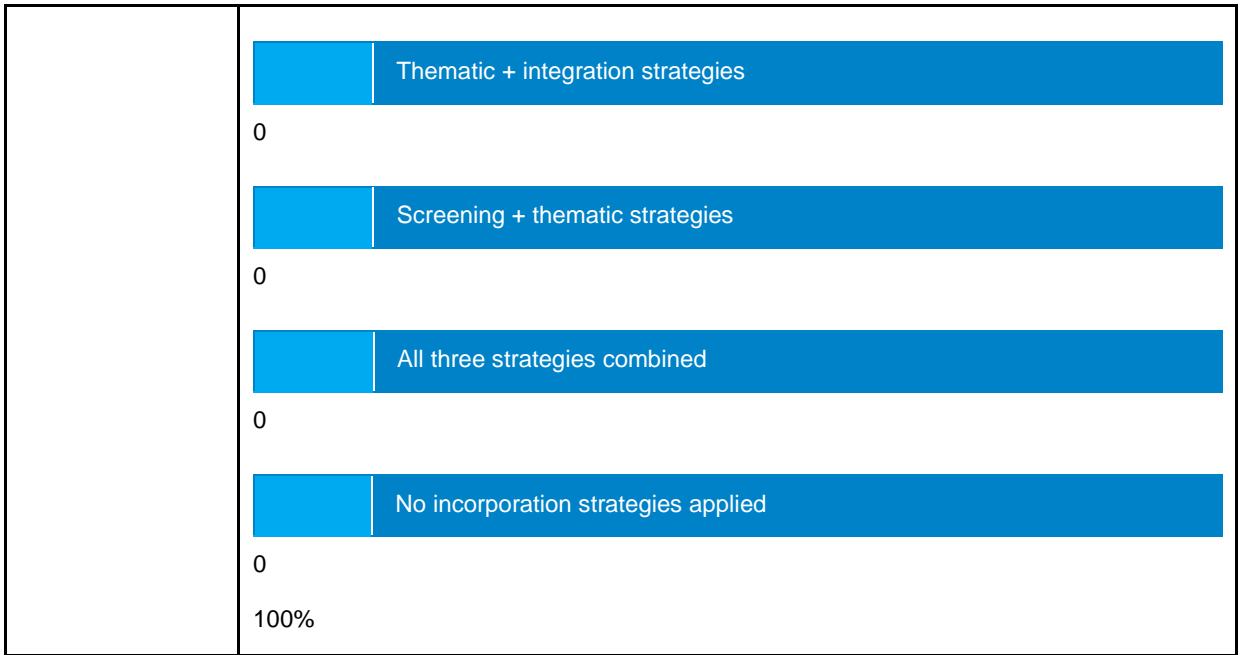
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ESG incorporation in actively managed fixed income

Implementation processes

FI 04	Mandatory	Public	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																				



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 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, where all portfolio managers view sustainability ratings alongside financial figures in their Bloomberg terminals. These ratings guide investment decisions as some companies are excluded and some require more specific examination of ESG before making an investment decision. 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	Public	Core Assessed	PRI 1
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FI 05.1 Indicate which ESG factors you systematically research as part of your 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

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
- 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 in 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.

In addition, we do annual carbon footprinting which provides us information on climate impacts specifically. In particular we look at the exposure of businesses to coal and any company that derives more than 30 % of their business from coal cannot be included in our investments, unless they present a credible plan to reduce coal dependency.

FI 06	Mandatory	Public	Additional Assessed	PRI 1
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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	Public	Gateway	PRI 1
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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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Norms-based screening	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

FI 07.2	Describe your approach to screening for internally managed active fixed income
----------------	--

We have excluded from our investments tobacco and coal producers (30 % threshold with no plan to reduce dependency), producers of controversial weapons and specific companies for systematic and/or serious violations of global impact (companies with no engagement potential). 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. This information as well as information on company risks and opportunities related to ESG are also included in our sustainability ratings.

As a part of positive screening, our objective is to grow our investments in green bonds, i.e. corporate bonds used for environmentally friendly purposes.

