



LEA 02	Discipline: Mandatory	Principle: PRI 1, 2, 3
<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>
<p><b>Type of engagement</b></p> <p>Collaborative engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>
<p><b>Type of engagement</b></p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transparency or identify the need for additional or more comprehensive data</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>

# RI TRANSPARENCY REPORT

## 2017

### Cometa Pension Fund

## 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 2017 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

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

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

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

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

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

# Principles Index

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

Strategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 02	Publicly available RI policy or guidance documents	🔒	n/a							✓
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Public							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Public							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 08	RI in performance management, reward and/or personal development	✓	Public							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 10	Promoting RI independently	☑	n/a				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
SG 12	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13	Long term investment risks and opportunity	☑	Public	✓						
SG 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
SG 15	ESG issues for internally managed assets not reported in framework	🔒	n/a							✓
SG 16	ESG issues for externally managed assets not reported in framework	-	n/a							✓
SG 17	Innovative features of approach to RI	✓	Public							✓
SG 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	☑	n/a	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	🔒	n/a		✓					
LEA 04	Objectives for engagement activities	🔒	n/a		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Objectives for engagement activities	✓	Public		✓					
LEA 07	Role in engagement process	🔒	n/a		✓		✓			
LEA 08	Monitor / discuss service provider information	🔒	n/a		✓				✓	
LEA 09	Share insights from engagements with internal/external managers	✓	Public	✓	✓					
LEA 10	Tracking number of engagements	✓	Public		✓					
LEA 11	Number of companies engaged with, intensity of engagement and effort	✓	Public		✓					
LEA 12	Engagement methods	✓	Public		✓					
LEA 13	Engagements on E, S and/or G issues	🔒	n/a		✓					
LEA 14	Companies changing practices / behaviour following engagement	✓	Private		✓					
LEA 15	Examples of ESG engagements	✓	Public		✓					
LEA 16	Disclosure of approach to ESG engagements	-	n/a		✓				✓	
LEA 17	Voting policy & approach	🔒	n/a	✓	✓	✓				
LEA 18	Typical approach to (proxy) voting decisions	🔒	n/a		✓					
LEA 19	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 20	Confirmation of votes	🔒	n/a		✓					
LEA 21	Securities lending programme	🔒	n/a		✓					
LEA 22	Informing companies of the rationale of abstaining/voting against management	🔒	n/a		✓					
LEA 23	Percentage of (proxy) votes cast	🔒	n/a		✓					
LEA 24	Proportion of ballot items that were for/against/abstentions	🔒	n/a		✓					
LEA 25	Shareholder resolutions	🔒	n/a		✓					
LEA 26	Examples of (proxy) voting activities	🔒	n/a		✓					
LEA 27	Disclosing voting activities	🔒	n/a		✓				✓	
LEA End	Module confirmation page	✓	-							

# Cometa Pension Fund

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

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## Basic Information

OO 01	Mandatory	Public	Gateway/Peering	General
-------	-----------	--------	-----------------	---------

**OO 01.1** Select the type that best describes your organisation or the services you provide.

- Non-corporate pension or superannuation or retirement or provident fund or plan
- Corporate pension or superannuation or retirement or provident fund or plan
- Insurance company
- Foundation
- Endowment
- Development finance institution
- Reserve - sovereign or government controlled fund
- Family office
- Other, specify

**OO 01.2** Additional information. [Optional]

Cometa is a closed (or contractual) pension funds which is implemented for the mechanical industry. It is the biggest pension fund in Italy in terms of assets.

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

Italy

**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

14

OO 03	Mandatory	Public	Descriptive	General
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OO 03.1

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

Yes

No

OO 04

Mandatory

Public

Gateway/Peering

General

OO 04.1

Indicate the year end date for your reporting year.

31/12/2016

OO 04.2

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

	trillions	billions	millions	thousands	hundreds
Total AUM		10	210	120	700
Currency	EUR				
Assets in USD		10	926	907	000

OO 06

Mandatory

Public

Descriptive

General

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

OO 06.1

How you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	0	11
Fixed income	0	87
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Forestry	0	0



Farmland	0	0
Inclusive finance	0	0
Cash	0	2
Other (1), specify	0	0
Other (2), specify	0	0

as broad ranges

**OO 06.2** Publish our asset class mix as per attached image [Optional].

<b>OO 07</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Gateway</b>	<b>General</b>
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**OO 07.1** Provide to the nearest 5% the percentage breakdown of your Fixed Income AUM at the end of your reporting year, using the following categories.

