



| LEA 02 | Discretionary Mandate | Gateway |
|---|---|---|
| <p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in internal staff | <p>Type of engagement</p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p> | <p>Reason for Interaction</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in collaborative engagements <input type="checkbox"/> To support investment decisionmaking in a company's ESG issues <input type="checkbox"/> To enhance corporate transparency or identify the need for additional or improved ESG disclosure <input type="checkbox"/> Other: specify <input type="checkbox"/> We do not engage in service provider engagements |

RI TRANSPARENCY REPORT

2019

Pyrford International

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 2019 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 TG | | - | n/a | | | | | | | |
| 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 | 🔒 | n/a | | | | | | | ✓ |
| OO 09 | Breakdown of AUM by market | ✓ | Public | | | | | | | ✓ |
| OO 10 | Active ownership practices for listed assets | ✓ | Public | | | | | | | ✓ |
| OO 11 | ESG incorporation practices for all assets | ✓ | Public | | | | | | | ✓ |
| OO 12 | Modules and sections required to complete | ✓ | Public | | | | | | | ✓ |
| OO LE 01 | Breakdown of listed equity investments by passive and active strategies | ✓ | Public | | | | | | | ✓ |
| OO LE 02 | Reporting on strategies that are <10% of actively managed listed equities | 🔒 | n/a | | | | | | | ✓ |
| OO FI 01 | Breakdown of fixed income investments by passive and active strategies | ✓ | Public | | | | | | | ✓ |
| OO FI 02 | Reporting on strategies that are <10% of actively managed fixed income | 🔒 | n/a | | | | | | | ✓ |
| OO FI 03 | Fixed income breakdown by market and credit quality | ✓ | Public | | | | | | | ✓ |
| OO SAM 01 | Breakdown of externally managed investments by passive and active strategies | 🔒 | n/a | | | | | | | ✓ |
| OO PE 01 | Breakdown of private equity investments by strategy | 🔒 | n/a | | | | | | | ✓ |
| OO PE 02 | Typical level of ownership in private equity investments | 🔒 | n/a | | | | | | | ✓ |
| OO PR 01 | Breakdown of property investments | 🔒 | n/a | | | | | | | ✓ |
| OO PR 02 | Breakdown of property assets by management | 🔒 | n/a | | | | | | | ✓ |
| OO PR 03 | Largest property types | 🔒 | n/a | | | | | | | ✓ |
| OO INF 01 | Breakdown of infrastructure investments | 🔒 | n/a | | | | | | | ✓ |
| OO INF 02 | Breakdown of infrastructure assets by management | 🔒 | n/a | | | | | | | ✓ |
| OO INF 03 | Largest infrastructure sectors | 🔒 | n/a | | | | | | | ✓ |
| OO HF 01 | Breakdown of hedge funds investments by strategies | 🔒 | n/a | | | | | | | ✓ |
| OO End | Module confirmation page | ✓ | - | | | | | | | |

| CCStrategy and Governance | | | | Principle | | | | | | General |
|---------------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| SG 01 | RI policy and coverage | ✓ | Public | | | | | | | ✓ |
| SG 01 CC | Climate risk | 🔒 | n/a | | | | | | | ✓ |
| SG 02 | Publicly available RI policy or guidance documents | ✓ | Public | | | | | | ✓ | |
| SG 03 | Conflicts of interest | ✓ | Public | | | | | | | ✓ |
| SG 04 | Identifying incidents occurring within portfolios | ✓ | Private | | | | | | | ✓ |
| SG 05 | RI goals and objectives | ✓ | Public | | | | | | | ✓ |
| SG 06 | Main goals/objectives this year | ✓ | Public | | | | | | | ✓ |
| SG 07 | RI roles and responsibilities | ✓ | Public | | | | | | | ✓ |
| SG 07 CC | Climate-issues roles and responsibilities | 🔒 | n/a | | | | | | | ✓ |
| SG 08 | RI in performance management, reward and/or personal development | ✓ | Private | | | | | | | ✓ |
| SG 09 | Collaborative organisations / initiatives | ✓ | Public | | | | ✓ | ✓ | | |
| SG 09.2 | Assets managed by PRI signatories | 🔒 | n/a | ✓ | | | | | | |
| SG 10 | Promoting RI independently | ✓ | Public | | | | ✓ | | | |
| SG 11 | Dialogue with public policy makers or standard setters | ✓ | Public | | | | ✓ | ✓ | ✓ | |
| SG 12 | Role of investment consultants/fiduciary managers | ✓ | Public | | | | ✓ | | | |
| SG 13 | ESG issues in strategic asset allocation | ✓ | Public | ✓ | | | | | | |
| SG 13 CC | | 🔒 | n/a | | | | | | | ✓ |
| SG 14 | Long term investment risks and opportunity | ✓ | Public | ✓ | | | | | | |
| SG 14 CC | | 🔒 | n/a | | | | | | | ✓ |
| SG 15 | Allocation of assets to environmental and social themed areas | ✓ | Public | ✓ | | | | | | |
| SG 16 | ESG issues for internally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| SG 17 | ESG issues for externally managed assets not reported in framework | 🔒 | n/a | | | | | | | ✓ |
| SG 18 | Innovative features of approach to RI | ✓ | Private | | | | | | | ✓ |
| SG 19 | Communication | ✓ | Public | | ✓ | | | | ✓ | |
| SG End | Module confirmation page | ✓ | - | | | | | | | |

| Direct - Listed Equity Incorporation | | | | Principle | | | | | | General |
|--------------------------------------|--|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| LEI 01 | Percentage of each incorporation strategy | ✓ | Public | ✓ | | | | | | |
| LEI 02 | Type of ESG information used in investment decision | ✓ | Public | ✓ | | | | | | |
| LEI 03 | Information from engagement and/or voting used in investment decision-making | ✓ | Public | ✓ | | | | | | |
| LEI 04 | Types of screening applied | 🔒 | n/a | ✓ | | | | | | |
| LEI 05 | Processes to ensure screening is based on robust analysis | 🔒 | n/a | ✓ | | | | | | |
| LEI 06 | Processes to ensure fund criteria are not breached | 🔒 | n/a | ✓ | | | | | | |
| LEI 07 | Types of sustainability thematic funds/mandates | 🔒 | n/a | ✓ | | | | | | |
| LEI 08 | Review ESG issues while researching companies/sectors | ✓ | Public | ✓ | | | | | | |
| LEI 09 | Processes to ensure integration is based on robust analysis | ✓ | Public | ✓ | | | | | | |
| LEI 10 | Aspects of analysis ESG information is integrated into | ✓ | Private | ✓ | | | | | | |
| LEI 11 | ESG issues in index construction | 🔒 | n/a | ✓ | | | | | | |
| LEI 12 | How ESG incorporation has influenced portfolio composition | ✓ | Public | ✓ | | | | | | |
| LEI 13 | Examples of ESG issues that affected your investment view / performance | ✓ | 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 | Role in engagement process | ✓ | Public | | ✓ | | ✓ | | | |
| LEA 07 | Share insights from engagements with internal/external managers | ✓ | Public | ✓ | ✓ | | | | | |
| LEA 08 | Tracking number of engagements | ✓ | Public | | ✓ | | | | | |
| LEA 09 | Number of companies engaged with, intensity of engagement and effort | ✓ | Public | | ✓ | | | | | |
| LEA 10 | Engagement methods | ✓ | Public | | ✓ | | | | | |
| LEA 11 | Examples of ESG engagements | ✓ | Public | | ✓ | | | | | |
| LEA 12 | Typical approach to (proxy) voting decisions | ✓ | Public | | ✓ | | | | | |
| LEA 13 | Percentage of voting recommendations reviewed | 🔒 | n/a | | ✓ | | | | | |
| LEA 14 | Securities lending programme | ✓ | Private | | ✓ | | | | | |
| LEA 15 | Informing companies of the rationale of abstaining/voting against management | ✓ | Public | | ✓ | | | | | |
| LEA 16 | Informing companies of the rationale of abstaining/voting against management | ✓ | Public | | ✓ | | | | | |
| LEA 17 | Percentage of (proxy) votes cast | ✓ | Public | | ✓ | | | | | |
| LEA 18 | Proportion of ballot items that were for/against/abstentions | ✓ | Public | | ✓ | | | | | |
| LEA 19 | Proportion of ballot items that were for/against/abstentions | ✓ | Public | | ✓ | | | | | |
| LEA 20 | Shareholder resolutions | ✓ | Public | | ✓ | | | | | |
| LEA 21 | Examples of (proxy) 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 | Incorporation strategies applied | ✓ | Public | ✓ | | | | | | |
| FI 02 | ESG issues and issuer research | ✓ | Private | ✓ | | | | | | |
| FI 03 | Processes to ensure analysis is robust | ✓ | Public | ✓ | | | | | | |
| FI 04 | Types of screening applied | ✓ | Public | ✓ | | | | | | |
| FI 05 | Examples of ESG factors in screening process | - | n/a | ✓ | | | | | | |
| FI 06 | Screening - ensuring criteria are met | ✓ | Public | ✓ | | | | | | |
| FI 07 | Thematic investing - overview | 🔒 | n/a | ✓ | | | | | | |
| FI 08 | Thematic investing - themed bond processes | 🔒 | n/a | ✓ | | | | | | |
| FI 09 | Thematic investing - assessing impact | 🔒 | n/a | ✓ | | | | | | |
| FI 10 | Integration overview | 🔒 | n/a | ✓ | | | | | | |
| FI 11 | Integration - ESG information in investment processes | 🔒 | n/a | ✓ | | | | | | |
| FI 12 | Integration - E,S and G issues reviewed | 🔒 | n/a | ✓ | | | | | | |
| FI 13 | ESG incorporation in passive funds | 🔒 | n/a | ✓ | | | | | | |
| FI 14 | Engagement overview and coverage | 🔒 | n/a | | ✓ | | | | | |
| FI 15 | Engagement method | 🔒 | n/a | ✓ | ✓ | | | | | |
| FI 16 | Engagement policy disclosure | 🔒 | n/a | ✓ | ✓ | | | | | |
| FI 17 | Financial/ESG performance | ✓ | Private | | | | | | | ✓ |
| FI 18 | Examples - ESG incorporation or engagement | - | n/a | ✓ | ✓ | | | | | |
| FI End | Module confirmation page | ✓ | - | | | | | | | |