FI 08	Mandatory	Public	Descriptive	PRI 1
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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 issuers from your investable universe.
----------------	--

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. We also do not invest in companies that manufacture arms prohibited by international treaties, including cluster munitions and anti-personnel mines and nuclear weapons. Furthermore, we do not invest in companies manufacturing tobacco products (more than 50 per cent of net sales from tobacco) and in companies dependent on coal, unless the company has a credible plan for reducing its consumption of coal in the future. According to our definition, companies dependent on coal are those whose share of coal accounts for at least 30 per cent of their net sales or electricity production when at least 30 per cent of the company's net sales comes from electricity.

We do not invest in the government bonds of countries that, according to the public statement of the Financial Action Task Force (FATF), do not meet the international obligations for combatting money laundering and

terrorism financing. In addition, we do not invest in the bonds of governments in which it is prohibited to invest based on the EU's economic sanctions

FI 10	Mandatory	Public	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	<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> <p>sustainability ratings integrated in the investment database used by portfolio managers (e.g. Bloomberg terminals). Information on black list cannot be missed.</p> <input type="checkbox"/> None of the above
Positive/best-in-class 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> <p>Information on ESG opportunities is available on sustainability ratings, green bond information is provided by issuers</p> <input type="checkbox"/> None of the above
Norms-based 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> <p>Sustainability ratings integrated in the investment database used by portfolio managers, including norm violations, which can lead to exclusion or requiring specific assessment before investment</p> <input type="checkbox"/> None of the above

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

We continuously develop further our technical implementation of the sustainability rating system, which is integrated e.g. in our Bloomberg terminals and viewed by our portfolio managers alongside financial figures. The ratings and the related sustainability analysis and possible changes are available to our portfolio managers.

(C) Implementation: Integration

FI 14	Mandatory	Public	Descriptive	PRI 1
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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	Public	Core Assessed	PRI 1
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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 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	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 16.1 Indicate the extent to which ESG issues are reviewed in your integration process.

	Environment	Social	Governance
Corporate (financial)	<div style="background-color: #0072bc; color: white; padding: 2px;">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;">Social</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;">Governance</div> <input checked="" type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<div style="background-color: #0072bc; color: white; padding: 2px;">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;">Social</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;">Governance</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	Public	Core Assessed	PRI 2
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 checked="" type="radio"/> More than 0%, less than 5% <div style="background-color: #0070C0; color: white; padding: 5px; margin-top: 10px;"> FI 18.2 Indicate your motivations for conducting engagement. </div> <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input 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% <div style="background-color: #0070C0; color: white; padding: 5px; margin-top: 10px;"> FI 18.2 Indicate your motivations for conducting engagement. </div> <input checked="" type="checkbox"/> To gain insights into ESG (i.e. enhance disclosure) <input checked="" type="checkbox"/> To effect change (i.e. ask an issuer to manage ESG risk and/or opportunity) <input type="checkbox"/> Other, specify <input type="radio"/> We do not engage

FI 18.3	Additional information.[OPTIONAL]
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In 2016, 13 companies (bond investments in 7 of these companies) were subjected to the engagement process on account of norm violations relating to working conditions, child labour, corruption and environmental impacts, among other things. Three engagement processes were completed during the year, as the issue that initially caused us to start the process was remedied.

We also participated in a joint initiative of investors, sending 20 companies (bond investments in 11 of these companies) we own letters where we urged them to report on their climate impacts through the international organisation CDP. With regards to Finnish companies we sent these collaborative letters to the companies on behalf of all the signatories.

FI 19	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1,2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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 (financial)	Corporate (non-financial)
Individual/Internal staff engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collaborative engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Service provider engagements	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We do not engage with issuers as a fixed income investor or as both a fixed income and listed equity investor	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.2

Indicate how your organisation prioritises engagements with issuers

Select all that apply

	Corporate (financial)	Corporate (non-financial)
Based on potential materiality of ESG factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on systemic risks to global portfolios	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Based on our exposure (holdings) to ESG risks	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>
We do not prioritise engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.3

Indicate when your organisation conducts engagements with issuers.

Select all that apply

	Corporate (financial)	Corporate (non-financial)
Engagements are conducted pre-investment	<input type="checkbox"/>	<input type="checkbox"/>
Engagements are conducted post-investment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.4

Indicate how your organisation conducts engagements with issuers.