<b>Externally managed</b>	SSA	91
	Corporate (financial)	4
	Corporate (non-financial)	5
	Securitised	0
	Total	100%

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

## OO 08.1

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

Asset class breakdown	Segregated mandate(s)	Pooled fund(s)
[a] Listed equity	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[b] Fixed income - SSA	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[c] Fixed income – Corporate (financial)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[d] Fixed income – Corporate (non-financial)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[e] Fixed income – Securitised	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
[n] Cash	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
Total externally managed assets	<i>Please ensure the entire table (both columns combined) totals to 100%</i>	

OO 09

Mandatory to Report Voluntary to Disclose

Public

Peering

General

## OO 09.1

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

Developed Markets	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50 %
<i>Total</i>	100%

**Gateway asset class implementation indicators**

# Cometa Pension Fund

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

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## Investment policy

SG 01	Mandatory	Public	Core Assessed	General
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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  
 No

SG 03	Mandatory	Public	Core Assessed	General
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SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
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- Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
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Interest conflict are regulated by the italian law n.703/1996.

Cometa can invest in the corporates it belongs according to specific limit set up by italian law. In case Cometa has to communicate it to the italian pensione funds Authority.

- No

SG 04	Voluntary	Public	Descriptive	General
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SG 04.1	Indicate if your organisation has a process for identifying and managing incidents that occur within portfolio companies.
---------	---

- Yes  
 No

SG 04.2	Describe your process on managing incidents
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It is possible to identify an incident that could occur within invested portfolio, through the portfolio analysis periodically carried out by the ESG advisor. On those incidents, Cometa can start an Engagement activity.

## Objectives and strategies

SG 05	Mandatory	Public	Gateway/Core Assessed	General
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**SG 05.1**

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

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

SG 06	Voluntary	Public	Descriptive	General
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	Responsible investment processes
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- Provide training on ESG incorporation
- Provide training on ESG engagement
- Improved communication of ESG activities within 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)

	Financial performance of investments
--	--------------------------------------

- Increase portfolio performance by consideration of ESG factors
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

	ESG characteristics of investments
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- 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)

	Other activities
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- Joining and/or participation in RI initiatives

Key performance indicator
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Cometa participates in collaborative initiatives, through international platform of investor (PRI, CDP, ....):

- Financing the climate change (PRI and BCAM)
- Disclosure of Carbon emission (CDP)

- Encouraging others to join a RI initiative

Key performance indicator
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Cometa being the largest Italian pension fund encourages the domestic investors in pooling for engaging with companies on specific ESG topics.

Progress achieved
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Since 2015, Cometa set up two pools of italian investors on the following themes:

- climate changes and banks (how the financial sector manage the climate change issue in the lending/investing activity)
- child labour (which policies are implemented by the companies to avoid the chil labour risk along the supply chain)

- Documentation of best practice case studies
- Using case studies to demonstrate engagement and ESG incorporation to clients
- Other, specify (1)
- Other, specify (2)
- Other, specify (3)

## Governance and human resources

SG 07	Mandatory	Public	Core Assessed	General
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SG 07.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles present in your organisation
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- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify

The Finance Department

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
- Investment analysts
- Dedicated responsible investment staff
- External managers or service providers
- Investor relations
- Other role, specify (1)
- Other role, specify (2)

<b>SG 07.2</b>	For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.
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With the support of an external ESG rating agency, the CEO makes sure that the engagement activity is in line with the Cometa Engagement policy and informs the BoDs regarding the engagement proposal for the final decision. Moreover the CEO informs the external portfolio managers about the engagement activities within the investeed portfolio.

<b>SG 07.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
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<b>Number</b>	
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0

<b>SG 07.4</b>	Additional information. [Optional]
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There are no dedicated employees to the engagement activity in Cometa because the bulk of the activity for engaging with corporates is carried out by an ESG external provider.

<b>SG 08</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>General</b>
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<b>SG 08.1</b>	Indicate if your organisation's performance management, reward and/or personal development processes have a responsible investment element.
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**Board members/Board of trustees**

- Responsible investment included in personal development and/or training plan
- None of the above

**Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**



- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other C-level staff or head of department**

The Finance Department

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Promoting responsible investment**

SG 09	Mandatory	Public	Core Assessed	PRI 4,5
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 09.1</b>	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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**Select all that apply**

- Principles for Responsible Investment

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

- Basic
- Moderate
- Advanced

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

Cometa acted as co-leader in an engagement project with Boston Common Asset Mangement about climate change/banking sector, managing the direct dialogue with a subset of engaged banks in 2014.