| Confidence building measures | | | | Principle | | | | | | General |
|------------------------------|------------------------------------|--------|------------|-----------|---|---|---|---|---|---------|
| Indicator | Short description | Status | Disclosure | 1 | 2 | 3 | 4 | 5 | 6 | |
| CM 01 | Assurance, verification, or review | ✓ | Public | | | | | | | ✓ |
| CM 02 | Assurance of last year's PRI data | ✓ | Public | | | | | | | ✓ |
| CM 03 | Other confidence building measures | ✓ | Public | | | | | | | ✓ |
| CM 04 | Assurance of this year's PRI data | ✓ | Public | | | | | | | ✓ |
| CM 05 | External assurance | 🔒 | n/a | | | | | | | ✓ |
| CM 06 | Assurance or internal audit | 🔒 | n/a | | | | | | | ✓ |
| CM 07 | Internal verification | ✓ | Public | | | | | | | ✓ |
| CM 01 End | Module confirmation page | ✓ | - | | | | | | | |

Pyrford International

Reported Information

Public version

Organisational Overview

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.

Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

| Select the services and funds you offer | % of asset under management (AUM) in ranges |
|--|---|
| Fund management | <input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50% |
| Fund of funds, manager of managers, sub-advised products | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Other | <input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50% |
| Total 100% | |

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 01.2

Additional information. [Optional]

Pyrford International (Pyrford) is a provider of global asset management services for pension funds, charities, endowments, foundations and high net worth individuals. The company has been operating from its London, UK base since 1987.

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

United Kingdom

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

36

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 03.3

Additional information. [Optional]

Pyrford has no subsidiaries which are PRI signatories. However, Pyrford itself is a subsidiary of BMO Financial Group and other entities within the larger group are independent signatories of the PRI.

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2018

OO 04.2

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

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

| | trillions | billions | millions | thousands | hundreds |
|---------------|-----------|----------|----------|-----------|----------|
| Total AUM | | 10 | 708 | 633 | 201 |
| Currency | USD | | | | |
| Assets in USD | | 10 | 708 | 633 | 201 |

Not applicable as we are in the fund-raising process

OO 04.4

Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

 Not applicable as we do not have any assets under execution and/or advisory approach**OO 06****Mandatory****Public****Descriptive****General****OO 06.1**

Select how you would like to disclose your asset class mix.

 as percentage breakdown

| | Internally managed (%) | Externally managed (%) |
|--------------------------|------------------------|------------------------|
| Listed equity | 67 | 0 |
| Fixed income | 29 | 0 |
| Private equity | 0 | 0 |
| Property | 0 | 0 |
| Infrastructure | 0 | 0 |
| Commodities | 0 | 0 |
| Hedge funds | 0 | 0 |
| Fund of hedge funds | 0 | 0 |
| Forestry | 0 | 0 |
| Farmland | 0 | 0 |
| Inclusive finance | 0 | 0 |
| Cash | 4 | 0 |
| Money market instruments | 0 | 0 |
| Other (1), specify | 0 | 0 |
| Other (2), specify | 0 | 0 |

 as broad ranges**OO 06.2**

Publish asset class mix as per attached image [Optional].

OO 06.3 Indicate whether your organisation has any off-balance sheet assets [Optional].

- Yes
- No

OO 06.5 Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

OO 06.6 Provide contextual information on your AUM asset class split. [Optional]

Approximately 44% of Pyrford's AUM are in "Absolute Return" mandates where we make an asset allocation decision between equities and fixed income. The remaining 56% is in "equity only" mandates.

| | | | | |
|--------------|--|---------------|----------------|----------------|
| OO 07 | Mandatory to Report Voluntary to Disclose | Public | Gateway | General |
|--------------|--|---------------|----------------|----------------|

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.

| | | |
|---------------------------|---------------------------|------|
| Internally managed | SSA | 100 |
| | Corporate (financial) | 0 |
| | Corporate (non-financial) | 0 |
| | Securitised | 0 |
| | Total | 100% |

| | | | | |
|--------------|------------------|---------------|----------------|----------------|
| OO 09 | Mandatory | Public | Peering | General |
|--------------|------------------|---------------|----------------|----------------|

OO 09.1 Indicate the breakdown of your organisation's AUM by market.



OO 09.2 Additional information. [Optional]

Pyrford offers a team highly experienced in managing global portfolios using a disciplined process which has produced excellent long-term results. The depth of the research undertaken allows the team to build focussed portfolios of high quality companies which are held regardless of their popularity or size. For Pyrford the key risk to be avoided is that of losing money for our clients, not that of appearing different from a benchmark.

Our products fall into two main groups: "Absolute Return" products where we initially make an allocation between equities, sovereign fixed income and cash, and "Equity Only". The market and stock level analysis for equities is common to both products and the stocks held are largely the same.

Our investment strategy is based on a long-term, quality, value-driven, absolute return approach, with both top-down and bottom-up elements included. At the country level we seek to invest in countries that offer an attractive market valuation relative to their long-term prospects (as determined by our research) and avoid countries that do not. At the stock level we identify companies that offer excellent value relative to our in-house forecast of long-term (5 years) earnings growth. Companies are only considered for inclusion in the portfolio after a thorough discussion with management about the company's business model, strategy and approach to environmental, social and governance factors. It has always been our belief that a company taking an irresponsible approach to ESG factors is at heightened risk of suffering a deterioration in its financial performance over our holding period.

Asset class implementation gateway indicators

| OO 10 | Mandatory | Public | Gateway | General |
|-------|-----------|--------|---------|---------|
|-------|-----------|--------|---------|---------|

OO 10.1 Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

Pyrford's fixed income universe is limited to bonds issued by sovereign governments of a small group of AA-rated (or above) nations. We do not and have never invested in corporate bonds.

The reasons we do not engage with these sovereign governments on ESG issues are:

- 1) The use of funds raised by the issuance of fixed income securities is so broad for a national government that identifying the materiality of any one factor is very difficult.
- 2) Lobbying sovereign governments, particularly of foreign countries, to change their priorities or behaviour could be construed as political lobbying, something we do not do.
- 3) Individuals in a position to influence the policy of a government are unlikely to meet with fixed income investors.

| | | | | |
|-------|-----------|--------|---------|---------|
| OO 11 | Mandatory | Public | Gateway | General |
|-------|-----------|--------|---------|---------|

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).

Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Cash

- We address ESG incorporation.
- We do not do ESG incorporation.

| | | | | |
|-------|-----------|--------|---------|---------|
| OO 12 | Mandatory | Public | Gateway | General |
|-------|-----------|--------|---------|---------|

OO 12.1

Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

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

RI implementation via external managers

Closing module

- Closing module

Peering questions

OO LE 01

Mandatory

Public

Gateway

General

OO LE 01.1

Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.