Select all that apply

	Corporate (financial)	Corporate (non-financial)
We systematically engage prior to ESG-related divestments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage proactively in anticipation of specific ESG risks and/or opportunities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
We engage in reaction to ESG issues which have already affected the issuer	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investment and ESG analysts systematically conduct ESG-related engagements together	<input type="checkbox"/>	<input type="checkbox"/>
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>

FI 19.5

Indicate what your organisation conducts engagements with issuers on.

Select all that apply

	Corporate (financial)	Corporate (non-financial)	
We conduct engagements with individual issuers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
We conduct engagements across sectors and industries	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
We conduct engagements on specific ESG themes (e.g. human rights)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, describe	<input type="checkbox"/>	<input type="checkbox"/>	
We do not conduct engagements with issuers	<input type="checkbox"/>	<input type="checkbox"/>	

FI 19.6

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

Select all that apply

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

If 'other' has been selected, please give a description

The information on all engagements is reported to the ownership policy committee (chaired by the CEO) annually.

FI 20	Mandatory to Report Voluntary to Disclose	Public	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
- No

FI 20.3 Additional information [OPTIONAL]

Our engagement policy applies to Ilmarinen's direct securities investments.

Outputs and outcomes

FI 21	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	General
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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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
None of the above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FI 21.2 Describe how your organisation measures how your incorporation of ESG analysis in fixed income has affected investment outcomes and/or ESG performance. [OPTIONAL]

We measure the ESG performance in terms of corporate fixed income carbon footprint annually.

Communication

FI 23	Mandatory	Public	Core Assessed	PRI 2,6
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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

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.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

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

PR 01	Mandatory to Report Voluntary to Disclose	Public	Descriptive	General
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

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 01.2 Provide a breakdown of your organisations allocation to Real Estate Investment Trusts (REITs) or similar

- >50%
- 10 – 50%
- <10%
- 0%

PR 02	Mandatory to Report Voluntary to Disclose	Public	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 type="radio"/> >50% <input checked="" 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	Public	Descriptive	General
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PR 03.1	Indicate up to three of your largest property types by AUM.
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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.
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In addition Ilmarinen's portfolio includes hotels, logistics, elderly care and parking properties.

PR 04	Mandatory	Public	Core Assessed	PRI 1-6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 04.1	Indicate if your organisation has a Responsible Property Investment (RPI) policy.
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Yes

PR 04.2 Provide a URL or attach the document

URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

Attach Document

No

PR 04.3

Provide a brief overview of your organisation's approach to responsible investment in property, and how you link responsible investment in property to your business strategy.

Ilmarinen's RPI is included in responsible investments policy of Ilmarinen. The RPI is a framework for investment process and KPI's are set to measure the development. For the year 2016 Ilmarinen included and measured the carbon footprint of the direct property holdings as one of the KPI's under the RPI. In 2016 the measurement included the property holdings in Finland.

Pre-investment (selection)

PR 07

Mandatory

Public

Gateway/Core Assessed

PRI 1

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

PR 07.1

Indicate if your organisation typically incorporates ESG issues when selecting property investments.

Yes

PR 07.2

Provide a description of your organisation's approach to incorporating ESG issues in property investment selection.

As a significant property owner and developer in Finland with nearly 4000 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.

During the year 2016 Ilmarinen facilitated a master thesis under the subject. "Responsible property investment in the pension fund company's investment process and how to measure and report it", in order to understand more deeply how to incorporate ESG issues in the property investments.

No

PR 07.3

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.

ESG issues

- Environmental

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Location determinates the critical environmental factors for transportation. Location is also the most important attribute for real estate.

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

The indoor air quality, as one of the attributes of indoor environmental quality, is one of the most important factor to the customer satisfaction.

List up to three typical examples per E, S and G issue

- Climate change adaptation
- Contamination
- Energy efficiency
- Energy supply
- Flooding
- GHG emissions
- Indoor environmental quality
- Natural hazards
- Resilience
- Transportation
- Water efficiency
- Waste management
- Water supply
- Other
- Other

Description [OPTIONAL]

Energy consumption is the key to manage and reduce carbon footprint.

Social

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Ilmarinen provides only healthy and safety buildings for it's customers.

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Accessibility is considered based on the availability of public transportation (metro and tram/railway are preferred) to the location and how the floor plates can be divided and accessed from the lobby (horizontally and vertically).