- AFIC – La Commission ESG
- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change

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

- Basic
- Moderate
- Advanced
  
- 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)
- ESG Research Australia
- Eumedion
- EVCA – Responsible Investment Roundtable
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- 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 **Forum per la Finanza Sostenibile, the Italian SIF**

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

- Basic
- Moderate
- Advanced

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

Cometa participates at working group set up by the ITSIF on ESG topics. In the past, Cometa contributed do draw up the Engagement Guidelines for the italian institutional investors and corporates, in collaboration with asset owners and portfolio managers and ESG rating agency.

- 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

UNPRI Montreal Pledge

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]

In linea with the pledge, Cometa annually reports the Carbon Footprint of the investment portfolio.

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

<b>SG 11</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 4,5,6</b>
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**SG 11.1** Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or regulators in support of responsible investment in the reporting year.

- Yes
- No

Please explain

During the reporting year, the country's industry-wide pension fund association- Assofondipensione - has renewed the SteerCo and in the coming future it can start a dialogue with public policy makers or regulators. Cometa is among the members and can act indirectly through the association.

## Implementation not in other modules

<b>SG 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

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

<b>SG 12.2</b>	Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between sectors or geographic markets.
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- We do the following
- We do not consider ESG issues in strategic asset allocation

<b>SG 14</b>	<b>Mandatory to Report Voluntary to Disclose</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 14.1</b>	Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.
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- Yes
- No

## Innovation

<b>SG 17</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
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<b>SG 17.1</b>	Indicate whether any specific features of your approach to responsible investment are particularly innovative.
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- Yes
- No

# Cometa Pension Fund

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

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## Engagement

### Overview

LEA 01	Mandatory	Public	Core Assessed	PRI 2
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEA 01.1** Indicate whether your organisation has a formal engagement policy.

Yes

**LEA 01.2** Indicate what your engagement policy covers:

- Conflicts of interest
- Prioritisation of engagements
- Transparency
- Environmental factors
- Social factors
- Governance factors
- Engagements following on from decisions
- Other, describe
- None of the above

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

In general terms, the engagement approach is the most effective way to open a dialogue with corporates, both invested and not.

The dialogue is set up with the top management of the company, namely the CEO and the CSR/IR managers.

Cometa wants to be proactive to ensure that ESG issues are well addressed and managed in a preventive manner. When that is not possible, it is interested in understanding the reason why something controversial occurred, to monitor the company reaction, if remediative, advanced or non communicative, in order to protect invested asset from any kind of risks.

In the engagement activity Cometa is assisted by an international ESG rating agency.

No

## Process

### Process for engagements conducted via collaborations

LEA 05	Mandatory	Public	Core Assessed	PRI 2
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**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEA 05.1**

Indicate whether your organisation has a formal process for identifying and prioritising collaborative engagements

Yes

**LEA 05.2**

Describe the criteria used to identify and prioritise collaborative engagements

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

No

**LEA 05.3**

Additional information [Optional]

Cometa strongly believes in the benefits of engaging collaboratively for the strength that the investors pool can achieve in the dialogue with companies.

The pension fund periodically monitors the Clearinghouse Platform supported by the PRI to investigate if there are interesting collaborative engagement proposals to join. Priority is given to engagements related to companies that:

- are included in the investment portfolio
- are involved in serious controversies according to Guidelines of the pension fund
- are responsive and available to collaborate and improve disclosure on ESG themes.

As experienced, Cometa plays both a basic role, signing the initiative and attending conference as a participant and a more proactive role, being co leader on a specific subset of engaged companies.

Moreover Cometa can set up collective engagement on the domestic market with Italian investors with a leading role to promote ESG issues in the investment community.

**LEA 06**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

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

**LEA 06.1**

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

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

**LEA 06.2**

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

- Yes
  - Yes, in all cases
  - Yes, in the majority of cases
  - Yes, in the minority of cases
- We do not monitor the actions that companies take following engagement activities carried out collaboratively

**LEA 06.3**

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

- Yes

**LEA 06.4**

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

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

**LEA 06.5**

Additional information. [Optional]

Progress is monitored through the update provided by the leader of the pool and the reaction of the companies engaged.

Moreover, in the case Cometa has a role of co leader in an initiative, it directly assess the commitment of the company, its responsiveness and the way of addressing and monitoring potential risks.