Update: this indicator has changed from "*Mandatory to report, voluntary to disclose*" to "*Mandatory*". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

Percentage of internally managed listed equities

| Strategies | Percentage of internally managed listed equities |
|---|---|
| Passive | <input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0% |
| Active - quantitative (quant) | <input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0% |
| Active - fundamental and active - other | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% |
| Total 100% | |

| | | | | |
|----------|-----------|--------|---------|---------|
| OO FI 01 | Mandatory | Public | Gateway | General |
|----------|-----------|--------|---------|---------|

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

| | |
|------------|---|
| OO FI 01.1 | Provide a breakdown of your internally managed fixed income securities by active and passive strategies |
|------------|---|

| Type | Passive | Active - quantitative | Active - fundamental & others | Total internally managed fixed income security |
|------|---|---|---|--|
| SSA | <input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0% | <input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0% | <input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0% | 100% |

| | | | | |
|----------|-----------|--------|-------------|---------|
| OO FI 03 | Mandatory | Public | Descriptive | General |
|----------|-----------|--------|-------------|---------|

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

| | |
|------------|---|
| OO FI 03.1 | Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets. |
|------------|---|

| | | |
|-----|-------------------|------|
| SSA | Developed markets | 100 |
| | Emerging markets | 0 |
| | Total | 100% |

If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below

OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

Pyrford International

Reported Information

Public version

Strategy and Governance

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.

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 type="checkbox"/> Fiduciary (or equivalent) duties <input type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Engagement policy <input type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2) | <input checked="" type="radio"/> Applicable policies cover all AUM <input 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
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

The company's investment philosophy is predicated on generating excellent absolute long-term rates of return for clients with low levels of volatility. The investment team seeks to achieve this by adhering to a disciplined research and portfolio construction process which is driven entirely by earnings growth and valuations and not by positioning relative to a benchmark.

Our investment strategy is based on a quality, value-driven, absolute return approach, with both top-down and bottom-up elements included. At the country level we seek to invest in countries that offer an attractive market valuation relative to their long-term prospects (as determined by our research) and avoid countries that do not. At the stock level we identify companies that we believe offer excellent value relative to our in-house forecast of long-term (5 years) earnings growth. This approach has historically produced long-term investment returns characterised by low absolute volatility and low downside capture.

SG 01.5

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

Pyrford's ESG approach is designed to minimise financial risks to the portfolio from poor management of environmental, social and governance issues at the investee company level whilst encouraging companies to take positive steps which might improve performance. Undesirable though it might be to try, companies might find it possible to "get away" with irresponsible behaviour in the short-term. However, over the 5 or more years that we would expect to be shareholders such behaviour significantly increases the risk of financial loss and it is this we are trying to avoid. We do not, however, employ an exclusionary process where investment in particular sectors or companies is forbidden in all circumstances.

ESG issues are now considered at all stages of our investment process: ESG research purchased from specialist providers is used in the identification of possible investments as well as to prepare for meetings with the management of all companies before an investment can take place. For those companies purchased follow-up meetings are held at least annually and progress against ESG targets is discussed. Deterioration in performance between annual meetings is taken up immediately and all proxies voted consistently with this approach.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

| | | | | |
|-------|-----------|--------|---------------|-------|
| 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

{hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.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

{hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf}

- Attachment
- ESG incorporation approaches

URL/Attachment

- URL

URL

{hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf}

- Attachment
- Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf}

Attachment

Reporting

We do not publicly disclose any investment policy components

| | | | | |
|-------|-----------|--------|---------------|---------|
| SG 03 | Mandatory | Public | Core Assessed | General |
|-------|-----------|--------|---------------|---------|

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

Yes

SG 03.2 Describe your policy on managing potential conflicts of interest in the investment process.

Pyrford has a number of polices in place to ensure timely identification, disclosure and review of any potential conflicts by specialist compliance personnel to ensure that appropriate procedures are put in place to manage or resolve these conflicts. For example:

Pyrford's ability to vote on behalf of all clients objectively on corporate actions may be conflicted in the event that a client and investment company were interrelated. To manage this potential conflict, Pyrford would consult independent third party proxy voting services to ensure that Pyrford was voting in the best interest of all clients. Reports on voting including rationales are supplied to all clients.

The investment decisions that Pyrford's employees make on behalf of clients may be conflicted by their own personal investment objectives. To manage this, all employees are required to obtain personal account dealing (PAD) approval prior to any personal investments in publicly traded companies. PAD approval is only granted if the investment is deemed not to compete with the interests of all clients and is made in the absence of non-public material information.

Our full conflicts of interest policy can be found here:
https://www.bmo.com/pyrford/pdf/Conflicts_of_Interest_Policy.pdf

No

SG 03.3 Additional information. [Optional]

Pyrford is part of BMO Global Asset Management, a brand name for various affiliated entities of BMO Financial Group that provide investment management services. While we are part of a diversified financial service group, we operate as an independent boutique firm and our only business is of asset management. It is our policy to always act in the best interests of all our clients. We do not invest client funds in shareholdings of the Bank of Montreal, or any investment fund offered by a member of the BMO Financial Group.

We review our Conflicts of Interest Policy every year and arrangements to manage conflicts every six months. The policy forms part of the investment management agreement we have with clients.

Objectives and strategies

| | | | | |
|--------------|------------------|---------------|------------------------------|----------------|
| SG 05 | Mandatory | Public | Gateway/Core Assessed | General |
|--------------|------------------|---------------|------------------------------|----------------|

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 set/reviewed

SG 05.2 Additional information. [Optional]

In 2017 we created an "ESG Forum" at the firm. The forum meets quarterly to:

- Ensure awareness and communication within the firm of ESG priorities
- Encourage and promote best practise within the firm with regard to ESG integration
- Promote and discuss wider ESG industry issues and assess how they can impact our business and the companies we invest in.
- Provide and opportunity for our Client Relationship Management team to feed-back our clients' ESG priorities
- Report on the recent quarter's company engagement and proxy voting activity.

The forum is chaired by a senior investment professional and members include the CEO/CIO, representatives of each investment area (Europe, Asia and Americas) as well as Client Relationship Management, Operations and Compliance.

In addition, our full investment team, referred to as the Global Stock Selection Committee (GSSC), meets monthly to discuss a number of factors affecting the portfolios managed. ESG issues are a formal agenda item each month and time is devoted to discuss not just issues of relevance to the porfolio companies, but also potential improvements to our ESG process.

| | | | | |
|--------------|------------------|---------------|--------------------|----------------|
| SG 06 | Voluntary | Public | Descriptive | General |
|--------------|------------------|---------------|--------------------|----------------|

SG 06.1 List the main responsible investment objectives that your organisation set for the reporting year.

Responsible investment processes

- Provide training on ESG incorporation

Key performance indicator

Internal training on ESG themes

Progress achieved

ESG related themes are presented periodically at the monthly meeting of the Global Stock Selection Committee

- Provide training on ESG engagement
- Improved communication of ESG activities within the organisation

Key performance indicator

The establishment of a dedicated ESG Group

Progress achieved

The creation of the firm's "ESG Forum" in mid 2017 facilitates the discussion and dissemination of important ESG initiatives across the business. The group meets quarterly and has representation from key teams across the organisation.

- Improved engagement to encourage change with regards to management of ESG issues
- Improved ESG incorporation into investment decision making processes
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Financial performance of investments

- Increase portfolio performance by consideration of ESG factors

Key performance indicator

Our aim is to provide long-term absolute returns above the rate of inflation with lower volatility than the wider index.

Progress achieved

Performance is meeting these objectives over the long term but we are not able to attribute the contribution of our enhanced ESG integration.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

ESG characteristics of investments

- Over or underweight companies based on ESG characteristics
- Improve ESG ratings of portfolio
- Setting carbon reduction targets for portfolio
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Other activities

- Joining and/or participation in RI initiatives

Key performance indicator

We are a participant in the Climate Action 100+ Initiative

Progress achieved

We have engaged with all the companies we are shareholders in that were in both the initial list of 100 and the subsequent additional list of target companies. All companies have responded to our initial enquiries and further discussions will be held with some of them for the remainder of the initiative.

- Encouraging others to join a RI initiative
- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients

Key performance indicator

Production of reports to clients incorporating ESG engagements

Progress achieved

The publication of our annual ESG report communicates to clients engagement activities across the firm as well as the various elements of our ESG integration.