List up to three typical examples per E, S and G issue

- Building safety and materials
- Health, Safety and wellbeing
- Socio-economic
- Accessibility
- Affordable Housing
- Occupier Satisfaction
- Other
- Other
- Other

Description [OPTIONAL]

Occupier satisfaction is a function of premises that support the operations of the client, good indoor quality and customer service. During the selection process the floor plans and the level of HVAC systems are evaluated.

- Governance

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Investment partner background assessment. The rent rolls are periodically scanned against the sanction list provided by Dow Jones Risk & Compliance.

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

Technical, environmental, legal and tax issues are assessed in the due diligence process.

List up to three typical examples per E, S and G issue

- Anti-bribery & corruption
- Board structure
- Conflicts of interest
- Governance structure
- Regulatory
- Shareholder structure & rights
- Supply chain governance
- Other
- Other
- Other

Description [OPTIONAL]

In addition to regulatory requirements the governance is assessed against Ilmarinen's Responsible Investment Policy and Ownership Policy.

PR 08

Voluntary

Public

Additional Assessed

PRI 1,3

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

PR 08.1	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 08.2	Provide a brief description of how this ESG information was incorporated into your investment selection process.
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As Ilmarinen is a significant real estate investor in Finland, we have an extensive data and knowledge base on Finnish property markets including ESG data. On the international investments we rely on our local investment partners and advisors knowledge and incorporate Ilmarinen's ESG requirements into the investment process.

PR 09	Mandatory	Public	Core Assessed	PRI 1
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 09.1	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
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

PR 09.2	Indicate how ESG issues impacted your property investment deal structuring processes during the reporting year.
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- 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
- Not applicable, our organisation did not select any investments in the reporting year
- We do not track this potential impact

Selection, appointment and monitoring third-party property managers

PR 10

Mandatory

Public

Core Assessed

PRI 4

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

PR 10.1

Indicate if your organisation includes ESG issues in your selection, appointment and/or monitoring of third-party property managers.

Yes

PR 10.2

Indicate how your organisation includes ESG issues in your selection, appointment and/or monitoring of third party property managers.

Selection process of property managers incorporated ESG issues

Types of actions

- Request explanation of how ESG is effectively integrated, including inquiries about governance and processes
- Request track records and examples of how the manager implements ESG in their asset and property management
- Discuss property level out-performance opportunities through greater integration of ESG criteria
- Request explanation of engaging stakeholders on ESG issues
- Other, explain

Coverage

- 75-100%
 - 50-75%
 - 25 – 50%
 - 0 – 25%
- Contractual requirements when appointing property managers includes ESG issues

Types of actions

- Include clear and detailed expectations for incorporating ESG
- Require dedicated ESG procedures in all relevant asset and property management phases
- Clear ESG reporting requirements
- Clear ESG performance targets
- Other, explain

Coverage

- 75-100%
- 50-75%
- 25 – 50%
- 0 – 25%

Monitoring of property managers covers ESG responsibilities and implementation

Types of actions

- Performance against quantitative and material environmental / resource targets over specified timeframe.
- Performance against quantitative and material environmental / resource targets against relevant benchmarks
- Performance against quantitative and qualitative targets to address social impacts of the portfolio/investment,
- Other, explain

Coverage

- 75-100%
- 50-75%
- 25 – 50%
- 0 – 25%

No

PR 10.3 Provide a brief description of your organisations selection, appointment and monitoring of third party property managers and how they contribute to the management of ESG issues for your property investments.

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 business plans, regular meetings and periodic reporting to monitor and measure third party property managers.

The coverage for year 2016 included also the property management of domestic direct portfolio. During 2016 Ilmarinen changed the property management structure on domestic direct holdings. Managers were changed and new functions eg. Energy Management were added.

Post-investment (monitoring and active ownership)

Overview

PR 11	Mandatory	Public	Gateway	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 11.1	Indicate if your organisation, and/or property managers, considers ESG issues in post-investment activities relating to your property assets.
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Yes

PR 11.2	Indicate whether your organisation, and/or property managers, considers ESG issues in the following post-investment activities relating to your property assets.
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- We consider ESG issues in property monitoring and management
- We consider ESG issues in property developments and major renovations.
- 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 11.3	Describe how your organisation, and/or property managers, considers ESG issues in post-investment activities related to your property assets.
----------------	---

The majority of the managers are operating as Managing Agent, which allows Ilmarinen to have full control over the requirements and agreements made with the maintenance contractors. From the property maintenance contractors Ilmarinen requires 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.