### General processes for all three groups of engagers

<b>LEA 09</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1,2</b>
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**LEA 09.1**

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



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

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

There is not a formal process but occasionally the Financial Committee passes some ESG information to the external investment managers to share insights about extra financial issues that can negatively impact on financial performances.

**LEA 10** **Mandatory** **Public** **Gateway** **PRI 2**

**LEA 10.1** Indicate if you track the number of engagements your organisation participates in.

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

**Outputs and outcomes**

**LEA 11** **Mandatory to Report Voluntary to Disclose** **Public** **Core Assessed** **PRI 2**

**LEA 11.1** Indicate the amount of your listed equities portfolio with which your organisation engaged during the reporting year.

	<b>Number of companies engaged</b> (avoid double counting, see explanatory notes)	<b>Proportion (to the nearest 5%)</b>	<b>Specify the basis on which this percentage is calculated</b>
Collaborative engagements	43	<div style="background-color: #0070C0; color: white; padding: 2px;">Proportion (to the nearest 5%)</div> 25	<div style="background-color: #0070C0; color: white; padding: 2px;">Specify the basis on which this percentage is calculated</div> <input type="radio"/> of the total number of companies you hold <input checked="" type="radio"/> of the total value of your listed equity holdings

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

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

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

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

<b>LEA 12</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
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**LEA 12.1** Indicate which of the following your engagement involved.

- Letters to outline the engagement and the objectives
  - In some cases
  - In majority cases
  - In all cases
- Meetings and/or calls with the appropriate team
  - In some cases
  - In majority cases
  - In all cases
- Visits to operations
- Roadshows
- ESG research
  - In some cases
  - In majority cases
  - In all cases
- Other, specify

<b>LEA 15</b>	<b>Voluntary</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2</b>
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**LEA 15.1** Provide examples of the engagements that your organisation or your service provider carried out during the reporting year.

- Add Example 1

Topic or ESG issue	Child labour / Human rights
Conducted by	<input checked="" type="checkbox"/> Collaborative
Objectives	The pool of italian investors sent a detailed letter to 43 international companies hat could be potentially involved in the risk of child labour (supply chain) for typology of business or country localization.
Scope and Process	<p>Scope of the engagement is to investigate the awarnes of industrial companies about the Children's Rights and Business Principles, developed by UNICEF, the UN Global Compact and Save the Children.</p> <p>This framework is the first comprehensive set of principles to guide companies on the full range of actions they can take in the workplace, marketplace and community to respect and support children's rights. While the business and human rights agenda has evolved significantly in recent years, a child rights perspective has not yet been explicitly addressed issued by Unicef, Save The Children and Global Compact Onu to point out a set of actions.</p> <p>Consequently the risk of child labour is a worry of the investors in terms of reputational risk.</p>
Outcomes	<p>The engagement is still ongoing. Main evidences:</p> <ul style="list-style-type: none"> <li>• 70% of the companies replied the letters</li> <li>• 100% of the respondent are aware about the Children's Rights and Business Principles and have adopted guidelines to manage the risk</li> <li>• 50% of the respondent uses a third party audit to assess the compliance of process to the guideline in the sypply chain.</li> </ul>

Add Example 2

Topic or ESG issue	
Conducted by	<input checked="" type="checkbox"/> Collaborative
Objectives	Cometa Joint a collaborative engagement promoted by CDP to encourange companies to disclose the CO2 emissions.
Scope and Process	CDP contacted industrial companies to disclosure of CO2 emissions, scope 1&2.
Outcomes	The engagement is still ongoing.

Add Example 3

Topic or ESG issue	
Conducted by	<input checked="" type="checkbox"/> Collaborative
Objectives	How the banking sector implements the COP21 objective of Carbon emission reduction in the investment/lending activity. The investors want to encourage banks to continue practices that reduce their vulnerability to climate change and accelerate the transition to a low-carbon economy.
Scope and Process	Cometa relaunched the engagement process developed in 2014 to ask the Italian banks (Unicredit and Intesa Sanpaolo) more details about policies or changes they have implemented after COP21. Questions were about governance of the climate change strategy, measurement of data when financing the low carbon transition and action at risk management level.
Outcomes	In general terms banks have implemented substantive policy changes related to climate-risk. Across the board, banks are continuing to adopt policies and practices that support the transition to a low-carbon economy. They are integrating climate strategies into corporate governance systems, collecting climate data and expanding financing of and lending to energy efficiency and renewable energy.

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