- Other, specify (1)
- Other, specify (2)
- Other, specify (3)
- None of the above

Governance and human resources

SG 07

Mandatory

Public

Core Assessed

General

SG 07.1

Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

Roles

- Board members or trustees
 - Oversight/accountability for responsible investment
 - Implementation of responsible investment
 - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), 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 Portfolio Management - Asia**
 - 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
- Investor relations
- Other role, specify (1)
- Other role, specify (2)
- External managers or service providers

SG 07.2

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

The CEO/CIO is Chairman of the Global Stock Selection Committee (GSSC). The GSSC is the forum through which all RI issues are monitored and discussed. All new stocks being considered for purchase are discussed here so consideration of their ESG risks can be easily monitored. In addition, stocks experiencing an ESG ratings downgrade are discussed here, as are the results of engagement activities.

The Head of Portfolio Management - Asia-Pacific is the investment professional with day-to-day responsibility for the design of our RI programme and is Chair of the ESG Forum. He is a member of the GSSC so assists with

monitoring and oversight at this meeting and both he and the CEO/CIO regularly meet outside of the monthly meeting to discuss and amendments to the programme which are deemed necessary.

SG 07.3 | Indicate the number of dedicated responsible investment staff your organisation has.

Number

0

SG 07.4 | Additional information. [Optional]

Our investment team is 14 people and the entire firm is 36. No single individual spends all on their time on responsible investment but all of the investment team are involved.

I confirm I have read and understood the Accountability tab for SG 07

I confirm I have read and understood the Accountability tab for SG 07

Promoting responsible investment

SG 09 | **Mandatory** | **Public** | **Core Assessed** | **PRI 4,5**

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
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- 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)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- 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)
- 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
- 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
Climate Action 100+ Initiative

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 signed up to this initiative in late 2017 and began our engagement with the companies we identified as targets during 2018. Our activities have been communicated to clients and included in our annual ESG Report.

- 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
- No

| | | | | |
|-------|-----------|--------|---------------------|-----------|
| SG 11 | Voluntary | Public | Additional Assessed | PRI 4,5,6 |
|-------|-----------|--------|---------------------|-----------|

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.

- Yes
- No

Outsourcing to fiduciary managers and investment consultants

| | | | | |
|-------|-----------|--------|---------------|-------|
| SG 12 | Mandatory | Public | Core Assessed | PRI 4 |
|-------|-----------|--------|---------------|-------|

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

SG 12.1 Indicate whether your organisation uses investment consultants.

- Yes, we use investment consultants
- No, we do not use investment consultants.

ESG issues in asset allocation

| | | | | |
|-------|-----------|--------|-------------|-------|
| SG 13 | Mandatory | Public | Descriptive | PRI 1 |
|-------|-----------|--------|-------------|-------|

SG 13.1

Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

SG 13.3

Additional information. [OPTIONAL]

We do not conduct scenario analysis, per se, but do analyse the portfolio as a whole for its risk profile against ESG factors.

Inclusion of a country in our investment universe is based on a rigorous analysis of the governance framework for that market as a whole. Only if we are satisfied that standards of corporate, financial reporting and stockmarket governance are sufficient to protect institutional investment (i.e. large, long-term positions) would we include a country in our universe. Without a country being included we could not make any investment there. The sign off of this process is undertaken by the five most senior investment professionals in the firm.

SG 14

Mandatory to Report Voluntary to Disclose

Public

Additional Assessed

PRI 1

SG 14.1

Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.

- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments
- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify
- None of the above

SG 14.3

Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

SG 15**Mandatory to Report Voluntary to Disclose****Public****Descriptive****PRI 1****SG 15.1**

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

- Yes
- No

Communication**SG 19****Mandatory****Public****Core Assessed****PRI 2, 6****SG 19.1**

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.

If you are transferring data from an offline document, please check your response carefully.

Listed equity - Incorporation

Do you disclose?

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

The information disclosed to clients/beneficiaries is the same

Yes

No

| | |
|--|--|
| Disclosure to public and URL | |
| Disclosure to public and URL | |
| <input type="radio"/> Broad approach to ESG incorporation | |
| <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used | |
| Frequency | |
| <input type="checkbox"/> Quarterly or more frequently | |
| <input type="checkbox"/> Biannually | |
| <input checked="" type="checkbox"/> Annually | |
| <input type="checkbox"/> Less frequently than annually | |
| <input type="checkbox"/> Ad-hoc/when requested | |
| URL | |
| {hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf} | |

Listed equity - Engagement

Do you disclose?

We do not disclose to either clients/beneficiaries or the public.

We disclose to clients/beneficiaries only.

We disclose to the public

The information disclosed to clients/beneficiaries is the same

Yes

No

| | |
|-------------------------------------|---|
| Disclosure to public and URL | |
| Disclosure to public and URL | <input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input checked="" type="checkbox"/> Number of engagements undertaken <input checked="" type="checkbox"/> Breakdown of engagements by type/topic <input checked="" type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input checked="" type="checkbox"/> Examples of engagement cases <input checked="" type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input checked="" type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information |
| Frequency | <input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested |
| URL | {hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf} |

Listed equity – (Proxy) Voting

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

The information disclosed to clients/beneficiaries is the same

- Yes
- No

| | |
|-------------------------------------|--|
| Disclosure to public and URL | |
| Disclosure to public and URL | <input checked="" type="radio"/> Disclose all voting decisions <input type="radio"/> Disclose some voting decisions <input type="radio"/> Only disclose abstentions and votes against management |
| Frequency | <input checked="" type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested |
| URL | {hyperlink:https://vds.issgovernance.com/vds/#/Mjl1Ng==} |

Fixed income

Do you disclose?

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

Pyrford International

Reported Information

Public version

Direct - Listed Equity Incorporation

PRI disclaimer

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ESG incorporation in actively managed listed equities

Implementation processes

| LEI 01 | Mandatory | Public | Gateway | PRI 1 |
|--------|-----------|--------|---------|-------|
|--------|-----------|--------|---------|-------|

LEI 01.1

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%)

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)

| | |
|---|-----|
| Percentage of active listed equity to which the strategy is applied | % |
| | 100 |

- Screening and integration strategies
- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities

100%

LEI 01.2

Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

We have adopted the integration strategy because we felt it fitted better with our underlying investment philosophy and the mandates we have been given by our clients.

A small percentage of our clients have social or commercial obligations which lead them to restrict us from investing in particular sectors or companies for their own portfolios. However, beyond this none have set us direct ESG-related targets but instead explicit absolute or relative investment performance targets. As a result we cannot adopt a strategy which excludes companies based on ESG grounds whilst not considering their financial prospects or stock valuation. Similarly we cannot invest in companies purely because they perform well on ESG grounds.

As we do not use thematic investing in our wider investment process we felt adopting it for ESG incorporation risked creating a parallel investment process rather than the improved and enhanced single process we were targeting.

The integration strategy allows us to enhance our 25 year track record of fundamental investment research on companies based on their financial track record and position within an industry with a greater focus on how ESG issues could impact future financial performance.

Our equity stock selection process has four distinct parts:

1) A rigorous analysis of the financial performance of a company going back at least 5 years. This is compiled using company annual reports directly. We do not rely on outside parties to aggregate, assimilate or adjust any of the numbers a company reports, instead preferring to do this work ourselves. This process of reading historical accounts, including the notes to the accounts, allows us to form a view of all the drivers of a company's past performance, including the costs of failing to recognise ESG risks. Our investment time horizon, five years or more, is a distinct advantage here as it gives our investment professionals the time to research companies in far greater depth than would be possible in attempting to outperform on a quarterly or annual basis.

2) The detailed financial analysis detailed in 1) above is used to prepare for a meeting with the company management. This part of the process has been recently enhanced by our purchase of specialist ESG research which helps us identify the key ESG risks each company faces and put to management questions about how they are handling these.

3) Following the company meeting our investment professionals then prepare forecasts of Return on Equity that they believe the company can achieve over the next 5 years. These forecasts must capture expected changes in costs and pricing power expected from poor handling of ESG risks by the company. If this return on equity forecast is enough to warrant proposal for inclusion in a portfolio the final stage takes place.