Ilmarinen exceeded the energy savings target in the national energy efficiency agreement which ended at the end of 2016. The total amount of energy saving actions carried out during 2008-2016 was 8 600 MWh. The amount exceeded the target for 30 %. The result was based on 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.

In 2016 Ilmarinen renewed the national energy efficiency agreement for offices and rental flats. The new target is set for the year 2025, aiming for 11 600 MWh/a measured energy saving actions in total. The agreement includes intermediate target for year 2020 with 7 730 MWh/a measured energy saving actions.

In addition to energy savings Ilmarinen pays attention to water use. The water intensity of buildings in use has been declining. The basic action taken in order to reduce water consumption is replacing the water fixtures with low-flow fixtures.

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 Ilmarinen restructured the property management operations. One key element was to introduce Energy Management function as a separate entity to manage, develop and report energy efficiency. Energy Manager has made a long-term energy-efficiency plan 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 continue improving the management of daily energy consumption by connecting more properties to the energy manager's remote management system. In 2016 we also started the ESCO project aimed at energy savings in the Graniittitalo building and decided to install 601-kWp solar power system to shopping center Puuvilla in Pori and 17-kWp system to residential building in Helsinki.

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				
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PR 12	Mandatory	Public	Core Assessed	PRI 2,3
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 12.1 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 12.2 Indicate which ESG targets your organisation and/or property managers typically set and monitor

- Environmental

Target/KPI	Progress Achieved
Water intensity of buildings in use (m3/m2/year). KPI Energy intensity of buildings in use (kWh/m2/year). KPI Greenhouse gas emissions intensity from buildings (kg CO2-ekv /m2). KPI	Residential: 2016/1,03 - 2015/1,07 Commercial: 2016/0,24 - 2015/0,28 Residential: 2016/136,0 - 2015/142,4 Commercial: 2016/173,6 - 2015/173,3 Reported first time based on 2016 figures: 2016/36,1

- Social

Target/KPI	Progress Achieved
Customer satisfaction	The over all customer satisfaction (1-5/excellent): 2016/3,67 - 2015/3,67

- Governance

Target/KPI	Progress Achieved
Compliance/anti-money laundering, anti-bribery, corruption and economic sanctions regulation	Rent rolls scanned against Dow Jones Risk & Compliance database - no findings
Compliance/anti-money laundering, anti-bribery, corruption and economic sanctions regulation	Construction sites (regulatory inspections) - no findings

- We do not set and/or monitor against targets

PR 12.3	Additional information. [Optional]
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The built environment causes significant climate impacts, which need to be taken into account when managing, operating and developing buildings. As of 2016, we started calculating the carbon footprint for the entire life cycle of our housing production from construction to maintenance and possible demolition. The plan is to proceed to the life cycle calculation of the greenhouse gas emissions from housing construction to 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.

In 2016 we calculated greenhouse gas emissions intensity from new construction for the first time. The calculation is based on CRE 4 standard (greenhouse gas emissions intensity from new construction and redevelopment activity), which is one of the KPI's for real estate. The result for 2016 accounted 137 t CO₂ -ekv/million euro

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 (instructions updated during 2016) 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 13	Voluntary	Public	Descriptive	PRI 2
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PR 13.1	Indicate whether your property assets are assessed against certification schemes, ratings and/or benchmarks
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Yes

PR 13.2	List the certification schemes, ratings and/or benchmarks your property assets are assessed against and what proportion of your property assets they apply to.
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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 13.3	Additional information.
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As property developers, we require at least a LEED Gold or corresponding environmental label for a commercial building. 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.

During 2016 no new commercial buildings were completed. We investigated possibilities to start processing environmental labels for the existing buildings. The aim is to start LEED vol 4. program during 2017.