4) This is the presentation of the idea to the full investment team (GSSC). This presentation must explicitly outline the ESG profile of the company and the investment professional proposing the idea must answer questions from the wider team on the relevant risks. This is to ensure that any ESG issues encountered in similar companies by other members of the team are considered in light of the new proposal.

| | | | | |
|--------|-----------|--------|---------------------|-------|
| LEI 02 | Voluntary | Public | Additional Assessed | PRI 1 |
|--------|-----------|--------|---------------------|-------|

| | |
|----------|---|
| LEI 02.1 | Indicate what ESG information you use in your ESG incorporation strategies and who provides this information. |
|----------|---|

Type of ESG information

- Raw ESG company data

Indicate who provides this information

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

Indicate who provides this information

- ESG research provider
- Sell-side
- In-house – specialised ESG analyst or team
- In-house – analyst or portfolio manager
- Sector-related analysis or ratings
- Country-related analysis or ratings
- Screened stock list
- 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 02.2 | Indicate if you incentivise brokers to provide ESG research. |
|-----------------|--|

Yes

| | |
|-----------------|---------------------------------------|
| LEI 02.3 | Describe how you incentivise brokers. |
|-----------------|---------------------------------------|

We have written to the Heads of Research at each of the brokers we engage with to communicate that we have become a signatory of the UNPRI and to indicate that we have an increased focus on the ESG issues each company we hold faces. All our brokers know that there is a direct link between how useful we find their research and the likelihood of us continuing to subscribe to it making a clear connection between increasing their own focus on ESG and their revenues.

No

| | | | | |
|---------------|------------------|---------------|----------------------------|--------------|
| LEI 03 | Voluntary | Public | Additional Assessed | PRI 1 |
|---------------|------------------|---------------|----------------------------|--------------|

| | |
|-----------------|---|
| LEI 03.1 | 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. |
|-----------------|---|

- 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 03.2 | Additional information. [Optional] |
|-----------------|------------------------------------|

Pyrford's investment team is organised into regional teams with named portfolio managers responsible for individual "country" portfolios. This portfolio manager is responsible for proxy voting on all stocks in that country, for engagement on ESG issues with individual companies and for final investment decisions. They have to demonstrate to the wider team that they have taken all of this into account at a full investment team meeting.




In addition all proxy voting and engagement activity is reviewed at quarterly meetings of the company ESG Forum.

A selection of the most meaningful engagements are published annually in our ESG report and the results of our proxy voting activity is available online at <https://vds.issgovernance.com/vds/#/Mj11Ng==/>

(C) Implementation: Integration of ESG factors

| | | | | |
|--------|-----------|--------|---------------|-------|
| LEI 08 | Mandatory | Public | Core Assessed | PRI 1 |
|--------|-----------|--------|---------------|-------|

LEI 08.1 Indicate the ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

| ESG issues | Proportion impacted by analysis |
|----------------------|--|
| Environmental |  Environmental <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% |
| Social |  Social <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% |
| Corporate Governance |  Corporate Governance <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> 51-90% <input checked="" type="radio"/> >90% |

LEI 08.2 Additional information. [Optional]

Our investment time horizon (5 years), average holding period of a stock (>8 years) and requirement to meet management before investment and annually thereafter ensures that fundamental ESG risks for a company are considered in advance and monitored continuously.

| | | | | |
|--------|-----------|--------|---------------|-------|
| LEI 09 | Mandatory | Public | Core Assessed | PRI 1 |
|--------|-----------|--------|---------------|-------|

LEI 09.1

Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.

- 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
- Third-party ESG ratings are updated regularly.
- A periodic review of the internal research 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
- Analysis of the impact of ESG factors on investment risk and return performance
- Other, specify
- None of the above

LEI 09.2

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

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

LEI 09.3

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

LEI 09.5

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

Outputs and outcomes

| | | | | |
|---------------|------------------|---------------|--------------------|--------------|
| LEI 12 | Voluntary | Public | Descriptive | PRI 1 |
|---------------|------------------|---------------|--------------------|--------------|

| | |
|-----------------|---|
| LEI 12.1 | Indicate how your ESG incorporation strategies have influenced the composition of your portfolio(s) or investment universe. |
|-----------------|---|

Integration of ESG factors

| | |
|-----------------|--|
| LEI 12.1 | 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
- Engagement / Voting
- Other, specify
- None of the above

| | | | | |
|---------------|------------------|---------------|--------------------|--------------|
| LEI 13 | Voluntary | Public | Descriptive | PRI 1 |
|---------------|------------------|---------------|--------------------|--------------|

| | |
|-----------------|---|
| LEI 13.1 | Provide examples of ESG issues that affected your investment view and/or performance during the reporting year. |
|-----------------|---|

ESG factor 1

| | |
|---|--|
| | ESG factor and explanation |
| Asian tobacco company - exposure to child labour | |
| | ESG incorporation strategy applied |
| <p>Integration</p> <p><input checked="" type="checkbox"/> Integration</p> | |
| | Impact on investment decision or performance |
| <p>One of our companies was identified in a media report as being at risk of exposure to child labour in the tobacco supply chain.</p> <p>Having investigated the issue with the company we were reassured by their zero-tolerance approach to the use of child labour in producing the tobacco they buy. The company has clear policies on this based on International Labour Organisation Conventions. The company has also set up a joint initiative with the aim of eliminating child labour from all the communities from which they buy tobacco by funding educational programmes in these areas.</p> <p>Having reassured ourselves that there was no potential risk to earnings from forced changes in their supply chain and limited risk from poor publicity on the topic given their pro-active approach to removing child labour from the sector we maintained our holding in the company.</p> <p>Performance has been in line with the global tobacco sector.</p> | |

ESG factor 2

| | |
|--|--|
| | ESG factor and explanation |
| <p>Carbon emissions - the impact on oil and gas producers from agreed limits to future releases of carbon</p> <p>The Paris Agreement to limit carbon emissions to a level forecast to constrain global climate change to a rise of 2 degrees celsius may have an impact on the commerciality of long-dated oil and gas assets. During 2017 and 2018 we have been reassessing our oil and gas holdings through the framework from the Carbon Tracker Initiatives "Two Degrees" report which identifies a potential overhang of capex in the industry if the Paris targets are to be achieved.</p> | |
| | ESG incorporation strategy applied |
| <p>Integration</p> <p><input checked="" type="checkbox"/> Integration</p> | |
| | Impact on investment decision or performance |
| <p>Changes were made to our oil and gas holdings early in 2018. The sector performed well despite these longer term issues as the oil price recovered. This will be an ongoing area of focus for us, especially with any new holdings being proposed, though our focus on companies with the lowest cost assets and the most technical expertise in developing and operating them will likely be a benefit in an environment where demand falls meaningfully.</p> | |

ESG factor 3

| | |
|--|--|
| | ESG factor and explanation |
| <p>Health and safety</p> <p>A number of our companies have operations which are potentially dangerous to staff or the public if not run carefully.</p> <p>Following experience with one of our companies which had a year in which several fatalities occurred we have increased our focus on health and safety. All companies with potentially hazardous operations are asked about their records and policies in this area. In particular we ascertain how high up in management accountability for health and safety lies and whether variable pay is linked to that performance. The best companies are those where policies are formalised, understood, well disseminated and are monitored by senior management or the Board. Where this is not the case we encourage the adoption of this approach.</p> | |
| | ESG incorporation strategy applied |
| <p>Integration</p> <p><input checked="" type="checkbox"/> Integration</p> | |
| | Impact on investment decision or performance |
| <p>Companies held in the portfolio are monitored on their Health and Safety performance and those being researched are evaluated on this basis. Companies with poor records or where good records appear to be down to luck are disregarded.</p> | |

- ESG factor 4
- ESG factor 5

Pyrford International

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.

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 an active ownership policy.

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

URL

{hyperlink:https://www.bmo.com/pyrford/pdf/Pyrford_ESG_Report.pdf}

LEA 01.3

Indicate what your active engagement policy covers:

General approach to active ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Method of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other specify;
- (Proxy) voting approach

Voting

- ESG issues
 - Prioritisation and scope of voting activities
 - Methods of voting
 - Transparency of voting activities
 - Regional voting practice approaches
 - Filing or co-filing resolutions
 - Company dialogue pre/post-vote
 - Decision-making processes
 - Securities lending processes
 - Other specify;
 - Other
 - None of the above
- No

LEA 01.4 Do you outsource any of your active ownership activities to service providers?

- Yes
- No

Engagement

LEA 02

Mandatory

Public

Core Assessed

PRI 1,2,3

LEA 02.1 Indicate the method of engagement, giving reasons for the interaction.

| 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 checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <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 checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via collaborative engagements |
| Service provider engagements | <input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via service providers |

LEA 02.4

Additional information. [Optional]

During 2018 we participated in our first collaborative engagement with a UK listed company under the auspices of the UK Investor Forum.

LEA 03

Mandatory

Public

Core Assessed

PRI 2

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 engagements.

Yes

LEA 03.2

Indicate the criteria used to identify and prioritise engagements for each type of engagement.

| Type of engagement | Criteria used to identify/prioritise engagements |
|-----------------------------------|---|
| Individual / Internal engagements | <div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Internal / Individual engagements</div> <ul style="list-style-type: none"> <input type="checkbox"/> Geography / market of the companies <input checked="" type="checkbox"/> Materiality of the ESG factors <input checked="" type="checkbox"/> Exposure (size of holdings) <input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred <input type="checkbox"/> Responses to divestment pressure <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input checked="" type="checkbox"/> Follow-up from a voting decision <input checked="" type="checkbox"/> Client request <input checked="" type="checkbox"/> Breaches of international norms <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not outline engagement criteria for our individual engagements. |
| Collaborative engagements | <div style="background-color: #0070C0; color: white; padding: 5px; margin-bottom: 10px;">Collaborative engagements</div> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Potential to enhance knowledge of ESG issues from other investors <input checked="" type="checkbox"/> Ability to have greater impact on ESG issues <input checked="" type="checkbox"/> Ability to add value to the collaboration <input type="checkbox"/> Geography/market of the companies targeted by the collaboration <input checked="" type="checkbox"/> Materiality of ESG factors addressed by the collaboration <input checked="" type="checkbox"/> Exposure (size of holdings) to companies targeted by the collaboration <input type="checkbox"/> Responses to ESG impacts addressed by the collaboration that have already occurred <input type="checkbox"/> Responses to divestment pressure <input type="checkbox"/> Follow-up from a voting decision <input type="checkbox"/> Alleviate the resource burden of engagement <input checked="" type="checkbox"/> Consultation with clients/beneficiaries <input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.) <input type="checkbox"/> Other, specify <input type="checkbox"/> We do not outline engagement criteria for our collaborative engagements. |

No

| | | | | |
|--------|-----------|--------|---------------|-------|
| LEA 04 | Mandatory | Public | Core Assessed | PRI 2 |
|--------|-----------|--------|---------------|-------|

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

| | |
|----------|--|
| LEA 04.1 | Indicate whether you define specific objectives for your organisation's engagement activities. |
|----------|--|

| | |
|-----------------------------------|--|
| Individual / Internal engagements | <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff. |
| Collaborative engagements | <input checked="" type="radio"/> All engagement activities <input type="radio"/> Majority of engagement activities <input type="radio"/> Minority of engagement activities <input type="radio"/> We do not define specific objectives for engagement activities carried out through collaboration |

| | | | | |
|--------|-----------|--------|---------------|-------|
| LEA 05 | Mandatory | Public | Core Assessed | PRI 2 |
|--------|-----------|--------|---------------|-------|

| | |
|----------|--|
| LEA 05.1 | Indicate if you monitor and/or review engagement outcomes. |
|----------|--|

| | |
|-----------------------------------|---|
| Individual / Internal engagements | <input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes carried out by our internal staff. |
| Collaborative engagements | <input checked="" type="radio"/> Yes, in all cases <input type="radio"/> Yes, in a majority of cases <input type="radio"/> Yes, in a minority of cases <input type="radio"/> We do not monitor, or review engagement outcomes via collaborative engagement activities. |

| | |
|----------|--|
| LEA 05.2 | Indicate if you do any of the following to monitor and review the progress of engagement activities. |
|----------|--|

| | |
|---|---|
| Individual / Internal staff engagements | <input type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other; specify |
| Collaborative engagements | <input type="checkbox"/> Define timelines/milestones for your objectives <input checked="" type="checkbox"/> Track and/or monitor progress against defined objectives and/or KPIs <input checked="" type="checkbox"/> Track and/or monitor the progress of action taken when original objectives are not met <input checked="" type="checkbox"/> Revisit and, if necessary, revise objectives on continuous basis <input type="checkbox"/> Other; specify |

| | |
|-----------------|-----------------------------------|
| LEA 05.3 | Additional information [Optional] |
|-----------------|-----------------------------------|

Pyrford first became a member of the UK Investor Forum in mid 2017 so 2018 marks the first full year in which we have been able to enter into collaborative engagements. Our efforts here are evolving, we have not yet proposed issues for collaborative engagement but participated in one involving one of our holdings during the year.

| | | | | |
|---------------|------------------|---------------|----------------------------|----------------|
| LEA 06 | Mandatory | Public | Additional Assessed | PRI 2,4 |
|---------------|------------------|---------------|----------------------------|----------------|

| | |
|-----------------|--|
| LEA 06.1 | Indicate whether your organisation has an escalation strategy when engagements are unsuccessful. |
|-----------------|--|

Yes

| | |
|-----------------|--|
| LEA 06.2 | Indicate the escalation strategies used at your organisation following unsuccessful engagements. |
|-----------------|--|

- Collaborating with other investors
- Issuing a public statement
- Filing/submitting a shareholder resolution
- Voting against the re-election of the relevant directors
- Voting against the board of directors or the the annual financial report
- Submitting nominations for election to the board
- Seeking legal remedy / litigation
- Reducing exposure (size of holdings)
- Divestment
- Other, specify

No

| | | | | |
|---------------|------------------|---------------|----------------------------|----------------|
| LEA 07 | Voluntary | Public | Additional Assessed | PRI 1,2 |
|---------------|------------------|---------------|----------------------------|----------------|

| | |
|-----------------|---|
| LEA 07.1 | Indicate whether insights gained from your organisation's engagements are shared with investment decision-makers. |
|-----------------|---|

| 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 |

| | |
|-----------------|--|
| LEA 07.2 | Indicate the practices used to ensure information and insights collected through engagements are shared with investment decision-makers. |
|-----------------|--|

- Involving investment decision-makers when developing engagement programme
- Holding investment team meetings and/or presentations
- Using IT platforms/systems that enable data sharing
- Internal process that requires portfolio managers to re-balance holdings based on interaction and outcome levels
- Other; specify
- None

| | |
|-----------------|---|
| LEA 07.3 | Indicate whether insights gained from your organisation’s engagements are shared with your clients/beneficiaries. |
|-----------------|---|

| 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 |

| | |
|-----------------|------------------------------------|
| LEA 07.4 | Additional information. [Optional] |
|-----------------|------------------------------------|

Insights from engagements are shared at meetings of the full investment team (GSSC) and the ESG Forum.

A selection of key engagements from the year are published in our annual ESG report and made available in hard copy to our clients and on our website.

| | | | | |
|---------------|------------------|---------------|----------------|--------------|
| LEA 08 | Mandatory | Public | Gateway | PRI 2 |
|---------------|------------------|---------------|----------------|--------------|

| | |
|-----------------|---|
| LEA 08.1 | Indicate if you track the number of your engagement activities. |
|-----------------|---|

| 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 |

LEA 08.2 Additional information. [OPTIONAL]

Numbers of engagement are tracked in full and reported in our annual ESG report. This also contains reports on the key engagements undertaken during the year.

Outputs and outcomes

| | | | | |
|---------------|--|---------------|----------------------|--------------|
| LEA 09 | Mandatory to Report Voluntary to Disclose | Public | Core Assessed | PRI 2 |
|---------------|--|---------------|----------------------|--------------|

LEA 09.1 Indicate the proportion of companies from your listed equities portfolio with which your organisation engaged with during the reporting year.

| | We did not complete any engagements in the reporting year. | Number of companies engaged (avoid double counting, see explanatory notes) | Proportion of companies engaged with, out of total listed equities portfolio |
|---|---|--|---|
| Individual / Internal staff engagements | <input type="checkbox"/> | 104 | 99 |
| Collaborative engagements | <input type="checkbox"/> | 1 | 1 |

LEA 09.2 Indicate the proportion breakdown of engagements conducted within the reporting year by the number of interactions (including interactions made on your behalf)

| No. of interactions with a company | % of engagements |
|------------------------------------|--|
| One interaction | <input type="radio"/> >76% <input checked="" type="radio"/> 51-75% <input type="radio"/> 11-50% <input type="radio"/> 1-10% <input type="radio"/> None |
| 2 to 3 interactions | <input type="radio"/> >76% <input type="radio"/> 51-75% <input checked="" type="radio"/> 11-50% <input type="radio"/> 1-10% <input type="radio"/> None |
| More than 3 interactions | <input type="radio"/> >76% <input type="radio"/> 51-75% <input type="radio"/> 11-50% <input checked="" type="radio"/> 1-10% <input type="radio"/> None |
| Total | 100% |

LEA 09.3

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 type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> None |

LEA 09.5

Additional information. [Optional]

With respect to question LEA 11.1 - we undertook 398 company engagements during 2018 versus total holdings of approximately 100. This is because we engage with many more companies than we are shareholders in. The coding of this entry page does not allow me to reflect this.

| | | | | |
|---------------|------------------|---------------|----------------------------|--------------|
| LEA 10 | Voluntary | Public | Additional Assessed | PRI 2 |
|---------------|------------------|---------------|----------------------------|--------------|

LEA 10.1

Indicate which of the following your engagement involved.