Property developments and major renovations

PR 14	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 14.1	Indicate the proportion of active property developments and major renovations where ESG issues have been considered.
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- >90% of active developments and major renovations
- 51-90% of active developments and major renovations
- 10-50% of active developments and major renovations
- <10% of active developments and major renovations
- N/A, no developments and major renovations of property assets are active

(by number of active property developments and refurbishments)

PR 14.2	Indicate if the following ESG considerations are typically implemented and monitored in your property developments and major renovations.
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- Environmental site selection requirements
- Environmental site development requirements
- Sustainable construction materials
- Water efficiency requirements
- 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
- Resilient building design and orientation
- Other, specify

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

PR 14.3	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 2016 we were involved with ESCO (Energy Service Company) project in Helsinki CBD ("Granit -house"), where energy efficiency gains are used to pay the initial investment costs. We also took the first steps in learning which attributes affect the most on the carbon footprint, in residential building desing and construction.

Occupier engagement

PR 15	Mandatory	Public	Core Assessed	PRI 2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 15.1	Indicate the proportion of property occupiers your organisation, and/or your property managers, engaged with on ESG issues during the reporting year.
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- >90% of occupiers
- 51-90% of occupiers
- 10-50% of occupiers
- <10% of occupiers

(in terms of number of occupiers)

PR 15.2	Indicate if the following practises and areas are typically part of your, and/or your property managers', occupier engagements.
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- 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
- Offer green leases
- Other, specify

PR 15.3	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 16	Voluntary	Public	Additional Assessed	PRI 2
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PR 16.1	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 16.2	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 17	Voluntary	Public	Additional Assessed	PRI 2
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PR 17.1	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.
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- >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 17.2	Indicate if the following areas and activities are typically part of your, and/or your property managers', community engagement.
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- 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
Public discussion

PR 17.3	Additional information.
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During the 2016 the debate on the lack of affordable housing and the cost of construction costs in housing projects were active. Ilmarinen took part in the debate by providing solutions how to decrease the construction cost and ways to increase the supply for housing. Ilmarinen eg. held media meetings where the topic was discussed.

Outputs and outcomes

PR 18	Voluntary	Public	Additional Assessed	PRI 1,2
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

PR 18.1	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

Describe the impact on:	Impact
Funds' ESG performance	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact

None of the above

PR 18.3 Describe how you are able to determine these outcomes.

Ilmarinen has not a specific measure on how ESG issues impact funds' financial performance. Based on the benchmark (KTI) Ilmarinen' s domestic holdings has outperform the market during the recent years. Ilmarinen believes that tenants will choose environmentally efficient buildings and locations as their preferred premises.

PR 19 Voluntary Public Descriptive **PRI 1,3**

PR 19.1 Provide examples of ESG issues that affected your property investments during the reporting year.

Add Example 1

ESG issue	Environmental / Energy savings
Types of properties affected	Domestic direct holdings (Residential, Office, Retail, Logistics and Other)
Impact (or potential impact) on investment	Implemented energy saiving actions with a total effect of 2 020 Mwh/year
Activities undertaken to influence the investment and the outcomes	For example: Energy saiving project (ESCO), renewing the lightning and HVAC systems, optimizing the use of the building systems.

Add Example 2

ESG issue	Environmental / Reducing the water consumption
Types of properties affected	Domestic direct holdings (Residential and Commercial)
Impact (or potential impact) on investment	The water intensity of buildings in use has been declining (m3/m2/year): Residential: 2016/1,03 - 2015/1,07 Commercial: 2016/0,24 - 2015/0,28
Activities undertaken to influence the investment and the outcomes	For example replacing the water fixtures with low-flow fixtures.

Add Example 3

ESG issue	Social / Customer satisfaction
Types of properties affected	Domestic holdings (Commercial)
Impact (or potential impact) on investment	The level of overall customer satisfaction has been on the same level between 2015 and 2016. The results has been carefully monitored and actions taken to be able to increase the satisfaction.
Activities undertaken to influence the investment and the outcomes	Ilmarinen re-structured the property management service chain and new managers took over the tasks in 2016. In addition, Ilmarinen increased the outsourced resources on technical management in order to serve clients better.

Add Example 4

Add Example 5

Communication

PR 20	Mandatory	Public	Core Assessed	PRI 6
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PR 20.1 Indicate if your organisation proactively discloses ESG information on your property investments.

Disclose publicly

provide URL

https://www.ilmarinen.fi/siteassets/liitepankki/ilmarinen/sijoitukset/vastuullinen-sijoittaminen/ilmarinen_vastuullisen_sijoittamisen_periaatteet_en_v2.pdf

provide URL

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

PR 20.2

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 20.3

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 20.4

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 20.5

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 20.6

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

In 2016 we published 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