- Letters and emails to companies
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Meetings and/or calls with board/senior management
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Meetings and/or calls with the CSR, IR or other management
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Visits to operations
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Visits to the supplier(s) from the 'company's supply chain
- Participation in roadshows
 - In a minority of cases
 - In a majority of cases
 - In all cases
- Other

LEA 10.2

Additional information. [Optional]

We have established the following framework for escalating engagements:

1. Investor relations (IR) contacts through email, call or meeting.
2. Divisional or executive management via call, meeting or in writing.
3. Vote against relevant resolutions if presented to shareholder meetings.
4. Board member - in writing or by call or meeting if available.
5. Collaborative engagement with other shareholders.
6. Sponsoring or co-sponsoring resolutions at company meetings.

Whilst this identifies a structure for escalating an engagement gradually, it is not intended as a rigid hierarchy through which all engagements must progress. There may be instances where it is deemed appropriate to "short-cut" interim steps to achieve a better resolution. e.g. if executive management make themselves available for a meeting before an issue has been discussed with IR or if we are invited to join a collaborative engagement before progressing through steps 3 and 4.

LEA 11**Voluntary****Public****Descriptive****PRI 2**

LEA 11.1

Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

Add Example 1

| | |
|-------------------|--|
| ESG Topic | <p>Company leadership issues</p> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input checked="" type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <input type="checkbox"/> Individual / Internal <input checked="" type="checkbox"/> Collaborative |
| Objectives | <p>Following a period of weak share price performance at this UK-listed tobacco company driven by significant regulatory activity in the US and several governance issues, the opportunity arose to be part of a collective engagement with other investors who wished to examine these events in further detail with the company.</p> |
| Scope and Process | <p>An initial conference call was set up between Pырford and the Investor Forum to explore the details of the grounds for engagement before deciding whether to participate or not. That discussion revealed several areas of common concern between Pырford and other Forum members. Some of these issues were operational, such as the best way to meet the challenge from the rise of Next Generation Products (NGPs - vaping and heat not burn products) but the conversation also encompassed some traditional governance issues such as the integrity of accounting practices given the frequent use of restructuring charges, whether the current Board composition included enough relevant experience to face the challenge posed by NGPs and whether the remuneration policy was optimally designed. Based upon this common ground it was decided to opt in to a collective engagement for the first time since our membership of the Forum had begun.</p> <p>An initial letter was composed and sent by the Investor Forum in April 2018 to the Chairman of the Board, outlining the topics that had been raised during the exploratory conversations that had been conducted with its members.</p> <p>The Chairman replied to the Forum in June 2018</p> |
| Outcomes | <input type="checkbox"/> Company changed practice |

| |
|---|
| <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other |
|---|

Add Example 2

| | |
|-------------------|--|
| ESG Topic | <p>Health and Safety</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input checked="" type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | <p>To confirm that adequate security and failsafes were in place for a mining company relying increasingly on automation and remote control.</p> |
| Scope and Process | <p>We met with senior members of the IR team in London and asked about the redundancies built into their systems and data security measures to ensure that their remote mining activities were resilient in the face of accidental or deliberate communication interruptions. The team referred our enquiry internally and responded in writing several days later. Understandably they didn't disclose details of the measures they had in place, but they did offer a fulsome response to our enquiry which reassured us that they had adequate practises in place.</p> |
| Outcomes | <ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input checked="" type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting |

| | |
|--|--------------------------------|
| | <input type="checkbox"/> Other |
|--|--------------------------------|

Add Example 3

| | |
|-------------------|---|
| ESG Topic | <p>Climate Change</p> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <input checked="" type="checkbox"/> Individual / Internal <input type="checkbox"/> Collaborative |
| Objectives | <p>To understand this Asian utility company's approach to reducing carbon emissions and to signal to them our interests as shareholders in them advancing that.</p> |
| Scope and Process | <p>We began a dialogue with the CFO of this Hong Kong-listed utility company asking for details of their efforts to reduce carbon emissions from their facilities. The company responded with details about investments they were making to switch gradually from coal-fired to gas-fired plants and pioneering work they were involved with to investigate the potential of Hydrogen as a zero-carbon alternative to natural gas for domestic and commercial heating purposes.</p> <p>Though this company has not historically promoted their activities in this area very widely, we were impressed with their efforts so far.</p> |
| Outcomes | <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input checked="" type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing |

| | |
|--|---|
| | <input type="checkbox"/> Voting <input type="checkbox"/> Other |
|--|---|

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

(Proxy) voting and shareholder resolutions

| | | | | |
|--------|-----------|--------|-------------|-------|
| LEA 12 | Mandatory | Public | Descriptive | PRI 2 |
|--------|-----------|--------|-------------|-------|

LEA 12.1 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) who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- the service provider voting policy we sign off on
 - our own voting policy
 - our clients' requests or policies
 - other, explain
- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
 - We hire service provider(s) who make voting decisions on our behalf.

LEA 12.2 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.

Portfolio managers are responsible for reviewing and authorising recommendations provided by our proxy advisors and take responsibility for the votes which are submitted.

| | | | | |
|--------|-----------|--------|-------------|-------|
| LEA 15 | Mandatory | Public | Descriptive | PRI 2 |
|--------|-----------|--------|-------------|-------|

LEA 15.1

Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

LEA 15.2

Indicate the reasons for raising your concerns with these companies ahead of voting.

- Vote(s) for selected markets
- Vote(s) for selected sectors
- Vote(s) relating to certain ESG issues
- Vote(s) on companies exposed to controversy on specific ESG issues
- Vote(s) for significant shareholdings
- On request by clients
- Other

LEA 15.3

Additional information. [Optional]

Our service provider gives companies the opportunity to discuss the recommendations they propose to make to us. Sometimes this results in clarification of the issue and a change in the recommendation and in others a change in proposal by the company. Where neither has happened we may discuss the issue directly with the company prior to voting.

LEA 16**Mandatory****Public****Core Assessed****PRI 2****LEA 16.1**

Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- 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 16.2

Indicate the reasons your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Votes for selected markets
- Votes for selected sectors
- Votes relating to certain ESG issues
- Votes on companies exposed to controversy on specific ESG issues
- Votes for significant shareholdings
- On request by clients
- Other

LEA 16.3

In cases where your organisation does communicate the rationale for the abstention or the vote against management recommendations, indicate whether this rationale is made public.

- Yes
- No

LEA 17**Mandatory****Public****Core Assessed****PRI 2****LEA 17.1**

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%)

%

99

Specify the basis on which this percentage is calculated

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

LEA 17.2

Explain your reason(s) for not voting on 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)
- Client request
- Other

LEA 18

Voluntary

Public

Additional Assessed

PRI 2




LEA 18.1

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 18.2

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 |  44 |
| Against (opposing) management recommendations |  56 |
| Abstentions |  0 |

100%

- No, we do not track this information

LEA 18.3

In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged.

100

| | | | | |
|---------------|------------------|---------------|----------------------|--------------|
| LEA 19 | Mandatory | Public | Core Assessed | PRI 2 |
|---------------|------------------|---------------|----------------------|--------------|

LEA 19.1 Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

- Yes
- No

LEA 19.2 Indicate the escalation strategies used at your organisation following abstentions and/or votes against management.

- Contacting the company's board
- Contacting the company's senior management
- Issuing a public statement explaining the rationale
- Initiating individual/collaborative engagement
- Directing service providers to engage
- Reducing exposure (holdings) / divestment
- Other

| | | | | |
|---------------|------------------|---------------|--------------------|--------------|
| LEA 20 | Voluntary | Public | Descriptive | PRI 2 |
|---------------|------------------|---------------|--------------------|--------------|

LEA 20.1 Indicate if your organisation directly or through a service provider filed or co-filed any ESG shareholder resolutions during the reporting year.

- Yes
- No

LEA 20.6 Describe whether your organisation reviews ESG shareholder resolutions filed by other investors.

All shareholder resolutions are reviewed and supported if they are in the long-term interests of all shareholders. In some jurisdictions, however, proposals can be made which support narrow interest groups whilst disadvantaging wider stakeholders and can be done so with only nominal holdings in the company. We would not typically support these types of resolutions.

| | | | | |
|---------------|------------------|---------------|--------------------|--------------|
| LEA 21 | Voluntary | Public | Descriptive | PRI 2 |
|---------------|------------------|---------------|--------------------|--------------|

LEA 21.1 Provide examples of the (proxy) voting activities that your organisation and/or service provider carried out during the reporting year.

- Add Example 1

| | |
|-------------------|--|
| ESG Topic | <p>Water risks</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input checked="" type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider |
| Objectives | <p>To encourage this Canadian oil producer to disclose more information on its exposure to and management of water-related risks.</p> |
| Scope and Process | <p>We supported this shareholder-sponsored proposal, against the advice of management. Additional disclosures on water usage on a company and facility basis, management oversight, adopting and reporting on water targets, and the effectiveness of implemented strategies would aid shareholders in their assessment of the water-related business risks.</p> |
| Outcomes | <ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input checked="" type="checkbox"/> Ongoing <input type="checkbox"/> Voting |

| | |
|--|--------------------------------|
| | <input type="checkbox"/> Other |
|--|--------------------------------|

Add Example 2

| | |
|-------------------|---|
| ESG Topic | <p>Company leadership issues</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input checked="" type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider |
| Objectives | <p>To ensure that all board members at this UK listed tobacco company have sufficient time devoted to their responsibilities during a period of increased regulatory scrutiny of the industry.</p> |
| Scope and Process | <p>We voted against the election of one director whom we felt already had an excessive number of board positions at other companies. Despite our efforts the candidate was elected but unless their responsibilities have reduced by then we will vote against again at the next AGM.</p> |
| Outcomes | <ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input checked="" type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other |

Add Example 3

| | |
|-------------------|---|
| ESG Topic | <p>Climate Change</p> <ul style="list-style-type: none"> <input type="checkbox"/> Executive Remuneration <input checked="" type="checkbox"/> Climate Change <input type="checkbox"/> Human rights <input type="checkbox"/> Company leadership issues <input type="checkbox"/> Pollution <input type="checkbox"/> General ESG <input type="checkbox"/> Diversity <input type="checkbox"/> Shareholder rights <input type="checkbox"/> Health and Safety <input type="checkbox"/> Sustainability reporting <input type="checkbox"/> Water risks <input type="checkbox"/> Labour practices and supply chain management <input type="checkbox"/> Anti-bribery and corruption <input type="checkbox"/> Deforestation <input type="checkbox"/> Aggressive tax planning <input type="checkbox"/> Cyber security <input type="checkbox"/> Political spending / lobbying <input type="checkbox"/> Other governance <input type="checkbox"/> Plastics <input type="checkbox"/> Other |
| Conducted by | <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Individual/Internal <input type="checkbox"/> Service provider |
| Objectives | <p>To encourage this US-listed logistics provider to enhance its disclosure of Greenhouse gas emissions and disclosure.</p> |
| Scope and Process | <p>We supported this shareholder-sponsored proposal against management recommendations because the MSCI ESG rating for the company for environmental factors was inferior to those of its peers. Despite our support the vote was not carried.</p> |
| Outcomes | <ul style="list-style-type: none"> <input type="checkbox"/> Company changed practice <input type="checkbox"/> Company committed to change <input type="checkbox"/> Disclosure / report published <input type="checkbox"/> Divestment <input type="checkbox"/> Failed/no outcome <input type="checkbox"/> Increased understanding / information <input type="checkbox"/> Invested in company <input checked="" type="checkbox"/> Ongoing <input type="checkbox"/> Voting <input type="checkbox"/> Other |

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

Pyrford International

Reported Information

Public version

Direct - Fixed Income

PRI disclaimer

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ESG incorporation in actively managed fixed income

Implementation processes

| FI 01 | Mandatory | Public | Gateway | PRI 1 |
|-------|-----------|--------|---------|-------|
|-------|-----------|--------|---------|-------|

| | |
|----------------|---|
| FI 01.1 | 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 | |
|------|-------------------------------------|
| | 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 | |
| 100% | |

| | |
|----------------|---|
| FI 01.2 | Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used. |
|----------------|---|

Pyrford only invests in fixed income instruments for Absolute Return mandates which are approximately 50% of our AUM. For these the primary purpose of any fixed income investment is to provide capital preservation and diversification of equity related risk. We believe sovereign fixed income accomplishes both of these far more effectively than corporate bonds and hence limit our universe to this sub-set. Some screening of a sovereign universe is possible but we do not believe that the market in these securities is advanced enough for integration and thematic approaches to be consistent with our requirements from our fixed income holdings. By way of example a bond issued by the US Federal Government would raise capital that could be used for a wide variety of activity, potentially ranging from the purchase of weaponry to subsidies on renewable energy. This mix is not known in advance and could change from one issue to the next, so given our investment is limited to these group of bonds we do not think thematic or integration approaches are appropriate.

| | | | | |
|--------------|------------------|---------------|----------------------------|--------------|
| FI 03 | Mandatory | Public | Additional Assessed | PRI 1 |
|--------------|------------------|---------------|----------------------------|--------------|

| | |
|----------------|---|
| FI 03.1 | Indicate how you ensure that your ESG research process is robust: |
|----------------|---|

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- 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 and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

| | |
|----------------|---|
| FI 03.2 | 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 displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', 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 04 | Mandatory | Public | Gateway | PRI 1 |
|--------------|------------------|---------------|----------------|--------------|

| | |
|----------------|---|
| FI 04.1 | Indicate the type of screening you conduct. |
|----------------|---|

Select all that apply

| | | | | |
|----------------------------------|-------------------------------------|--|--|--|
| | SSA | | | |
| Negative/exclusionary screening | <input type="checkbox"/> | | | |
| Positive/best-in-class screening | <input type="checkbox"/> | | | |
| Norms-based screening | <input checked="" type="checkbox"/> | | | |

FI 04.2 Describe your approach to screening for internally managed active fixed income

Our investment universe for fixed income is limited to 10 sovereign issuers whose credit rating is AA or above and where the liquidity in the bonds is sufficient. All of these countries are ranked A, AA or AAA on ESG criteria by MSCI. A lower ESG rating would not entirely disqualify a country from investment, however ratings changes are monitored by our Investment Strategy Committee and a systematic deterioration in ESG rating would be investigated by the committee as a possible early indicator of a credit rating downgrade.

FI 06 **Mandatory** **Public** **Core Assessed** **PRI 1**

FI 06.1 Indicate which systems your organisation has to ensure that fund screening criteria are not breached in fixed income investments.

| Type of screening | Checks |
|------------------------------|--|
| Norms-based screening | <input type="checkbox"/> Analysis is performed to ensure that issuers meet screening criteria <input checked="" type="checkbox"/> We ensure that data used for the screening criteria is updated at least once a year. <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 yearly 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>ESG ratings on Sovereign issuers are included in the data pack provided to portfolio managers managing the fixed income portfolio.</p> <input type="checkbox"/> None of the above |

Pyrford International

Reported Information

Public version

Confidence building measures

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Confidence building measures

| | | | | |
|-------|-----------|--------|---------------------|---------|
| CM 01 | Mandatory | Public | Additional Assessed | General |
|-------|-----------|--------|---------------------|---------|

CM 01.1 Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
 - Whole PRI Transparency Report has been internally verified
 - Selected data has been internally verified
- Other, specify
- None of the above

| | | | | |
|-------|-----------|--------|-------------|---------|
| CM 02 | Mandatory | Public | Descriptive | General |
|-------|-----------|--------|-------------|---------|

CM 02.1 We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

| | | | | |
|-------|-----------|--------|-------------|---------|
| CM 03 | Mandatory | Public | Descriptive | General |
|-------|-----------|--------|-------------|---------|

CM 03.1 We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme
- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

| | | | | |
|-------|-----------|--------|-------------|---------|
| CM 04 | Mandatory | Public | Descriptive | General |
|-------|-----------|--------|-------------|---------|

CM 04.1

Do you plan to conduct third party assurance of this year's PRI Transparency report?

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

CM 07

Mandatory

Public

Descriptive

General

CM 07.1

Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed

Who has conducted the verification

- CEO or other Chief-Level staff

Sign-off or review of responses

- Sign-off
- Review of responses
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)